

NHS BOLTON CLINICAL COMMISSIONING GROUP
Public Board Meeting

AGENDA ITEM NO:14.....

Date of Meeting:23rd February 2018.....

TITLE OF REPORT:	CCG Finance & QIPP Committee	
AUTHOR:	Joanne Taylor, Board Secretary	
PRESENTED BY:	Alan Stephenson	
PURPOSE OF PAPER: (Linking to Strategic Objectives)	For the Board to receive and review the minutes of the Finance & QIPP Committee meetings held on 26 th January 2018.	
LINKS TO CORPORATE OBJECTIVES (tick relevant boxes):	Delivery of Year 1 Locality Plan.	
	Joint collaborative working with Bolton FT and the Council.	
	Supporting people in their home and community.	
	Shared health care records across Bolton.	
	Regulatory Requirement	
	Standing Item	√
RECOMMENDATION TO THE BOARD: (Please be clear if decision required, or for noting)	<p>The Board is asked to approve the Minutes. The key points the Board is asked to note from these minutes are:-</p> <ul style="list-style-type: none"> • 5 year forward planning and the 2% QIPP future requirement. • Joint working developing across the Business Intelligence teams on the assurance of the quality of the data. 	
COMMITTEES/GROUPS PREVIOUSLY CONSULTED:	Finance & QIPP Committee	
REVIEW OF CONFLICTS OF INTEREST:	Conflicts of Interest are reviewed at every meeting.	
VIEW OF THE PATIENTS, CARERS OR THE PUBLIC, AND THE EXTENT OF THEIR INVOLVEMENT:	Patient views are not specifically sought as part of this report.	
EQUALITY IMPACT ASSESSMENT (EIA) COMPLETED & OUTCOME OF ASSESSMENT:	EIA and an assessment is not considered necessary for the report.	

MINUTES

FINANCE & QIPP COMMITTEE

Date: 26th January 2018

Time: 12noon – 2pm

Venue: Bevan Room, 2nd Floor, St Peters House

Present:

Charles Hendy	GP Board Member (Chair)
Tony Ward	Lay Member, Governance
Ian Boyle	Chief Finance Officer
Alan Stephenson	Lay Member

In attendance:

Jackie Murray	Deputy Chief Finance Officer
Julie Ryan	Head of Business Intelligence

Minutes by:

Joanne Taylor	Board Secretary
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Minute No.	Topic
1/18	<p><u>Apologies for Absence</u> Apologies for absence were received from:</p> <ul style="list-style-type: none"> • Kelly Knowles, Associate Director, Strategic Finance.
2/18	<p><u>Declarations of Interest</u> There were no declarations of interest.</p>
3/18	<p><u>Notes from the last meetings held on 24th November and 18th December and Action Log</u> The outstanding actions on the action log were discussed and noted.</p> <p>The main points discussed from the action log were:-</p> <ul style="list-style-type: none"> • <u>HT stranded costs</u> – Members requested clarification on the stranded costs. It was reported that £2.9m is the level of stranded costs at Bolton FT and the CCG will work jointly over the next 2 to 3 years to mitigate against this cost. It was further noted that the Memorandum of Understanding is across the sector and any costs not mitigated against would need to be shared across Bolton, Wigan and Salford after the 3 year period. • <u>Four Seasons Nursing Home</u> – it was noted that an email clarifying the position and actions taken had been sent to Tony Ward from Mike Robinson on 5th January 2018. • <u>Referral and Activity Data Update</u> - The Committee had requested further information on the accuracy of the referral and activity data. Julie Ryan attended the meeting to update members on the joint work now developing on reviewing all activity data, how this is reported and how this links with the financial reporting systems. It was reported that, overall, the level of data being received has much improved. <p>It was noted that the previous issues related to significant workforce issues which had caused problems with data processing at Bolton FT. It was acknowledged that data quality output is has now improved and assurances being received that processes are improving.</p>

	The notes were approved as a correct record.
4/18	<p><u>Terms of Reference Review</u> The Committee reviewed the current terms of reference. Members discussed the inclusion of a responsibility of the Committee to oversee pooled budget arrangements as these start to develop within the joint commissioning function. It was also noted that, currently, the Committee reviews the Better Care Fund budgets on a 6 monthly basis.</p> <p>The Committee agreed to the above change to the Terms of Reference and agreed to review pooled budget responsibility once joint commissioning arrangements started to develop.</p>
5/18	<p><u>Actions from previous Board Meeting</u> There were no outstanding actions from previous board meetings.</p> <p>The Committee agreed this item can be removed from future agendas.</p>
6/18	<p><u>Transformation Fund Update (M9)</u> An update on the transformation fund financial position for month 9 was presented to the committee.</p> <p>The main highlights noted from the report were:-</p> <ul style="list-style-type: none"> • The CCG has received funding in quarters 1 to 3, quarter 4 funding is due in month 10. • £4.7m has been spent year to date as at month 9. • No further schemes have been approved in December. • Schemes have been re-profiled to reflect timescales and financial changes since the initial bid was submitted. • The 2017/18 drawdown from GM Health and Social Care Partnership has been reduced by £2.8m to reflect slippage. <p>Members also noted that confirmation is awaited on whether funding is still required where there have been delays in development of some schemes and the CCG continues to update forecasts and profiling to confirm funding requirements for 2019/20.</p> <p>The Scheme Level Investment Agreements are currently being completed to be presented and taken through relevant Locality Strategy and Planning Groups. Monitoring meetings are also being held with all scheme leads to confirm expenditure forecasts and applicability of profiling into 2019/20. Further financial modelling to include cashable savings, recurrent cost of schemes, system impact of scheme delays is also progressing and management of additional Transformation Fund slippage is to be discussed at the next Health & Wellbeing Board meeting.</p> <p><u>Update on Transformation Fund Schemes</u> Melissa Laskey attended the meeting to present in more detail the processes in place for reviewing the KPI monitoring regarding the Transformation Fund schemes. The presentation received detailed a review of all the schemes and gave specific examples of where implementation of a scheme had been successful in improving efficiency, increasing capacity and better use of funding.</p> <p>It was noted that the Health and Wellbeing Executive continues to monitor the schemes, outcomes and expectations going forward to ensure schemes are delivering the impact and outcomes originally set. Schemes are now at a critical point where evaluation of schemes is underway to identify how these will be sustained at the end of the project term.</p> <p>The presentation highlighted the significant investment made in nursing and residential care homes to improve care home leadership, primary care support and resident experience,</p>

	<p>supporting patient flow to trial new ways of working to help services across acute, community and primary care to work more efficiently, extra workforce in primary care due to significant pressures in primary care, mental health investment to expand acute and community services for patients of all needs, focus on prevention to help people stay healthier longer including drive around falls prevention and the use of technology to work smarter.</p> <p>Also highlighted was the live example of the ophthalmology service redesign and community evaluation service and the work undertaken to have a health economy approach to identifying potential solutions to this service, supporting a redesigned service to deliver better outcomes with the new service delivering up to 8,000 additional appointments. This has also identified £45k recurrent savings by redesigning the service.</p> <p>Members discussed the project management function and the implementation of a new tool to assist the project management function further. It was noted that there are separate PMO functions in the CCG, Council and Bolton FT and project leads from each organisation are requesting further support on delivering schemes and evaluation. The development of an IT based system that could jointly populate information is being considered and members agreed this should be pursued further to help support the project work. The CCG's new Associate Director of Informatics will be asked to progress a joint approach to this once in post.</p> <p>The Committee noted the transformation fund financial performance and forecast for 2017/18 as at Month 9 and noted the update on the KPI monitoring review of Transformation Fund schemes.</p>
<p>7/18</p>	<p><u>Budget Setting Process</u></p> <p>It was noted that the final 2 year Operational Financial Plans for 2017/18 and 2018/19 have been submitted to NHS England on 24th February 2017, however, work is underway to refresh the financial plan for 2018/19, and include detailed plans for 2019/20. Initial drafts of these plans are being presented as a separate agenda item at this meeting.</p> <p>Members were informed that, at this stage, the running cost budgets for 2018/19 have been set within the running cost allowance of £6,302k, which a reduction of £8k from 2017/18.</p> <p>The Committee agreed to change the timing of the meeting on 23rd March to enable the Committee to review the final accounts prior to submission to the Board. The meeting to be held after the Board Development session or prior to the March public board meeting.</p>
<p>8/18</p>	<p><u>2018/19 and 2019/20 Financial Plans and 5 Year Financial Model</u></p> <p>It was noted that the national financial guidance has not yet been received and therefore the presentation included internal modelling on financial assumptions. Members acknowledged this is an iterative process at this stage.</p> <p>Jackie Murray presented the refresh of the previous 2 year plan and CCG allocation for 2018/19 and 2019/20 position over programme costs, primary care commissioning delegated budget and running costs. It was highlighted that the CCG is showing some distance away from its target allocation, showing a distance from target of -3.5% and -3.3% respectively for each year.</p> <p>The Committee reviewed in detail the projected expenditure and commitments, proposed triangulation of the financial plan and QIPP target, proposed opening expenditure budgets, reserves and investment pressures for the next two years. The Committee discussed the historic surplus requirements and the assumption that a build up of a cumulative surplus will continue year on year.</p>

	<p>It was noted that the next task is to model these assumptions and map against the locality plan transformation fund. Also highlighted was the analysis of reserves and high level areas in terms of investments and pressures that need to go through due process.</p> <p>Members also discussed the contract negotiation plans and the Chief Finance Officer agreed to share with the Committee the information reviewed by the Executive.</p> <p>A presentation was also received on the 5 year financial model and planning assumptions. It was noted that is the first draft of the model. Further work is required to include specific scenarios once national guidance is received. The presentation included assumptions on allocation, expenditure and QIPP requirements. The next stage of development is to map each year against the financial projections within the Locality Plan, review national planning guidance when received and report back to the Committee at the next meeting. It was noted that the primary care co-commissioning delegated funding has been set nationally and therefore cannot be adjusted.</p> <p>The Committee noted the 2018/19 and 2019/20 financial plans and 5 year financial model and agreed to receive the information reviewed by the Executive on the plans for contract negotiation and discuss a further draft of the 5 year financial model at the next meeting.</p>
<p>9/18</p>	<p><u>Report of the Chief Finance Officer (M9)</u></p> <p>The CFO Board report for month 9 was presented and the supporting documentation in relation to contract performance and the risk range was reviewed by the Committee.</p> <p>At month 9 the CCG has delivered the year to date control total of £45k, and is on track to deliver the in-year control total of £60k. This excludes the carry forward surplus of £8,258k from 2016/17. In addition, as per NHS requirements the CCG is currently holding a 0.5% non-recurrent reserve uncommitted.</p> <p>This month the forecast position has improved by £41k, which means that the support from reserves to ensure that the CCG meets the control total has decreased slightly to £4,834k. Based upon the current forecast and existing commitments/assumptions, the CCG has £1.8m remaining to cover any further risks, and support the request for additional funding from the FT.</p> <p>The main movements on the forecast position in month are as follows (+ being adverse, and – being favourable):</p> <ul style="list-style-type: none"> • Acute Contracts +£593k. • Mental Health +£66k. • Corporate +£18k. • Quality Premium -£382k. • Other -£254k (NHS 111 -£101k, Prop Services -£109k). <p>The main pressures are:</p> <p>Acute Contracts (year to date (YTD) over spend £3.811m). The following lists the main providers where the CCG is seeing over performance on contracts and the main specialty areas causing the pressure. Further details of performance at POD and specialty are shown in the attached contract monitoring report.</p> <ul style="list-style-type: none"> ○ CMFT - £583k predominantly General Surgery (£392k). ○ BMI - £1,379k; T&O (£638k), General Surgery (£257k), Urology (£110k), ENT (£75k) & Anaesthetics (£111k). ○ WWL - £530k over-performance in T&O (£52k), IVF (£129k), Respiratory Medicine (£148k), General Med (£27k) and General Surgery (£21k). ○ SRFT - £506k predominantly Nephrology (£188k), Neurology (£121k) and T&O (£127k), General Surgery (£76k).

- Pennine - £155k mainly Gen Surgery including Vascular (£51k), Paediatrics (£12k), ENT (£12k) and Cardiology (£12k).
- UHSM - £260k due to General Surgery (£68k), Gen Med (£19k) and T&O (£27k) and Infectious Diseases (£22k).

With regard to the Bolton FT contract, data quality issues remain with the data being received, and whilst some issues have been resolved there still appears to be some reporting issues. A joint workshop took place with the FT on 2nd November to “deep dive” into all contractual and performance issues, and an action plan was shared with leads being held to account for each action. Most actions have made good progress, however it is recognised that some actions are complex and require significant time investment. These will be monitored closely by the Technical Information Group on a monthly basis.

Mental Health (YTD over spend £1.035m) – due to further new high cost placements and delays in discharges which were expected this month. The commissioners continue to review the position in order to try to mitigate these pressures before the end of the year, and report has been drafted and is currently under review.

Learning Disability expenditure has also increased this month due to a new high cost placement. The YTD over spend is now £0.32m. Discussions are taking place this month with Bolton Council to understand the impact of new cases and the indicative pooled budget for LD. It is hoped that we can agree a risk share on the additional cases.

CHC/FNC (YTD over spend £0.07m) has reduced slightly although the forecast remains fairly static. The QIPP scheme continues to deliver YTD.

These pressures are being off-set by:

- Running & Other Corporate Costs (YTD under spend £1.03m which includes £0.29m for the quality premium payment) – due to vacancies in corporate areas and under spends in non-pay as expected, and is forecast to over deliver against the QIPP target of £550k by £200k. This has increased YTD as some spend within corporate areas has been identified as Primary Care.
- Activity through the NHS 111 service is below the expected plan and is £0.3m under spent YTD.

It was also noted that, as at month 9, the CCG had received prescribing information up to the end of October, and this remains consistent with previous month’s reported YTD and forecast position. The main increase is due to the impact of ‘No Cheaper Stock Obtainable’ (NCSO), and there continues to be an increase in spend compared to the same period last year. NHS England continue to hold the benefit from a reduction in Cat M prices centrally, until the national financial position is known.

Members requested detail on the process undertaken with regard to the Quality Premium. It was noted that this is awarded for achievement of certain standards based on the previous year’s performance, weighted by funds and received the following year.

Members also discussed mental health spend and whether this is value for money. The Chief Finance Officer reported on discussions held with GMMH on activity and demand pre and post the merger of GMMH with Manchester Mental Health Trust. The issues in increase in spend relate to the levels of increase in demand and bed pressures locally. Discussions are to continue with the finance leads at GMMH to look at options to ring fence capacity.

The Committee also discussed the financial scenario risk range schedule and affordability figure and agreed a further review of all options be undertaken prior to any additional allocation to Bolton FT.

	<p>The Committee noted the continued pressure relating to Acute Contracts, Mental Health, Learning Disabilities and Prescribing and agreed to receive a report at the next meeting detailing the review of affordability options.</p>
10/18	<p><u>Joint Savings Performance Update (M9)</u> An update on the 2018/19 joint savings performance update as at month 9 was received. It was noted that the month 9 variance versus plan is £374k, with a year to date variance versus plan being £1,078k underachievement. The full year forecast at month 9 is to achieve £21.8m of the £25m system wide savings target.</p> <p>The Committee noted the QIPP and joint savings performance and forecast for 2017/18 at Month 9 and agreed to review the latest position on the CCG QIPP schemes at the February meeting.</p>
11/18	<p><u>Health Economy Financial Position:-</u> <u>Bolton FT Finance Committee Report (M9)</u> Members noted the premium being used for the use of agency/temporary staff. Ian Boyle reported on the workforce update presented to the Bolton FT board that week, which is now seeing improvements in staffing levels.</p> <p>The report was noted.</p>
12/18	<p><u>Any Other Business</u> There was no further business discussed.</p>
13/18	<p><u>Chair reflection on significant decisions/actions/risks that may need reporting to the Board through these minutes</u></p> <ul style="list-style-type: none"> • 5 year forward planning and the 2% QIPP future requirement. • Joint working developing across the Business Intelligence teams on the assurance of the quality of the data.
14/18	<p><u>Time and Date of Next Meeting</u> It was agreed the next meeting would to be held on 23rd February at 12 noon in the Bevan room, 2nd Floor, St Peters House.</p>