

**MINUTES OF THE FINANCE & PERFORMANCE MEETING
HELD ON TUESDAY 24th JANUARY 2017 AT 10.00 AM
AT MEETING ROOM, KING'S COURT, CHAPEL STREET, KING'S LYNN**

Present:

Chair	Rob Bennett	(RB)	Lay Member (Finance) (Chair)
	Dr Ian Mack	(IM)	WNCCG Chair
	Melvin Peveritt	(MP)	Vida Healthcare
	Chris Humphris	(CH)	Interim Chief Officer
	Chris Randall	(CR)	Chief Financial Officer
	Rev Hilary De Lyon	(HDL)	Lay Member Audit Chair & Deputy WNCCG Chair
	Emma Kriehn-Morris	(EKM)	Deputy Chief Finance Officer

Attendees Lisa Preston (LP) Admin Support (Minutes)

ACTION

17.01 APOLOGIES

None.

17.02 NEW DECLARATIONS OF INTEREST

No new declarations of interest were received. Spelling of MP & EKH's surnames to be amended by HF.

HF

17.03 CONFIRMATION OF ANY PART OF THE AGENDA THAT IS EXEMPT UNDER THE FREEDOM OF INFORMATION ACT

An excerpt of Item 17.06 is considered FOI exempt.

Item 17.08.02 is considered FOI exempt.

17.04 MINUTES OF THE PREVIOUS MEETING HELD ON 21st DECEMBER 2016

Page 4, item 7.2 (Financial Recovery Plan) – Sentence to change to *“the 6th meeting with NHS England took place on Thursday 15th December.”*

Page 4, item 9 para 2 (Any Other Business & Reflection on Meeting) – Sentence to change to *“The Finance and Performance Committee wished to thank SC for all of her hard work within West Norfolk Clinical Commissioning Group...”*

With this amendment the minutes were accepted as an accurate record.

Page 2, Item 6 (Financial Plan 2017-2019): CR advised the action against him to prepare a Paper for this meeting explaining the QEH current financial position has not been completed as this item had not been included in the Action column. CR to prepare the Paper for the next meeting.

CR

17.05 ACTION LOG/MATTERS ARISING

Action Log:

- **16/16** – CR to prepare a Paper for the next meeting reporting on gaps in the Committee's performance against Terms of reference in relation to Contract Monitoring to ensure important items are not missed.
- **27/16** – IM advised there is no information to report regarding the appointment of a

- Chief Executive for QEHKL. Contact between the organisations is ongoing.
- **37/16** – CH's Paper on patient waiting times in A&E was circulated to CLEX and F&P Committee members this morning. The Paper was circulated as a pivot table to enable the information to be looked at in different ways. CH invited questions or feedback regarding the Paper to take place outside the meeting. Item is now closed.
 - **43/16** – CR to include 'Dementia Care' indicators in future integrated reports. CR's report to also highlight performance trend and direction. See also Agenda item 17.07.01 below.
 - **44/16** – CH confirmed MP's feedback re Capita will be shared with NHS England at a meeting scheduled for late January 2017. EKM advised that moving forward finance's involvement will support Co-commissioning. EKM will finish Paper to articulate this and the mitigation of risk. CR confirmed this is part of due diligence. Item is now closed.

ACTION

Matters Arising (Minutes of Previous Meeting):

- Item 6, page 2, last paragraph: CR to cover QEHKL's financial position in the Financial Report.
- Item 7.1, page 3, 5th paragraph: CR circulated a Paper on outpatient performance, detailed by speciality, to CLEX members (not submitted in time for their meeting on 10th January 2017). Item is now closed.
- Item 7.1, page 3, penultimate paragraph: Care Home Matron Scheme update (PR) to be covered during Agenda item 17.07.02 below.
- Item 7.1, page 4, 3rd paragraph: CH advised the Extensivist Scheme is a complex care model. Progress has not been achieved: CH to articulate the message and justification, in context of financial recovery, with the A&E Delivery Board on Wednesday, 25th January 2017.
- Item 7.2, page 4: CR attended meeting with NHS England on 23rd January 2017 to discuss the month 9 position. See Agenda item 17.07.02 below.

CH

Suggested topic(s) for next meeting Agenda:

- Sustainability and Transformation Plan (STP)

RB/LP

17.06 FINANCIAL PLAN 2017 – 2019

CR presented key points of the Financial Plan 2017 – 2019:

WNCCG continues to work on QIPP plans for 17/18 to deliver £10.1m savings.

GP Transformation (Primary Care Costs) is for planning. An operational decision has yet to be made regarding 17/18 capacity to deal with it.

WNCCG submitted the final version of the Financial Plan by 23rd December 2017 for review by NHS England and is awaiting feedback. CH advised the 6th meeting with NHS England was constructive. WNCCG presented the projected position at Year End against reserve. NHS England pressed WNCCG for further performance actions to achieve a reduction of £2m. Further discussions are to be held with QEHKL and Local Authority to progress the gap between known and unknown reductions.

IM queried running costs and how CR plans to deliver the required level of savings (Paper appendix 1). CR to present current thinking at the 22nd February 2017 meeting for the Committees' input. CR to liaise with CH to identify the most appropriate time to present a Paper to the Finance and Performance (F&P) Committee.

**CR
CR/CH**

CH advised NHS England's discussions focus on the robustness of the 17/18 plan. NHS England recognises that WNCCG is addressing non-recurrent issues, the envelope for which is ~£1.8m before affecting the next plan.

CR advised that nationally, risk is recorded differently. This makes local-regional comparison difficult, which puts WNCCG in a difficult financial position and had been discussed at regional CFO meetings, NHS England are currently considering their approach.

CR's reflection is that the Finance and Performance Committee needs to understand the actions required within the current year to 'get where we are'. Applying the lessons learned to the Committee's oversight of the next financial year will facilitate issue resolution in-year. CR to present a Paper at the 21st March 2017 meeting detailing the lessons learned and how they were addressed; non-recurrent in-year challenges and, how to address the next financial year. CR has been keen to ensure the robust scrutiny of the Financial Plan by the Finance and Performance Committee. CR/CH to look at timings for sharing with the Governing Body.

CR

CR/CH

17.07 MONTHLY FINANCIAL & PERFORMANCE INTEGRATED REPORT AND QIPP

17.07.01 Finance and Performance Integrated Report – Month 9 including Better Value Update:

RB said the key messages on performance are looking good: league tables with QEHKL and, Mental Health recovery are positive and moving in the right direction. CH advised pressures and issues remain but the revised projection is that WNCCG will end the current year ~1.5% off target. A&E will be top of the relative local league table despite not achieving 95% in Q4 and Dementia Care is progressing up the rankings.

Action Log 43/16 update: CR to include Dementia Care in future Papers, with a sounding of performance direction.

CR

IM departed the meeting.

HDL advised it would be useful for the Governing Body to be made aware of hospital protocols in the event that patient discharge is delayed for extensive periods. CH to discuss outside of this meeting.

CH

17.07.02 Financial Recovery Plan Update:

CR confirmed month 9 is consistent with month 8's position, with no deterioration. In terms of conversations with NHS England, the challenge to F&P Schemes relates to planned versus un-planned care. EKM advised, for purposes of clarity, that £2m net risk has been accepted and approved. In future months net risks reflect 0% (over and above the £2m approved). CR confirmed NHS England wants to see the accounting surplus and operating surplus, which creates a reporting surplus.

HDL observed the largest projected overspend is QEHKL. CR advised there are 3x potential opportunities to reduce spend at QEHKL:

- Transactional action. WNCCG is already engaged in this activity.
- Elective and Planned Care. There is limited scope for improvements in activity and waiting times within the current year.
- Un-planned care. There has been some success where challenged contractually.

MP queried how far QEHKL is from achieving the control target. CR confirmed the current publicly available finance report shows the variance from control total at £3.5m.

CR advised that Finance has started the FRP process by trying to agree the Year End position with QEH to mitigate some risk, however this wasn't achievable. CH

advised the Year End position is predominantly dependent upon acute spend (focussing on the main Risk to Actual spend).

EKM highlighted progress has been made in two areas:

- Prescribing & Re-direction of Staff: An increased awareness of what is expected of staff has helped Finance to show the Year End position.
- Applying fines with NNUH: WNCCG is ensuring funding is applied contractually.

CR confirmed that current adjustments (Paper, page 26) are below month 9's so there is nothing of significant value to report.

CR advised prescribing within Primary Care was achieving savings. More comparative analysis needs to be done regarding the choices of High Cost drugs prescribed or changed for patients admitted into QEHL and, the costs to Primary Care following discharge.

RB (on behalf of IM) challenged WNCCG not receiving a Quality Premium Award (Paper, page 35). CR confirmed eligibility is a binary process based upon meeting NHS England's control totals (consideration is not given to quality indicators).

PR joined the meeting.

PR reported it has been a good month: current year Best Value figures headline at £7m in comparison to £5.2m for the previous year. Month 9 figures have been boosted by savings achieved by the RATS Team: as part of the FRP process, weekly meetings challenge the SMT.

In identifying schemes that would 'make a difference' the following 3x elements have been focussed upon:

- Prescribing Team: there is an element of stretch in the provision of focussed project resource and administration.
- CHC: good work has been achieved despite struggling to resource maximum savings.
- Transactional Savings: all possible in-year savings have been made.

The QIPP target for 17/18 identifies the over-all £2m stretch, looking at programme capabilities, rather than listing individual schemes. Schemes have been well scoped and the respective stretch has been identified to de-risk the portfolio.

EKM advised the 17/18 focus will be on recurrent savings and embedding changes. Lessons learned can be applied going forward.

PR said the project perspective has significantly changed: the structure is moving towards alignment with GP's and, looking at them to lead. CR advised that NHS England had helpfully circulated a menu of opportunities showing QIPP from other areas and reporting against additional schemes. In terms of idea generation this has been a useful prompt. PR advised WNCCG and the Central CCG's (Norwich and North & South) have combined to create a central PMO and are sharing plans and some avenues to explore.

MP asked if the FRP detail regarding 360° risk assessment included quality premium. PR advised the Paper for this meeting was generated before the data was available but, it will be reflected in month 10. RB to discuss the report with PR outside of this meeting.

PR departed the meeting.

17.08 CONTRACTUAL PERFORMANCE INCLUDING CSU

17.08.01 Contract Update – Current Issues and 2017/18 – 2018/19 Negotiations (including QEHLK):

CH advised the Ambulance Service contract is subject to further negotiations, including mediation. The CCG's were advised that financial settlement had been included as part of mediation. Costs will be outside of the current plan but, within reserve.

17.08.03 Transformational Funding Update:

CH advised there are 4x separate opportunities to bid for Transformational Funding:

- Cancer Care: this is the largest fund. WNCCG's bid was part of a wider bid prepared by the Cancer Alliance for ~£20m plus capital. There is a level of uncertainty as the evidence suggests the available funding covers the medium to long term.
- Mental Health Care: WNCCG has submitted its bid on IAPT Services and the outcome should be known by the end of March 2017. WNCCG intends to submit a second-wave bid for Liaison Services. Available funding is non-recurrent.
- Diabetes Care: WNCCG has submitted a bid for almost £3m but the outcome is unpredictable.
- Primary Care: This is set nationally and no calls for bids have been made yet.

RB said there is great uncertainty due to the position of the NHS deficit.

CR to bring a Paper to the Finance and Performance Committee later in the year to detail the plan and processes employed to implement the plan, to contrast with current year operational outcomes.

CR

17.09 ANY OTHER BUSINESS AND REFLECTION ON MEETING

CR recommended the Risk Register should be brought to the next meeting on 22nd February 2017 for discussion. Item to be added to the Agenda.

CR

HDL reflected that the reduction in time allocated to facilitate this meeting to ~2-hours is sufficient and efficient.

RB confirmed the need for business-like proceedings: with so many issues to focus on, it is important to give appropriate attention to the key issues, to assist the Executive Team in their conclusions.

RB/LP

RB said time must be spent in March 2017 to review 16/17 and identify what worked well and what would WNCCG do differently in future. CR advised this should include what WNCCG wants to achieve in the coming year.

ALL

17.10 DATE OF NEXT MEETING

The next meeting of the Finance and Performance Committee will take place on Wednesday, 22nd February 2017 at 10am.

There being no further business the meeting closed at ~12.00pm.