**Agenda Item: 18.91**

NHS
West Norfolk
Clinical Commissioning Group

# MINUTES OF THE FINANCE & PERFORMANCE MEETING HELD ON FRIDAY 21st SEPTEMBER 2.30PM, MEETING ROOM 2, KING'S COURT, CHAPEL STREET, KING'S LYNN
## Adjourned to 03/10/18 as noted below with attendees noted by *

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| **Members:** | Karl Fenlon* | (KF) | Governing Body Lay Member & Chair |
| | Dr Imran Ahmed | (IA) | Governing Body GP Member |
| | Melvyn Peveritt | (MP) | Practice Representative (Vida Healthcare) |
| | Ross Collett | (RC) | Director of Commissioning and Delivery |
| | John Webster | (JBW) | Accountable Officer |
| **Non-voting Participants:** | Sarah Bambford | (SB) | Finance Manager |
| **Attendees:** | Catarina Hamlet | (CH) | Admin Support (Finance) |

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| **18.78** | **APOLOGIES** | **ACTION** |
| | Michelle Barry (MB) Governing Body Lay Member<br>Rev Hilary De Lyon (HDL) Lay Member, Audit Chair & WNCCG Deputy<br>Howard Martin (HJM) Chief Finance Officer<br>Emma Kriehn-Morris (EKM) Deputy Chief Finance Officer | |
| **18.79** | **REGISTER OF INTEREST** | |
| | **No additional declarations were required beyond those on the register.** | |
| **18.80** | **CONFIRMATION OF ANY PART OF THE AGENDA THAT IS EXEMPT UNDER THE FREEDOM OF INFORMATION ACT** | |
| | **No item was identified.** | |
| **18.81** | **MINUTES OF THE PREVIOUS MEETINGS HELD ON : 27th July 2018 and 23rd August 2018** | |
| | The chair accepted the minutes for the 27th of July once the date and agenda item is updated.<br><br>The committee did not accept the minutes of the meeting on the 23rd of August as they appear to contain inaccuracies.<br>These corrections need to take place within the next week and a phone call to be set up with all available members for the approval of the minutes. | CH |
| **18.82** | **ACTION LOG / MATTERS ARISING** | |
| | The chair agreed with the action log as drafted and required updates for next meeting. | CH |
| **18.83** | **GT audit report** | |
| | Discussed at the previous committee: no update was required. | |
| **18.84** | **Risk Register** | |
| | Read and accepted. The chair confirmed that there would be ongoing review by the executive team. | |
| **18.85** | **Integrated Performance Report** | |
| | **FACT (Finance, Activity, Contracting, Transformation) Report**<br>RC advised the committee that the FACT Report should be the first part of the Integrated Performance Report. | |

JBW said that the Finance Report reflects the deficit of £1.8m including the Q1 allocation from the Commissioner Sustainability Fund (CSF) to the value of £0.2m. The target remains at a £2m deficit with a potential fund of £2m CSF that is wholly dependent on delivery of the financial plan.

JBW informed that overall the CCG position is on plan and at the moment the most significant risks are the £11.5m delivery of the QIPP programme, and forecasting differences with QEH of circa £5m.

JBW updated that there is an adverse variance forecast for Addenbrookes plus Norfolk and Norfolk hospital. QEH financial forecast is currently reflecting a gap of £4.9m and that this value was not including the Activity Performance Adjustment penalties (APA's) £1.4m.

JBW reminded the committee of the Peer Review meeting held on the 23 of August 2018 and their review was reflecting a favourable position for the CCG. However, further analyses would be performed and the Sustainability and Transformation Plan (STP) would return with recommendations for both parties.

**Activity**

RC informed the Committee that demand is decreasing (referrals below plan) and this is reflected in the Finance Performance Report. RC agreed with JBW that the QIPP delivery is a risk and pointed out that the majority of the areas of concern are related to the Trust. RC highlighted over A&E performance which continues to be inconsistent with high and low delivery scores. RC explained to the committee that this unbalanced performance has a negative impact on services like Ambulance delays (stopping the flow) Ambulance handover performance and through the hospital.

**Referral to Treatment Times (RTT)**

RC reminded the committee that the CCG has been working on a joint plan to improve Referral to Treatment Times (RTT) and that this plan is now signed off. This could be impacted by the current CQC issue around beds, if they close beds the RTT will be pushed out.

RC said that the CCG is expecting to see a change in performance and raised his concern regarding the closure of these beds and the negative impact this may have on Cancer patients and RTT performance.

RC mentioned a meeting would take place next week with all regulators to discuss the beds and staff management and he will feedback the outcome of this meeting to F&P as well any actions the CCG may need to take.

IA said that he had tried to contact A&E concerning a patient. He had not able to get through.

RC said that processes are in place, but issues regarding staffing are affecting the hospitals ability to create capacity.

JBW informed the committee that he is now receiving a daily report from the Trust regarding the numbers of beds and A&E flow. He can update NHSE, as the regulator is following this issue closely. JBW said that currently there are 22 intermediate care beds and 12 virtual ward beds ready to be used.

RC said that compared to last year the demand is decreasing but there was no improvement in performance.
MP asked RC the reason for the low performance, what could be done to make a difference, and if the issue was around the discharges. RC said it was multifactorial. He could not give a straight forward answer to this question as there are other areas like primary care that struggle with similar issues. RC pointed to issues with staffing but this was not the only cause.

KF asked if these issues could be associated with the Trust management. Whether early management action could address this, considering how easy these procedures could slide in the hospital with agency and locums. JBW said that agency staff are not the only problem and he believed the issue was associated with the lack of clarity regarding business process that support the staff to operate effectively. JBW said he has alerted Jon Green about this and advised the Trust to clarify the process.

NHS Improvement has removed cap on agency and the Trust can increase the staff numbers as appropriate.

KF said he understood the issue, and asked if the CCG can manage the Trust without the engagement of NHSE.

RC replied by saying that there are a number of actions the WNCCG are taking. There is a plan around Urgent Care which is partly driven by the way the Regional Director wants the CCG to perform, which included actions to reduce lengths of stay, beds capacity, admissions.

JBW said that this plan was supposed to be simple but ended up with various areas that needed detailed actions (including the key measures to drive the trust to improve flow).

KF was pleased with the FACT Report but pointed out that it was difficult to read due the size RC agreed to change the layout so data is easier to read.

RC said in the short term the CCG may have financial gain from access targets not being met. However, this would cause an increase in waiting times. As an action the CCG has created two plans that have been signed off. RC explained that WNCCG is developing plans to use the independent sector. QEH will need to identify suitable patients for transfer to potential providers (Including Fitzwilliam, Peterborough and BMI).

KF asked it be recorded that the committee was very pleased with the FACT Report as a summary of the Integrated Performance Report. KF asked about the WNCCG internal performance and if it would be possible to have a reference on the report for this. RC said that the WNCCG is principally measured against the Constitution, but a part of the Improvement Assessment Framework (IAF) the WNCCG intended reporting on a range of Better care/ Better Health outcomes.

KF said this report is important to show the committee WNCCG internal performance.

JBW said this was an interesting point because this was not done before as an organisation. There was a strong focus for the committee to show the performance and finance side, but there were various other areas the CCG was working in the back ground to put in place a strong improvement plan on how the organisation was lead, how the staff are dealt with, what

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| | do the stakeholders think of the organisation, what was the NHSE view regarding the leadership. All of this was captured in the Improvement of Assessment Framework for which the WNCCG was judged "Inadequate" last year and put in special measures.<br>The CCG has pulled together a complete list of these measures so the exec team could analyse and ascertain which they could work on to improve rapidly to make sure the CCG could do the best they could to.<br><br>KF said it was important to have these as there is the need to see that the CCG are working not only to improve the Trust performance but also to improve the CCG.<br><br>RC agreed with KF and said there is a report that captures all of the metrics that JBW mentioned but this report did not have the narrative. This would be available by the next meeting and would have a detailed narrative of the metrics requirement.<br><br>KF said this should be something to discuss at the meeting of the Chair of Chairs, in terms of how this would look for the year based on the last year's evaluation.<br><br>KF mentioned it is important to have this report reflected here to assure that the CCG is managing the things it is accountable for.<br><br>RC said an example in the report was the access targets, the CCG has limited control over the hospital process and flow.<br>IA said to the committee that the CCG was working hard to help the Trust in areas that he felt were needing improvement.<br><br>**QIPP**<br>KF said he understood the areas of concern regarding the intermediate care beds and asked what was the CCG plan was to address them.<br><br>RC said that he would not be able to reduce the risk to the initial ambition set by the turnaround director for the original plan. The work being done to improve flow in the community is around the spot purchase beds. In addition to this action the CCG has also decommissioned some of the contracted beds. There is commissioning work for 19/20 that needs to review the number of community beds required across the system.<br><br>KF said the discussion at the last meeting was that there should be an alignment with the figures and the forecast. RC said that the WNCCG will need to aim for the target and there were some other ideas in development that could be put in place.<br><br>MP asked how high was the risk by decommissioning care beds considering the Hospital difficulties and capacity. RC said that WNCCG has the highest number of beds compared to other CCG's within the same area, and there was a high reliance on spot purchase beds. There is a non-elective demand, and the CCG created a plan that required the GP's collaboration to implement a more proactive management of patients. Investment in primary care to perform more risk based approach. These plans should be enough to control the risk however it would not remove it completely.<br><br>KF alerted the CCG to the fact that this may result in additional costs and asked if there are any other areas that should be mentioned. | |

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| | RC mentioned that Dementia is continuing to be a risk. There is a clear action plan but the CCG are struggling to get the target where it should be. NSHE is focussed on this.<br>KF mentioned there was an action on dementia, RC explained there is a clear plan signed off by NSHE and the CCG is looking into the governance process for potential investment, looking into more post diagnosis support for carers and family.<br><br>KF mentioned that some concerns were shared regarding the diagnosis. IA said that he felt a slight improvement. He also mentioned that the High court has agreed with the application on the prescribing of a generic that could impact heavily on savings.<br><br>IA mentioned if the QEH could be on board, this will revert a fair amount on savings, JBW assured the Committee that Dr Paul Williams was dealing with this since the High Court decision.<br><br>KF mentioned that all annexes to the report should be taken in consideration that they have been read. JBW informed that these annexes are for additional information. JBW mentioned that the Peer Review outcome, and the next stage was cut out mediation piece and the suggestion to go straight to the expert determination team to unlock the financial sums.<br><br>KF asked if this would be a long process. JBW said it was a legal process built within the contract that the WNCCG has with the hospital. RC said that HJM wants this to be done quickly to avoid future issues for both organisations.<br><br>KF asked if this should be added to the action log without a date, RC and JBW agreed with this. | **CH** |
| **18.86** | **Contractual Performance including CSU** | |
| | KF mentioned a letter he received but this letter was related to the Governing Body meeting and not the Finance and Performance meeting.<br><br>JBW informed that this letter was from Paul Watson. It was related to the financial recovery at STP level. The largest issues were with the provider sector.<br><br>KF said that in order to move to one centralised management, the financial recovery plans would need to be aligned. JBW agreed with KF statement and confirmed that this is a work in progress. Getting the finances sorted would be the biggest challenges.<br><br>JBW informed the Committee that in the course of the next few months, the future merger of NHSI and NHSE would be beneficial as both entities will then work towards the same aims and improve communications with Commissioners and the Trusts. A key action referred to on this letter was to get Boston Consulting Group to lead the capacity and demand work across the STP. It was too early to say how this will be developed. The same would need to be implemented in West Norfolk system, but the Trust did not want to co-fund the costs.<br><br>RC mentioned that the CCG would fund this work alone, and how this would help the CCG to control the costs in the Trust, he mentioned the Grant Thornton report regarding admissions. As an example of initiatives to improve the recording and reporting of short stay admissions.<br><br>MP asked if it was possible to reclaim these costs for previous years. RC confirmed that was not possible. | |

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| **18.87** | **AOB** | |
| | KF asked for an additional page of acronyms to be collated and to be placed at the end of the minutes for a reference guide.<br><br>Meeting was adjourned for the 3rd of October at 12pm to review minutes from July and August for factual information.<br><br>Minutes sent to all relevant parties and amendments will be issued through CH. | |
| | AOB | |
| | Meeting reconvened Conference call held on the 3rd of October 2018 at 12pm.<br><br>Attendees: FK, MP, HJM, RC, CH, RH,<br>All minutes approved no changes required.<br><br>To confirm to all as the 25th of October 2018, Rebecca Hunt will be taking over producing F&P minutes. | **CH** |