

Finance & Performance Committee
15th July 2015
The Thames Room, Civic Offices

Present:	Dr S Das	Secondary Care Consultant, Chair of the Committee
	Dr A Deshpande	Chair of the Board
	Ms M Ansell	(Acting) Interim Accountable Officer
	Mr A Olarinde	Chief Finance Officer
	Dr Nimal-Raj	GP Board Member
	Ms F Otukoya	Head of Finance
	Mr M Tebbs	Head of Integrated Commissioning
9.40am	Ms L Buckland	Lay Member
	Ms G Curtis	Deputy Business Manager, Minutes
In Attendance:	Mr M Taylor	NHS England
	Ms M Matthews	NHS England
	Mr S Adeniyi	NEL CSU

1. Welcome & Apologies	<p>Dr S Das welcomed all to the meeting. It was asked if there were any new declarations of interest that are not already on the register. None were declared.</p> <p>No apologies were received.</p>
2. Minutes of the meeting held on 17th June 2015 and Action Log	<p>The minutes of the meeting held on the 17th June 2015 were reviewed and agreed as an accurate account.</p> <p>Action Log:</p> <ol style="list-style-type: none"> Minutes – It was requested for a copy of the Executive Committee minutes to be sent with papers for information going forward – Update - Action complete, this was tabled at the meeting. Dr S Das asked for all to look at the minutes and any changes to be detailed. Final Audited Accounts & ARR – Copy of the letter sent from Audit Chairs to the Chief Finance Officer of NEL CSU, expressing their dissatisfaction with the Qualified Outcome to be shared with the committee – Update - Action complete Performance – JB to confirm with JFT regarding data sharing at the Quality & Governance Committee - Update – Mr A Olarinde to obtain this information and circulate to the committee virtually. Action AO Performance – JB to speak with Irene Lewsey regarding Dementia targets - Update – Mr A Olarinde to obtain this information and circulate to the

Comment [I1]: Was this an action for Lesley? Did we check with her that this is now complete as she wasn't at the meeting when discussed the action log?

	<p>committee virtually. Action AO</p> <p>5. 2015/16 Contract Update – MTebbs to provide letters sent to CP&R to JJ - Update – Mr M Tebbs confirmed that this is hand. Action closed.</p> <p>6. Local Enhance Services – MTebbs to present the timetable to the committee prior to going to the Board – Update – It was confirmed that this was presented to the Board. Action Closed</p> <p>7. Risks – Risk to be added to the register regarding Basildon & Brentwood CCG and the NELFT contract. – Update - There have been developments, the contract with acute trust has been agreed. A cap for this year has also been agreed, with work to be done for next year. Stroke Funding with the hospital, agreed for this year, additional investment non-recurrent with an in year review. For the NELFT contract, this is in place for 3 years, there is a programme of work for savings in place, Basildon & Brentwood CCG’s need to find financial savings is greater than that of Thurrock. This will be picked up with the in-year programme of work. Dr Nimal-Raj noted that a consultation paper was presented to the QIPP meeting and feedback was provided from the committee. Mr M Tebbs confirmed that we are collating feedback from all and this will be presented to the QIPP core prior to being submitted. It was discussed for the NELFT risk to remain open and updates to be provided to the committee.</p> <p>8. AOB – MA and AO to provide updates to the committee in terms of what the Success Regime will mean to the CCG. – Update – Ms M Ansell stated that there is a meeting this afternoon regarding the Success Regime, the Communications leads are being briefed before the Chiefs. Ms M Ansell to provide an update to all. This will be presented to the board. Alistair M is attending the Board Seminar. Action MA</p>
3.	Finance & Performance Report
	<p>Ms F Otukoya presented the Month 3 finance report to the committee. It was noted that there will be changes to the report over the coming months, the committee will be involved with these changes.</p> <p>The year to date financial position for the CCG as at month 3 is £528k underspend against a budget of £50,224k. the forecast position is to deliver the surplus of £2,090k which is an outturn of £196,895 against a budget of £198,985k.</p> <p>2015/16 Budgetary Allocation The opening resource allocation for 2015/16 is £192,824k, comprising £189,097k programme budget and £3,727k running costs budget. There have been some further allocations received in year bringing the total resource at month 3 to £198,985k</p> <p>Programme Budget The programme budget for the CCG for 2015/16 is £193,168k; as at month 3 the year to date (YTD) position is an £8k underspend against a budget of £48,790k. The forecast indicates a slight pressure of £62k, however this will be monitored pressure materialise and risk and reviewed during the course of the year. Risks identified are across the Acute, Prescribing and continuing healthcare portfolios.</p> <p>QIPP The QIPP summary position as at month 3 is as follows. YTD plan is £1,415k and YTD is deemed as breakeven. The current position assumes the schemes relating to Prescribing and acute data are on track to deliver and these will be retrospectively</p>

validated. The forecast position is an achievement of £6,654k against a target of £7,263k, however work is currently being undertaken to identify further schemes.

BPPC

The BPPC requires the CCG to pay invoices received in accordance with the contractual terms, and the CCG is required to pay trade creditors in accordance with this code. The target is for 95% of both the value and the number of non-NHS trade creditors to be paid within 30 days of receipt of goods or a valid invoice. The summary of invoices paid year to date (M3) and forecast performance is indicated below:

Key Risks

The following risks have been highlighted as a result of pressures over the past couple of years of the CCG, and will be monitored and reported on monthly as appropriate:

Acute Services – There is an inherent risk of over-performance in acute activity.

Continuing Healthcare Current Adult cases – Continuing Healthcare costs have increased over the past 2 years and is being closely monitored in order to highlight any further pressure on this budget.

Prescribing budget - There is a risk that prescribing costs and volume increase above budget and forecast during the year.

Questions

Ms M Ansell noted that with regard to the BCF Performance, herself and Roger Harris (Thurrock Council) were interviewed for the performance board and we were identified as a good performer.

Dr S Das noted that consistency is required with regard to the brackets, colours within the budget sheet. **Action FO**

Mr A Olarinde stated that we have 1 month fixed data and 1 month flex data. From last year, we now know that there will be increased attention on activity. Going forward we will be concentrating on activity.

The BCF has been added to the report, there is also the element that the Local Authority puts in, the performance of the plan is presented by integrated commissioning executives with regard to the pooled fund.

Mr A Olarinde presented the templates submitted to NHS England to the committee. This is presented at the end of Q1, it will be discussed if this is to be presented to the committee going forward or periodically.

Questions:

It was discussed that the risk with regard to acute trusts, 50% has been put aside for over activity, but this is looking at previous years and assumptions. Ms M Ansell detailed that this has been reviewed by NHS England and Adrian Marr to provide assurance. Ms L Buckland asked how often is this reviewed. Mr A Olarinde confirmed that this is reviewed monthly.

Agreed for this to be presented quarterly and to be added to the workplan, however if there is an exceptional reports then this is to be detailed. **Action AO/FO**

<p>4.</p>	<p>QIPP Project Progress & System Redesign Delivery</p>
	<p>Mr M Tebbs tabled the QIPP Papers. The QIPP programme dashboard was explained in detail, the following differences from last month were noted.</p> <p>There are 2 schemes that have been removed, this was following a paper presented at the QIPP committee where it was agreed for these to be removed.</p> <p>Under performance and over performance was detailed from the report.</p> <p>Fines and challenges Mr A Olarinde stated that as part of the contract settlement agreed amount of £575k, in the QIPP plan this was higher, but £575k has been secured.</p> <p>The original list had many more schemes, those that we did not concentrate on we will be revisiting and also working with Basildon & Brentwood CCG on ideas for going forward.</p> <p>Dr S Das queried that, as some QIPP schemes in YTD are red but are presented as green for full year, how confident are we that these schemes will indeed deliver. Mr M Tebbs clarified that with all medicines management schemes, the variance is because we don't have any data. Green at the end of the year is the medicines plan. Mr A Olarinde stated that there is a 2 month lag with data. Also the medicines management team have a good track record of delivering.</p> <p>It was noted that in some areas there is an under estimation of 100%. The document needs to be reviewed. Action MT</p> <p>Mr M Tebbs stated that this is on-going work. Dr S Das stated that we only see this once a month and don't get to see the data and assurance is needed.</p> <p>Additional Schemes Section 75 review, began a process in October for Children & Young People's section 75 as this was coming to a close. We are at a position for a joint review from the CCG and the council. A summary was presented to the committee, it was detailed that the full report will be presented to the board.</p> <p>There are 3 elements in the current section 75 review, this was detailed in the paper.</p> <p>Second recommendation, regarding funding, the funding was inherited from the PCT in 2011. The CCG has been funding this even though we do not have any statutory obligation to do so. Proposing to remove this funding. This is inherited funding schemes from the PCT. Ms M Ansell stated that we have been able to carry this out as we brought Children's commissioning in house. Dr Nimal-Raj asked how many children is this going to effect. Ms M Ansell confirmed that this is the information that we have requested and that an impact assessment was underway.</p> <p>Early offer of help, this has been jointly funding a number of service lines that are public health service outcomes.</p> <p>Noted that Ms C Blair completed an outstanding piece of work and noted thanks and appreciation of the work completed.</p> <p>Reviewed, clear this service does not fulfil a health requirement and should come</p>

under public health responsibility.

A number of issues brought in throughout the review to see if health would fund, we have said we will look at these but we have not had the service specifications or activity. It was proposed to look at this on a case by case basis. Ms L Buckland asked for the timeline to be confirmed. Mr M Tebbs stated that the emphasis needs to be on them to provide evidence. Dr A Deshpande asked if not going to fund services and Local Authority has no money, are they going to disappear or are these going to be funded through BCF. Ms M Ansell confirmed that the local authority children's budget is ring-fenced, more important to get this right because what is done in the council budget wise will impact on us. Ms M Ansell stated that where we should be funding activity, we will do so.

Mr M Tebbs confirmed that this is a joint piece of work and we are looking for a formal response from the Local Authority to get a fuller picture. This is a part year effect this year. Mr M Tebbs stated that this is still our responsibility to hold the Local Authority to account for the services that they have a statutory obligation to fund. Mr A Olarinde stated that in terms of the savings, these are a part year effect, and there will be additional savings for next year.

Dementia ward closures, £500k savings. Work progressing to deregister these wards. There has been communication and meetings regarding how the risk share will be monitored. There would be a significant financial savings in year. We are replying to latest correspondence this week.

5. Continuing Healthcare Costs

Ms L Buckland asked why a representative from Arden/GEM was not present at the meeting. Ms F Otukoya confirmed that this is being pursued. It was noted that Ms L Buckland was unhappy with their non-attendance.

Dr A Deshpande stated that the front sheet of the paper was inappropriate and this needs to be addressed. **Action FO**

Ms M Ansell stated that a meeting has taken place to discuss issues and these are being addressed.

Dr S Das suggested that a senior person from Arden/GEM is to attend the meeting. **Action FO**

Ms F Otukoya presented the Continuing Healthcare Costs paper to the committee. The following points were noted from the report:

It was noted that the report is still a work in progress and this will develop over time.

CHC Core Update

It was detailed that 261 patients have been reconciled to the information provided by the clinical team. It was also noted that we are looking at committed costs, however these are not forecast numbers within the report. Ms F Otukoya stated that work is on-going with the team to reconcile the data.

Funded Nursing Costs

It was stated that the FNC forecast was 122,160 and this is within budget.

CHC Retrospective

There are 62 remaining cases currently active in the provision as at 30th June 2015. There has been no change from last month. Ms F Otukoya confirmed that this is a work in progress, but we have detailed that we are not happy with the report and the assurance this gives.

Questions:

Ms L Buckland, FNC, are these new patients. Ms F Otukoya confirmed that this is FNC not just CHC.

Ms L Buckland asked for clarity regarding retrospective cases and that they have not changed within the last 2 months. **Action FO**

Ms L Buckland asked how are we dealing with the timeline and the risk to the CCG. Mr A Olarinde confirmed that with regard to retrospective cases, this was in place with the Central Eastern CSU and these were inherited. It was confirmed that the review takes time to complete, this includes information from care providers. The agreed period for this to be completed is 2 and half years from last October 2014. There may have been some slippage from the changeover but we do have a trajectory in place.

Dr S Das asked for an indication as to how long this will take. Mr A Olarinde stated that there is a trajectory in place and performance is monitored against this.

It was updated that the Coach House is closing and Thurrock CCG patients will need to be rehomed.

6. NEL & Arden CSU Performance

Mr A Olarinde asked for the minutes of the Arden/GEM contract meeting to be sent to committee members with the papers monthly. **Action GC**

NEL CSU

Mr A Olarinde stated that at present there are no major concerns.

Arden/GEM

Mr A Olarinde stated that we are still in the process of getting the formal contract signed. Our changes to the contract have been sent back to the CSU.

It was noted for Mr A Olarinde to present a formal paper at the next meeting. **Action AO**

7. Prescribing & Medicines Management

Ms M Tompkins presented the Prescribing and Medicines Management update to the committee.

It was noted that at the time of writing the report only 1 month data had been received.

Primary Care Prescribing

April 15 NHSBSA data has been received recently and is undergoing deeper analysis. Month 1 data is of course not yet reliable but gives an indication of key headline issues given below:

Growth on previous 12 months 3.1% (East of England CCGs range 0.4-7.8% and national figure is 3.69%)

Spend £1.772m

Cost/ASTRO-PU £39,970 (National figure £40,880)

Diabetes: Gliptins £342.09 /ASTRO-PU and GLP1s £141.71/ASTRO-PU ie highest in EoE CCGs)

Respiratory: Seretide £245.98 (Range in EoE £284.15- £143.12)

The growth is just below the national average and Cost-ASTRO-PU similarly there are still considerable challenges if we are to meet our prescribing and QIPP targets.

Diabetes and Respiratory are highlighted as particular areas for concern in our QIPP programme and the early figures emphasise this challenge.

During 14-15 we began to address respiratory through the local network and other routes. Seretide is no longer an initial choice in asthma or COPD and this continues to be addressed. Examples include new entry to the market of a branded generic 'Sirdupla' which we plan to promote as soon as it is available and the suggestion that we sign-up to a rebate scheme for Seretide too as there is considerable expenditure on existing patients. Our normal first choice now is Fostair which is considerably less costly and also effective.

Diabetes remains a major challenge which we are addressing through the newly formed local network and in challenging existing prescribing practices. The most recent and initial decision is that the normal gliptin to be used (if one is indicated) is alogliptin, the price of which is approximately 20% less than the local product currently recommended by consultants.

Prescribing Incentive Scheme 2015-16

The current scheme is appended for agreement having been considered by Dr Martin and others. It supports the QIPP targets. Diagnostic visits to practices are being undertaken by the Medicines Management team currently and our expectation is that if practices need assistance this will be agreed within the CCG rather than automatically provided.

Questions:

Dr A Deshpande stated that when the consultant presented their information, diabetes care in Thurrock is good, we need to look at the cost but remember that the care is good. Ms M Tompkins stated that we have high cost and good outcomes, we want to move to lower costs good outcomes.

Dr Nimal-Raj noted that over 60 and 75 years diabetes management is good and is within the national average of 4%. Ms M Tompkins, we need to ensure that we don't over treat our older people.

Mr A Olarinde stated that we are setting practice level budgets. Mr A Olarinde confirmed that we have set aside 5% uplift, but we are going to hold some of this back. It has been suggested that at the next report, practice level data around expenditure and budgets is presented, along with prescribing incentive schemes, set aside a budget for this. Mr A Olarinde asked the committee to approve this scheme. All approved.

Dr S Das queried whether the forecast of 200% for the QIPP Scheme for tariff excluded drugs%, is this correct. Ms M Tompkins stated that we added a figure of

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	<p>what was achievable, in the first two months we noted the challenges are significantly above what we anticipated, there are a number of issues there. When the issues have been resolved in October the figures will be firmer. It was also stated that there may be some slippage with other schemes, but we are feeling optimistic.</p> <p>Ms L Buckland asked who has the responsibility to encourage EPS and where does the marketing sit. Ms M Tompkins stated that the responsibility is with NHS England, but this has moved back to us. There are benefits to EPS.</p> <p>Dr Nimal-Raj thanked the hard work of Ms M Tompkins and noted the hard work of the Diabetes network.</p>
<p>8.</p>	<p>Review Operational & Strategic Plan</p> <p>Mr M Tebbs tabled an update of the review of the Operation & Strategic Plan. It was stated that this was a useful exercise to pick out different elements.</p> <p>Mr M Tebbs explained the document to the committee.</p> <p>It was discussed for timelines to be added. Action MT</p>
<p>9.</p>	<p>Paediatrics</p> <p>Mr M Tebbs presented the Paediatrics report to the committee.</p> <p>CAMHS Reprourement</p> <p>The children and young people mental health and emotional wellbeing procurement has concluded and the contract was awarded in early June 2015 to NELFT and will go live on 1st November 2015. The project group are now in an intensive mobilisation phase to take us through to service launch in November.</p> <p>NELFT will be working with 0-25 year olds, and will have a dedicated helpline for managers for advice. They will see any young person that is suffering with Emotional and Mental Health within Thurrock, Southend and Essex. The appointment of the provider was a quality driven process and efficiency savings of 4% were also achieved.</p> <p>The contract will be for three years, with an option to extend for a further two years if the provider meets performance expectations.</p> <p>West Essex CCG will take on the role as lead commissioner. All 10 partnership organisations are bound by a legal partnership arrangement, ensuring all 10 organisations can closely monitor performance on behalf of their own populations.</p> <p>It was stated that there have been no further updates since the June Board meeting.</p> <p>SEND reforms</p> <p>As yet there have been no flagged issues, but there are still pieces of work continuing around mediation arrangements and Joint Commissioning, both of which need to be firmed up. Equally, as the first EHC Plans are beginning to be finalised, we will need to keep a watching brief on any supplementary resource requirements.</p> <p>The main issue for the SEND reforms remains the Designated Medical Officer (DMO) role. Essex, Thurrock & Southend CCGs are exploring the option of a jointly funded post.</p>

	<p>Other elements of the report were noted by the committee.</p> <p>Questions: Ms L Buckland asked with regard to Sickie Cell, has patient experience work been carried out for this. Mr M Tebbs stated not as this stage but this will be taken back. Action MT</p>
<p>10. Acute Services Update</p>	<p>Mr S Adeniyi attended the meeting and tabled the Acute Services update to the committee. The following points were noted from the report. Sunday attended the meeting to present the tabled report</p> <p>Overall as of the 30th May 2015, across all contracts managed by NEL CSU, Thurrock CCG spent £24.15m in commissioning Acute, Community & Mental health services for its population. Community & Mental Health services are commissioned as a block.</p> <p>It was noted that there is a large amount of uncoded activity from BTUH. It was also noted that costs have increased with Dartford & Gravesham NHS Trust.</p> <p>Ms M Ansell if we are able to see where our patients are going for their outpatient appointments.</p> <p>It was noted that BTUH is the biggest contract, however there was not sufficient data to complete a review, this is being taken forward.</p> <p>Mental Health & Non-Acute Mental Health Acute Adult Inpatients – Westley ward remains open and a number of beds occupied has been slightly below capacity since commissioners objected to SEPTs attempt to close the ward. A decision on the ward closure is deferred until agreement is reached between the Trust and Commissioners.</p> <p>The Re-registration of 2 Dementia Wards – This is in progress, negotiations are continuing regarding stakeholder shares of the planned CHC service and this has delayed the registration process.</p> <p>The financial agreement of the 2015/16 contract with SEPT has been reached in principle pending final sign off in the week beginning 11th May 2015. Final settlement of CQUIN funding and RAID funding have been deferred until the end of May 2015.</p> <p>Mr A Olarinde stated that with regard to CCG capacity, an additional post within the finance team has been put in place. This will be filled with an interim whilst the recruitment process is started.</p>
<p>11. Performance</p>	<p>None</p>
<p>12. Risks</p>	<p>The key financial risks for the CCG continue to be overperformance of the acute services contract; overspend on CHC costs; and underdelivery of QIPP.</p>
<p>13. AOB</p> <p>CCG Governance</p>	<p>Mr A Olarinde explained the governance process going forward by NHS England.</p>

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Representatives will be attending many meetings going forward, including the Board and Finance & Performance Committee. The Head of Assurance is Melanie Mathews. They will be invited guests. It was discussed for them to attend at least every committee once or twice. But it is their choice if they want to join every meeting. They are only here to observe.

Dr S Das asked Mr M Taylor and Ms M Matthews the remit of their attendance. Mr M Taylor stated that following the Q4 assurance, it was felt appropriate that as CCGs have been in place for a while it was an idea to look at the governance arrangements for the CCG. This is part of the statute. There will be a communication coming out to Ms M Ansell and Mr A Olarinde with a check list attached, we then have to provide assurance against this. It was confirmed that they are in attendance as an observer. Dr S Das asked if we will get feedback. Mr M Taylor confirmed this and that it will be sent to Mr A Olarinde.

This was previously discussed by Mike Taylor at the start of the meeting. The return goes in to NHS England regional team, they will have a view on these returns. Attendance at board meetings is also expected. Prior to submission this is to be circulated for comment. Dr S Das stated that we need to make sure we are reaching these requirements. It was agreed for Ms M Ansell, Dr A Deshpande and Mr A Olarinde to sit together regarding the assessment of the Board. **Action MA/AD/AO**

It was stated that this document is to be circulated to this committee and presented to the Audit Committee.

IAPT Procurement Update

Mr M Tebbs stated that IAPT has been out to procurement twice for this service, first we had 2 providers submit the ITT, after reviewing neither were fully reflecting the requirements. Completed further work on specifications, went through a second round, only one submitted an ITT, this has been reviewed. The panel came to the conclusion of 45% against a target of 60%, falling short. Proposing a board paper next week that they have not been successful, taken advice from Attain, proposal having gone to market twice, they recommend issuing a waiver so that we don't have to go through another process, and approaching the provider directly. Ms M Ansell confirmed that we need to do all we can to get a service that delivers. Mr M Tebbs confirmed that we continue to fail at the targets. There is a lot of scrutiny on this. The issue is around people entering the service. There will still be board scrutiny with this process.

Ms L Buckland stated that there needs to be assurance that governance is properly documented.

Date of Next Meeting

19th August 2015, 9am, The Thames Room Civic Offices