

**MINUTES OF THE FINANCE & PERFORMANCE MEETING
HELD ON WEDNESDAY, 26th APRIL 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)
		Rev Hilary De Lyon	(HDL)	Lay Member Audit Chair & Deputy WNCCG Chair
		Melvyn Peveritt	(MP)	Vida Healthcare
		Chris Randall	(CR)	Chief Financial Officer
		Emma Kriehn-Morris	(EKM)	Deputy Chief Finance Officer
	Attendees	Lisa Preston	(LP)	Admin Support (Minutes)

ACTION

17.35 APOLOGIES

Chris Humphris (Interim Chief Officer): Apologies
Phil Reidlinger (PMO Manager): Apologies

Dr Ian Mack (WNCCG Chair): Currently on retirement break.

17.36 NEW DECLARATIONS OF INTEREST

None.

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

****Item 17.46b is considered FOI exempt.****

17.38 MINUTES OF THE PREVIOUS MEETING HELD ON 21st MARCH 2017

a) Minutes of meeting held 21st March 2017

The minutes were accepted as an accurate record, without amendment.

The Committee noted that wet signatures were not obtained for approved minutes. The Committee was satisfied that the acceptance of minutes was formally recorded so wet signatures would not be required.

b) FOI Minutes of meeting held 21st March 2017

Attendees list amendments:

- 'Rev Hilary De Lyon (HDL)'
- 'Emma Kriehn-Morris (EK-M)'

LP

With these amendments the minutes were accepted as an accurate record.

17.39 ACTION LOG/MATTERS ARISING

Action Log:

- **27/16** – A telephone discussion with the QEHKL Chairman of the Board would be arranged. Action re-dated to 24th May 2017 meeting.
- **16/17** – N&NUH capacity. Planning and related financial considerations were in

- progress. Action re-dated to next meeting on 24th May 2017.
- **17/17** – CDIFF. The Committee agreed no further action. Item Closed.
 - **18/17** – The Monthly Integrated Report summary page (referrals): On Agenda (Item 17.41).
 - **19/17** – Follow-up attendance - demand management for Best Value Schemes. Item closed. See Agenda Item 17.43.
 - **20/17** – QEHLK escalation process involving inappropriate admissions of large substantiated value. In progress: CR to update at the next meeting. Action re-dated to 24th May 2017.
 - **21/17** – Early discussions with Ernst & Young (External Auditing Team), ahead of the year end accounts: CR would discuss with the External Auditors by 28th April 2017.
 - **22/17** – EKM Paper regarding existing patient cases incorrectly costed to WNCCG. Action re-dated to the next meeting on 24th May 2017.
 - **28/17** – **(FOI Exempt)** CSU/LPF Procurement Update: On Agenda (Item, 17.46b). Item Closed.
 - **38/17** – A full QIPP plan to be submitted to the Committee. On Agenda (Item 17.44). Item Closed.
 - **39/17** – Best Value Scheme reporting process changes. On Agenda (Item 17.41). Item Closed.
 - **40/17** – A Paper documenting a WN control total (QIPP savings) and including STP totals in common, to be submitted for the 26th June 2017 meeting.
 - **41/17** – Individual scheme figures to be articulated in reports. EKM to advise PR to action in reports from the next meeting on 24th May 2017.
 - **42/17** – WNCCG Staff Briefing included an update in regards to the positive 2016/17 results and noted the Committee’s appreciation for preparatory work for 2017/18. Item Closed.
 - **43/17** – A report on the conclusion of contract negotiations. Item dated for the next meeting on 24th May 2017.
 - **44/17** – Full Delegation. Due diligence to be discussed at Audit Committee. CR to present to this Committee at 26th June 2017 meeting.
 - **45/17** – Terms of Reference Article 3.2 amendment to a listed job title. On Agenda (Item 17.48).
 - **46/17** – Terms of Reference Article 9.5 amended to include a review of the annual operating plans. On Agenda (Item 17.48).
 - **47/17** – WNCCG’s Operating Plan to be presented to the Committee in May for approval and, referral to Governing Body. Item dated for next meeting on 24th May 2017.
 - **48/17** – M11 to M12 movements. On Agenda (Item 17.44).
 - **49/17** – How RB would report M11 to M12 movements. On Agenda (Item 17.44).

Matters Arising (Minutes of Previous Meeting):

ACTION

None.

STATUTORY DUTIES (inc. Financial Management & Value For Money)

17.40 Risk Register (GBAF & CRR Review)

CR summarised that the Committee has oversight for a number of risks, all of which were included in the Risk Register (GBAF & CRR) Papers. There were no specific issues for the attention of the Committee.

17.40a GBAF:

ACTION:

GBAF 2.1: CR to amend the ‘Existing Controls’ (line 3) to read “...and will be independently chaired”.

CR

The Committee noted that the Sustainability & Transformation Plan (STP) footprint was subject to governance arrangements.

17.40b CRR:

CRR 6.11: CR advised that available office space was limited and would need to be considered in tandem with resourcing issues and operational costs.

Healthcare providers, resourced as an individual CCG or via collective CCG arrangement, would be discussed at the Governing Body Development Session scheduled for 27th April 2017.

17.41 Review Operational Performance Metrics

The Committee noted that the Integrated Report required some refinement in regards to high-level tracking of performance against plan.

Programmes under QIPP have been linked to 'Must Do' actions to provide a roadmap. CR reviewed the reporting methods used by high performing CCG's.

ACTION Update (#39/17):

CR would circulate examples of reporting by other CCG's for this Committee to discuss at the 24th May 2017 meeting. **CR**

CR would present a Paper benchmarking the direction of travel in key areas at the 24th May 2017 meeting. **CR**

ACTION:

CR would discuss with the incoming Chief Officer the potential for generating a written Chief Officer's statement for future Governing Body Papers. **CR**

STRATEGIC FINANCE

17.42 Business Case Methodology & Review

CR summarised:

- As business cases require Finance & Performance Committee approval before submission to the Governing Body, Papers 17.42 and 17.42b were submitted for this Committee's discussion.
- The proposed methodology would enable the development of a pipeline that would provide the Committee with visibility of in-train business cases and, sign-post when cases would come before this Committee and the Governing Body.

17.42b, Appendix 2 (page 7): The Committee noted that the proposed 'Business Case Approval Cover Sheet' would require signatures and dates of approval (1. Corporate; 2. Finance; 3. Medical/Clinical Governance; 4. Performance).

The Committee noted that the SMT would identify the appropriate filters on an individual business case basis, which would not be limited to financial considerations.

CR advised that business cases would include a benefit statement which would enable the scheduling of post-implementation benefit review dates.

17.42b, Appendix 3 (page 10): The Committee noted that key risks and mitigations would be identified under section 10 of the 'Full Business Case' form.

CR advised that work was in progress to identify different levels and limits of authority for the approval of business cases.

ACTION:

CR & EK-M to share appraisal tables and propose a standard template and format for Committee discussion and approval.

CR/EKM

ACTION:

Business case review stages would potentially be constrained by the scheduling of individual Committees. CR to raise the issue at CLEX to confirm if it would be acceptable, where appropriate, for business cases to be circulated to CLEX Committee members for review between scheduled meetings.

CR

17.43 Demand Management Approach:

CR summarised:

- It is anticipated that NHS England would prioritise the management of acute care risk during 2017/18. Demand Management plans have therefore been developed.
- 17.43, Appendix 1 (page 3): In the 12-months to May 2016, WNCCG was ranked in the middle of the Midlands & East CCG regional table of benchmarked demand.
- A key focus would be the need to reduce demand and, explain variations between Practices at a CCG level with detail on initiatives.
- Practice data requires socialising. CCG understanding would evolve as a result of peer review, exposure to Check and Challenge and, through Advice & Guidance.
- The quality of access to services was discussed by SMT.

ACTION:

CR to circulate to the Committee CH's recent presentation to the SMT.

CR

ACTION:

The Committee agreed that the same information that would be reported to NHS England would be captured in the monthly Integrated Report.

CR

FINANCIAL MANAGEMENT

17.44 Integrated Report – Month 12 (Including Better Value Update)

Page 2, Performance Key Message:

The Committee noted the summary was positive, although QEHKL's 62 day Cancer Wait Target was a matter for concern.

ACTION:

CH would update the Committee in regards to QEHKL's 62 day Cancer Wait Target at the meeting on 24th May 2017.

CH

Page 4, Performance Indicators – Mixed sex accommodation:

The Committee noted that there were no recorded breaches for December 2016. Mixed sex accommodation would remain a watching brief.

Page 5, Performance Indicators - Mental Health:

The Committee noted that whilst the Improving Access target had been achieved for the year-to-date, the Recovery target had been more challenging. Local staffing levels were an issue.

Page 10, QEHL A&E Performance:

The Committee noted that QEHL had achieved good results in the last few months. Informal feedback indicated that patient experience was 'good'.

CR

ACTION:

CR would relay the Committee's appreciation in regards to the positive performance to Staff.

Page 17, Unaudited 2016/17 Finance Report:

The Committee noted that the actuals reported in the Paper were pre-audit and were not confirmed as the final position.

In March 2017 NHS England wrote to WNCCG to advise that the reported financial surplus should increase from £1.4m to £3.7m to reflect the return of the 1% Central Reserve (£2.3m).

CR summarised:

- At M11 WNCCG was on target to achieve a surplus of £1.4m
- In M12 WNCCG benefitted from:
 - Final agreement with other CCG's in regards to the funding of prior year practice transfers at approx. £300k.
 - Additional provisions in regards to HMRC at approx. £90k for Governing Body GP members not on the payroll. While not assessed there was a liability, accrued at approx. £100k.
 - Addenbrooks moving from block to PRB contracting in-year, generating a credit of approx. £200k.
 - Approx. £600k via the agreement of risk share arrangements in relation to Eastern Pathology Alliance and, Critical Care patient costs at approx. £200k.
- In addition, WNCCG released its 1% non-recurrent reserve as instructed by NHS England (£2.3m).
- The position reported for 2016/17 was a surplus of £3.1m. This delivery met the statutory duty to break-even and released the 1% non-recurrent reserve, but did not fully meet the Control Total of £3.7m as required by NHS England. The shortfall was £600k.
- NHS England agreed the shortfall on the basis that South Norfolk CCG was able to reduce their deficit portion, therefore delivering in aggregate a balanced position for the West and Central Norfolk CCGs.

Shared costs were a one-off arrangement. Non-recurrent work was accommodated within the planning.

CR was generating a detailed Paper comparing the Recovery Plan to the current position for submission to NHS England within the next few weeks.

ACTION:

CR would summarise for this Committee the detailed report to be submitted to NHS England, highlighting the implications for the next year; the Recovery Plan position and, what would make a difference going forward.

CR

CR recommended that Contingency should be increased by £2m. Communication with the SMT and the incoming Chief Officer would be required to build the

additional Contingency into the Plan, increasing QIPP to 4%.

RB said that it was feasible that Contingency would provide head-room.

The Committee noted that there had been improvements in Prescribing performance. Methodology in regards to accruals had been changed in response to M11 data.

QEHKL's new Chief Executive was understood to be familiar with a guaranteed income scheme. CR anticipated that the potential for guaranteed contract schemes would be discussed with WNCCG's incoming Chief Officer.

The Committee noted that the dispute with Norfolk County Council in regards to costs associated with Winterbourne care home accommodation and LD TUPE was unresolved. The dispute has been ongoing since 2013. For consistency, and auditing purposes, the issue was approached in the same manner as previously. CR would present a Paper to the Audit Committee on 24th May 2017.

CR

17.45 Best Value Schemes Review (including Planned Care):

CR confirmed that WNCCG was in a good position for 2017/18 due to a great deal of work being achieved by the Team.

New schemes introduced by NHS England would be incorporated but traction would not be expected for approx. 2-3 months. The capacity to resource new schemes would be a challenge.

In areas that WNCCG has historically performed well (e.g. Medication Management and Prescribing Costs), further stretch challenges would be set. A joint work-stream investigation of activity would take place within the next 3-months to identify what would be built into the plan. Some central QIPPS have a higher value attributed to them, so benchmarking would be required.

ACTION:

CR would ask PR to generate a 1-page Paper on lessons learned during 2016/17 for the Committee meeting on 24th May 2017.

CR/PR

Scribes Note:

In regards to the identification of 2x Best Value Schemes for Committee review, please see Agenda Item 17.49 (AOB & Reflections on the Meeting), below.

CONTRACTUAL PERFORMANCE including CSU

17.46 a) Contract Update – Current issues and 2017/18 – 2018/19 Negotiations (including QEH):

The Committee noted that a Paper was scheduled for the 24th May 2017 meeting.

b) ** This item is FOI Exempt**

17.47 Transformational Spending Update

CR Summarised:

- Diabetes Care: Some monies would be available. WNCCG would be the lead CCG.
- Cancer Care: Some monies would be available. WNCCG would not be the lead CCG.
- A&E: WNCCG would submit a bid in regards to QEHKL.

- Other bids were unsuccessful. Feedback has not been received from NHS England.

COMMITTEE GOVERNANCE

17.48 Review Committee Terms of Reference

The Committee noted that the amendments arising from the previous meetings discussion had been actioned.

The Committee approved the Terms of Reference without further amendment.

ACTION:

LP to forward the Terms of Reference to HF for submission to the Governing Body.

LP

17.49 Any Other Business and Reflection on the Meeting

ACTION:

CR/CH to identify the 2x Best Value Schemes for the Committee's review and discussion and, when they would be brought to the Committee (see F&P Programme 2017 and Agenda Item '17.45 Best Value Schemes Review (including Planned Care)', above).

The Committee noted that significant work was in progress and that visibility of business cases would assist planning.

17.50 The next meeting of the Finance and Performance Committee will take place on Wednesday, 24th May 2017 at 10am.

There being no further business the meeting closed at circa 12.40pm.