

**MINUTES OF THE FINANCE & PERFORMANCE MEETING  
HELD ON WEDNESDAY 18 NOVEMBER 2015 AT 10.00 AM  
AT MEETING ROOM, KING'S COURT, CHAPEL STREET, KING'S LYNN**

<b>Present:</b>	<b>Chair</b>	Rob Bennett	(RB)	Lay Member (Finance) (Chair)
		Dr Ian Mack	(IM)	WNCCG Chair
		John Ingham	(JI)	Chief Financial Officer
		Dr Sue Crossman	(SC)	Chief Officer
		Hilary De Lyon	(HDL)	Lay Member
		Melvyn Peveritt	(MP)	Practice Representative (to item 7.4)
		Emma Kriehn-Morris	(EKM)	Finance Manager
	<b>Attendees</b>	Simon Wade	(SW)	Financial Recovery Director
		Cathy Hudson	(CH)	Minutes
		Amanda Johashen	(AJ)	Interim FR Project Manager (Item 7.4)

**ACTION****1 APOLOGIES**

Apologies were received from Kathryn Ellis (KE).

**2 NEW DECLARATIONS OF INTEREST**

MP and IM declared an interest in the £5 per head item.

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

Item 11 will be exempt under the Freedom of Information Act.

**4 MINUTES OF THE PREVIOUS MEETING HELD ON 9 SEPTEMBER 2015**

The minutes of the meeting held on 9 September 2015 were approved as an accurate record.

**5 ACTION LOG/MATTERS ARISING**

- **5/15** – This report was seen by the Audit Committee Meeting last week. Comments are welcome to be sent to HDL.
- **12/15** – An update will come to the next meeting to show a few months data. MP asked the committee to be aware of the fact that the PMS practices have had their outcomes therefore there could be some relinquishing of services.
- **16/15** – South Norfolk have now signed the risk sharing agreement.
- **19/15** – On agenda for today's meeting.
- **21/15** – The letter has now been seen by IM.
- **23/15** – This information could have been obtained through SHREWD which will no longer be used. There will be a meeting this afternoon to discuss pressures on the urgent care system.
- **25/15** - Sue Hayter has been asked to monitor through the Quality & Performance meeting.
- **26/15** – This is not formally within the RAP but the Trust have taken on a Cancer Improvement Lead which has led to improvements. It had reported at SRG that the progress that had been made on the 62 day target has slipped again.
- **29/15** – On the agenda for today's meeting.

- **28/15 – Previously Closed** – South Norfolk CCG have offered a figure of £500k, higher than was previously offered but lower than the figure we have said we would accept of £780k. This is the lowest amount acceptable following a detailed look at the data. We are now moving to the situation of arbitration with NHS England sorting the issue for us. **SC will write to Andrew Pike to ask him to instruct South Norfolk to pay £780k as it is unacceptable to offer lower than this. This will be done today with the support of the Finance and Performance Committee.**

SC

## 6 KEY FINANCIAL ISSUES

### 6.1 **Month 7 Report:** EKM presented a paper explaining the financial position of West Norfolk CCG as at month 7.

The WNCCG financial plan for 2015/16 reflects a requirement to deliver a 1% surplus (£2.3m), in line with NHS England's planning framework. However, as at October 2015 (month 7) the CCG's financial position reported is a deficit of £0.5m against a plan of £1.4m surplus resulting in an overspend of £1.9m.

During month 6 the CCG agreed with NHS England a Financial Recovery Plan which for October anticipated a recovery of £0.5m against the previous year to date overspend. This recovery has been delivered and the overall accounts are in line with the deficit position anticipated.

During October there were further deteriorations to our Independent Sector providers, namely The Fitzwilliam Hospital. The hospital has not invoiced to date, and recently reported activity significantly above plan (£127k overspend year to date against a full year budget of £266k). This independent provider is included within the further FRP projects and being challenged to stop the additional activity and reduce the financial risks from continuing to the year-end.

The contract for this service was not signed this year, therefore the implications of this are being looked into by the CSU contracting team.

HDL queried the high percentages of overspend with other providers and the high cost drugs. EKM responded to say there are active meetings with the QEH giving challenge on the high spend on drugs. There are a number of providers within the acute contracts are being looked at within the finance recovery team. These include BMI, Spire and ACES. There are QIPP projects looking at Eastern Pathology Alliance which are introducing changes to reduce costs. JI told the meeting that we will look into over activity at the Norfolk & Norwich.

IM asked if the use of the Clinical Assessment Teams would be encouraged with a reminder to GPs. This is especially beneficial in trauma and orthopaedics. JI responded to say this is one of the FRP schemes and will focus on the high referral practices. IM reminded SW that this service is already funded and in place.

The high spend in CSU is attributed to the CHC restitution cases that were a legacy put onto CCG's. Extra staff had been taken on by the CSU to deal with these claims but this work was due to stop at the end of October so this overspend should not continue.

Cost in CHC are reducing showing the work that has gone into this is successful. Any lessons learnt from this could be replicated into other schemes. A weekly clinical review takes place on the CHC packages to ensure they are accurate and appropriate.

### 6.2 **QIPP Update:** JI introduced the paper giving an update on the QIPP schemes. HDL asked if the team were confident of the improvement laid out in the graph at 1.3 in the report. JI responded to say that one of the key elements to this is the prior approvals. The process began in July and this can take a while to show as a reduction in attendances and procedures.

Early evidence is encouraging and the expected savings should show later in the year. HDL told the meeting of concerns shared with other Audit chairs of an increase in approvals once professionals know how to successfully complete referral forms. Therefore, one CCG are not experiencing the expected savings. Clinical audits will take place to ensure referrals are accurate.

The £1.8m gap highlighted with the report at 2.1 is included within the Financial Recovery Plan and will be addressed through this plan. Shawn Haney is working on the Eclipse scheme which is currently red rated on the Top 10 scheme list.

The meeting discussed the Better Care Fund (BCF) schemes and how it is believed the schemes will not have any impact. The risk-assessed view as represented in the FRP workings is that this project will not deliver any savings in 2015/16.

## 7 FRP UPDATE

- 7.1 Financial Recovery Team Objectives:** JI and SW have been working through the key deliverables for the financial recovery team. The timelines within the document are very tight. This is to ensure work necessary for financial recovery are carried out at pace and have an impact.

RB asked if progress was tracked against these timelines. SW responded to say a timeline tracker will be put up in the office for everyone to see. Where possible these actions will be attributed to individuals to ensure accountability. Work will go into looking at QIPP projects for 2016/17.

- 7.2 FRP Highlight Report:** The QIPP schemes have been prioritised into around 20 schemes. These are being heavily focused on and account for around £8.1m of the £12m target. A pipeline of opportunities is being developed which so far equates to around £1.1m. There will be a meeting with NHS England where it will be reported that the month 7 QIPP achieved £391.9k against a plan of £470.8k, an underachievement of £78.9k.

Two project managers are now in post and a support officer has been recruited. A full detailed project plan is in place. There will be a second round of meetings to discuss priority schemes today. A dashboard and a portfolio of pipelines have been developed. A number of risks are being managed very closely.

IM asked how the key risk around contractual levers and whether it would be effective to rely on provider good will. SW told the meeting that should be some give and take and the financial situation will be explained to them. As changes are made it could be possible for more activity to be given to a particular provider. Any such discussions could be monitored through the Audit committee for assurance.

Extra resource is being sourced for the CSU contracting team. This will help with contracting discussions for next year.

- 7.3 Financial Recovery Committee Terms of Reference:** The first meeting of the Financial Recovery Committee has taken place. This meeting aims to get providers around the table with the CCG to keep them informed on the FRP and look at how they play their part. A Vice Chair will be nominated. The minutes will be produced after five working days. SW has used this method of discussion in previous roles and found them successful. These minutes will be shared with the Finance and Performance Committee members. **Once the minor refinements have been made the Terms of Reference will be discussed with Heather.**

- 7.4 Evaluation Process for £5 Per Head Schemes: IM and MP declared an interest.** The paper for this item was late arriving and therefore members had not had chance to read through the paper in advance of the meeting. The paper is asking for the discussion and approval from the Finance and Performance Committee to cease the schemes that are not achieving or delivering as expected.

SW

The meeting discussed in detail the purpose of the £5 per head schemes and IM expressed concerns on any potential damaging of relationships in schemes ending without proper evaluation. SW told the meeting that for some schemes gathering data would be very difficult. The committee expressed concerns on the data that is being used by the panel set up to review the schemes which would allow them to decide on which schemes should continue.

#### **MP LEFT THE MEETING**

SC told the meeting that although at this stage it would be difficult to ask practices to provide data that was not in the original plans for the schemes, all data that can be provided is being closely analysed. **Committee members will take time to read through the paper and respond with their comments.**

ALL

#### **IM AND SC LEFT THE MEETING**

AJ joined the meeting to allow the committee to explain their position in terms of the paper.

AJ asked for the meeting to be aware that schemes are at different stages in development. Some schemes are still in the early stages and could be ended without disruption, others have progressed to a certain level and not moved on any further. Discussions could be had with providers to see which ones would be worth pursuing. Ceasing some schemes would have further implications for other elements of work that they are linked with.

### **8 MEDIUM TERM FINANCIAL PLAN**

The plan has been submitted to NHS England. National announcements on the funding for the NHS are yet to be made therefore the plan is subject to change.

The plan includes a QIPP requirement of £10m. RB asked JI about the local planning assumptions and the confidence that these are reasonable. JI told the meeting that the learning from this year has shown that these assumptions are based on the current set of data available and can change as more data comes throughout the year. This is particularly the case with acute activity growth. There is a 2% reserve built into these figures.

### **9 PRESCRIBING BENCHMARKING UPDATE**

Debbie Craven prepared a paper for the Finance and Performance Committee giving an update on the Prescribing Review as discussed at previous meetings.

HDL asked how we can change the behaviours on practices that continue to be high spenders with prescribing. JI told the meeting of prescribing incentive schemes that have been used previously. This year's scheme works out at around £5000 per practice that has to then be used within the practice to benefit patients. They have also had the offer of resource should they need it to help with schemes. Discussions have been taking place as to how this can move forward in the future to encourage practices to take part. This could include a gain sharing agreement. There are also examples of good practices that could be shared with other practices.

HDL recommended a student may find the deep dive project interesting for experience. A regular update on the prescribing scheme is seen at the Clinical Executive Team meeting. Our higher spending against the national average in prescribing equates to around £2.5m per year, the difference compared to peers in Norfolk & Waveney is £3m to £4m. This has been an issue for West Norfolk for a while and engaging with practices to assist in bringing this figure is a long standing problem. A piece of work having an in depth look into where particular issues are would a great benefit. **SW will look into whether this can be done.**

SW

### **10 PERFORMANCE MATTERS BY EXCEPTION**

There is a deteriorating position at the QEH with A&E and urgent flow at present. The four hour wait monthly target has not been delivered since August. The QEH are putting these problems down to the community capacity. Commissioners feel this is attributed to pathway problems and high levels of locum staffing.

There will today, be a special meeting of the Service Resilience Group to through winter plans provider by provider. Having the correct data from the QEH is a problem. This is required to allow WNCCG to see how they manage flow. This has been requested on several occasions. IM told the meeting of issues with IC24, the Out of Hours provider and how this also has an effect on attendance at the QEH.

The full performance report will be seen by the Governing Body on November 26<sup>th</sup>. Terry Hicks from the Ambulance Trust will attend the Governing Body meeting.

The IAPT access rates have improved. There has been a mental health educational event arranged by Dr Pallavi Devulapalli where IAPT was discussed.

**11 CSU UPDATE**

**\*\*\*\* FOI EXEMPT \*\*\*\***

**12 AOB**

None for this meeting

**12 DATE OF NEXT MEETING**

**There being no further business the meeting closed at 12.45pm.**

**The next meeting of the Finance and Performance Committee will take place on Wednesday December 16<sup>th</sup> at 10am.**