

Finance & Performance Committee
17th September 2014
Thames Room, Civic Offices

Present:	Dr S Das	Secondary Care Consultant, Chair of the Committee
	Ms L Buckland	Lay Member, Deputy Chair of the Committee
	Dr A Deshpande	Chair of the Board
	Mr A Olarinde	Chief Finance Officer
	Mr R Chaudhari	Senior Commissioning Manager
	Ms G Curtis	Deputy Business Manager, Minutes
In Attendance:	Mr R Nartey	CSU, Contract Management
	Mr J Buschor	Head of Performance
	Ms M Tompkins	Head of Medicines Management
Apologies:	Ms M Ansell	(Acting) Interim Accountable Officer
	Dr Nimal-Raj	GP Board Member
	Ms F Otukoya	Head of Finance

1.	Welcome & Apologies
	Dr S Das welcomed all to the meeting, apologies were noted above. Dr S Das asked for any declarations of interest that are not already detailed on the register. None were declared.
2.	Minutes of the meeting held on 20th August 2014 and Action Log
	The minutes of the previous meeting held on the 20 th August 2014 were reviewed and the minutes were agreed as an accurate account. Action Log: <ol style="list-style-type: none"> 1. CCG Assurance & Development – A paper on resilience funding was presented to the Board in August. No additional papers have been circulated to this committee. Action Closed 2. CCG Assurance & Development – It was confirmed that the Board have been updated on this and it has also been discussed at the Audit Committee. Action Closed 3. CSU Commissioning Intentions – It was confirmed that this will be covered within item 8 of the agenda. Action Closed 4. Month 4 Finance Report, Overspend within Mental Health – This action is to be carried forward to the October meeting. Action MTebs 5. Month 4 Finance Report, Patient Transport – Action Outstanding, Mr W Guy to provide an update prior to the next meeting. Action WG

	<p>6. Acute Services, Uncoded Data – It was confirmed that this will be covered in agenda item 5. Action Closed.</p> <p>7. Performance – Action closed, Mr J Buschor attending the meeting quarterly for agenda item 11.</p> <p>Carried Forward:</p> <ol style="list-style-type: none"> 1. Terms of Reference - Action closed 2. Local Enhanced Services - Action outstanding. Action RC/LB
<p>3.</p>	<p>Finance & Performance Report</p> <p>Mr A Olarinde tabled the Month 5 Finance Report. The following points were noted from the report.</p> <p>Summary Outturn Year to date expenditure of £78,385k, with a variation of £833k underspend. Forecast expenditure of £188,378k with a variance of £1,979k underspend. This indicated that the CCG current forecast is to achieve the mandatory 1% surplus of £1,979k.</p> <p>Program Budget It was detailed that the main pressures within the program budget are:</p> <ul style="list-style-type: none"> - Acute Contracts – YTD pressure of £1,235k, with the majority of the over performance of £1,355k on BTUH, based on month 3 and month 4 flex data. - Continuing Healthcare – YTD pressure of £431k with a FOT of £449k. work is currently being undertaken to review the current cases to ensure they are correctly attributed to Thurrock CCG. It was verbally confirmed that following the CHC transfer to Arden CSU there will be a continuity of staff. <p>Running Costs Budget YTD expenditure of £1,653k with a variance of £60k underspend. FOT of £3,982k with a forecast variance of £139k underspend.</p> <p>It was explained that the budgets are currently for 12 months, however following 1st October we will have a budget for the first 6 months of the year and amendments for the following 6 months of the year by service line.</p> <p>It was asked where the expenditure for the office redecoration works to accommodate the additional staffing due to changes in commissioning support arrangements were being charged to. Mr A Olarinde confirmed that this will be charged against the running cost budget or non-recurrent headroom. As this cost related to the administration of the organisation, Ms L Buckland asked if this treatment would be transparent and Mr A Olarinde confirmed that the final treatment will be agreed with auditors.</p> <p>Dr S Das stated that a lot of our running cost budget is underspent. Mr A Olarinde confirmed that this may change following the transfer of CSU staff and also the restructure of the office. It is known that next year our running costs will be reduced by 10%; this will be reviewed next year as to the allocation of some payroll costs.</p> <p>Dr A Deshpande asked why commissioners should not be reassigned to programme budgets from October as this seems the most natural time. Mr A Olarinde confirmed that this will be reviewed in-line with neighbouring CCGs.</p>
<p>4.</p>	<p>QIPP Delivery</p> <p>Mr A Olarinde tabled the QIPP summary for the committee to review.</p>

Mr A Olarinde noted that the validated planned savings reflect the planned savings for the projects that we have actual delivery data. Data validation is currently being undertaken for the unplanned care schemes (AEC & Frailty). Acute activity and prescribing data as a 2 month delay.

It was confirmed that to date there is an actual savings £1.63m.

There are 2 key programme risks, both regarding Mental Health, Additional SEPT Schemes and Individual Placements.

Ms L Buckland asked were there difficulties with SEPT last year, Mr A Olarinde stated that as part of the financial recovery plan there were discussions. Following that there was a credit of 100k that was returned to us. Although we there are issues with some aspects of QIPP delivery, discussion are in progress to resolve this and we will be seeking to have the same concessions similar to last year.

Dr A Deshpande noted that this paper was sent to the QIPP Committee just before their last meeting and left members little time for review in advance of the meeting. Finance and Performance Committee members highlighted some inconsistencies in the rating scores attributed to programme risks and these were to be reviewed by the PMO. Mr A Olarinde explained that the monthly reporting time table makes it difficult for the validated QIPP report to be available for circulation together with other papers in advance of the QIPP meetings. He therefore suggested that future the papers be sent to the QIPP committee members prior to the meeting, noting that these will be the previous months data but the clinicians would be able to review prior to the meeting, with an update tabled on the day with more up to date data. **Action AO to take forward**

It was confirmed for this paper to come to the Finance committee.

It was asked for the QIPP report to be cross referenced and reviewed in detail at a future meeting. Review all schemes to ensure that RAG ratings are accurate for all schemes, including those that are green. **Action AO**

5. Acute Services

Mr R Nartey attended the meeting to present Acute Services Report to the committee.

The following updates were provided for the action points assigned to Mr R Nartey:

Action points:

- Analysis of BTUH Contract – coding. This shows the overspend in 4 crucial areas. Non elective has reduced within 1 month. This shows the forecast variance. The flex and the freeze in regard to coding, month 3 freeze and month 4 flex, activity can be uncoded at flex but at freeze uncoded wouldn't be paid. Last year on average there was 20% uncoded, this year the average is 12%.
- Dr S Das stated that maternity is now a whole pathway, this is not broken down. Now hospitals rate each patient as with high, medium or low risk and at the end of the care a fixed tariff is paid. Mr R Nartey to explore why this broken down. **Action RN**

It was confirmed that there is a small over spend on residential services within Mental Health and there are already actions in place. An improvement should be shown next

	<p>month.</p> <p>Ms L Buckland noted from the Executive Summary that the Southend, 2013/14 contract yet to be finalised, what is the time line for this to be completed. Mr A Olarinde updated that there have been changes in personnel and at present there is no CEO in post. There is a 35k cost pressure to us for last year's activity even though we have closed down last year. Mr A Olarinde stated that there is always a lag in contracts at year end hence the accounts would normally include reasonable estimates of outstanding activity and actual costs confirmed after year-end resulting in either an over/under provision.</p> <p>Ms L Buckland noted from the acute contract summary that there are 5 red and 1 amber on rag rating; these are outside of our main providers. If the percentage creep continues in year, what are we doing going to do about it? Mr R Nartey stated that some are referrals which we can control and drill down. Some we cannot control and these are the risks. Mr R Nartey confirmed that drill down is completed before payment is made each month.</p> <p>Dr S Das stated that both the Spire and BMI contract are both red, the quality issues at Spire are being looked into by the lead CCG, Southend.</p> <p>It was discussed that following services with Spire (operation) a letter is sent back to the GP to arrange post op care but this should be arranged by BTUH as they sub-contracted. Action RC to raise at contract management</p> <p>RC said that a communication to practices should go out to practices to ensure that referrals should go out to all practices to refer straight in to BTUH instead of spire. Action RC</p> <p>Mr A Olarinde stated that in terms of the report from the CSU, do we want all the detail or just the executive summary. It was confirmed for the detail to be shared.</p>
<p>6.</p>	<p>Mental Health Services</p>
	<p>Item deferred until October meeting.</p>
<p>7.</p>	<p>Community Services</p>
	<p>Item deferred until October meeting.</p>
<p>8.</p>	<p>CSU Commissioning Update</p>
	<p>Mr A Olarinde provided a verbal update with regard to the CSU Commissioning.</p> <p>It was stated that there are a number of outstanding actions. We have now received full payroll details for all staff transferring from the CSU, final costings will be adjusted with this information. This information will include incremental points. Stranded costs, there are weekly teleconferences to discuss the transfer. At the end of September we should know where most staff members will be in place. It was confirmed that there is a process in place for some members of staff from the CSU that do not have a position will be used for legacy work.</p> <p>The CSU officially closes at the end of September; however there will be some members of staff still in place until January undertaking the financial close down of the CSU.</p> <p>Ms L Buckland enquired as to service audit with the CSU. This could be a governance</p>

	<p>issue. Ms L Buckland stated that this will need to go to the next Audit Committee.</p> <p>Action LB</p> <p>Final costings from the CSU will be in place by the end of January 2015. This will include the final stranded costs and redundancies. Ms L Buckland requested for the next update to be circulated to the Remuneration Committee. Action AO</p>
9.	<p>Prescribing/Medicines Management Update</p> <p>Ms M Tompkins attended the committee to present the Prescribing and Medicines Management.</p> <p>Approval was being sought for the prescribing incentive scheme:</p> <p>The Prescribing Incentive Scheme for 2014/15 was discussed and approved by the Thurrock CCG Medicines and Safety Group on 30th May 2014.</p> <p>The scheme, which consists of financial, clinical and quality prescribing targets, is closely linked with the primary care medicines management QIPP work streams. All practices participate in the Prescribing Incentive Scheme, and the scheme requires practices to choose a set of core targets, as well as four practice-specific prescribing targets or audits which have been highlighted as high cost/missed opportunities by the Medicines Management Team.</p> <p>In order to maximise the impact of the Prescribing Incentive Scheme, the targets form the basis of discussions with prescribers at practice prescribing review meetings. In addition, practice-based support from a Dietician and sessional pharmacists is offered where appropriate, especially around high priority areas such as diabetes, respiratory medicines, special order products, nutrition and chronic pain management. The scheme also relies heavily on practices undertaking prescribing audits which ensures that improvements in prescribing are continually implemented.</p> <p>Payment to practices for their Incentive Scheme achievements is top-sliced from the prescribing budget. Experience from previous years, however, demonstrates that the Prescribing Incentive Scheme is very effective in encouraging practices to improve the cost-effectiveness and quality of prescribing, which in turn helps to deliver significant primary care QIPP savings.</p> <p>Dr S Das asked if this is an incentive scheme that practices get paid, there is no amount for this. Ms M Tompkins stated that there is 170k across all practice. Mr A Olarinde stated that there is a budget for prescribing incentive schemes, the reward will be set out in points, for example the amount achieved will equal the amount paid. This will be reviewed by the Medicines Management team prior to payment. There will be estimation at year end; practices have been informed of what they have already completed and their targets.</p> <p>Mr A Olarinde stated that in terms of QIPP we have QP Plus; this is another reward scheme for practices. Ms M Tompkins stated that it is a good idea to look at prescribing incentives for next year.</p> <p>All those in attendance approved the prescribing incentive schemes.</p>
10.	<p>Terms of Reference</p> <p>The final Terms of Reference was presented to the committee for approval.</p> <p>Ms L Buckland stated that she has been appointed as the deputy chair of the</p>

	<p>committee.</p> <p>Ms L Buckland stated that all Terms of Reference will include a section on Risks and appropriate escalation.</p> <p>It was discussed that the document should read Governing Body instead of The Board.</p> <p>Following these changes these were approved</p>
<p>11.</p>	<p>Performance</p> <p>Mr J Buschor attended the meeting to present the performance update. It was confirmed that Mr J Buschor will be attending the meeting on a quarterly basis to update the committee.</p> <p>This report was reviewed in detail. This includes issues with the ambulance service, A&E and referral to treatment waits. For referral to treatment waits we have asked for all patients to be treated that are over 18weeks, these will show as a breach but the back log of patients to be treated will be no longer.</p> <p>Mr A Olarinde confirmed that the LAT, CCGs and providers are working together on this.</p> <p>Cancer waits 62 days wait, there is a back log but this is being reviewed.</p> <p>Same sex accommodation, there have been 5 breaches, but schemes have been put in place to alleviate these.</p> <p>It was noted that the Quality and Governance Committee review the monthly report in detail at their meetings.</p>
<p>12.</p>	<p>AOB BCF</p> <p>Mr A Olarinde provided an updated regarding the BCF, the funding sheet was tabled to the committee for approval. Mr A Olarinde explained the background around the BCF.</p> <p>Dr A Deshpande asked why the responsibility was given to the Health & Wellbeing Board. Mr A Olarinde confirmed that this was the government directive to get health and social care working closer together.</p> <p>Ms L Buckland stated that Mr R Harris stated at the Board that the Local Authority have significant financial savings to achieve and wondered if the BCF funds would be ring fenced. Mr A Olarinde stated this is the minimum spend mandated, with both parties likely to extend their contributions beyond these levels. Ms L Buckland asked if the LA is hosting this, Mr A Olarinde stated that there will be a section 75 in place for this.</p> <p>Ms L Buckland enquired if we can have assurance regarding public health and this being in place first. Mr A Olarinde stated that Mr R Harris is attending the next executive committee to share the LA plans with the CCG.</p> <p>It was confirmed that the final submission will be presented to the board for final sign off. The committee today are being asked for their approval of the draft presented.</p>

	<p>All present in agreement.</p> <p>The final plan to be circulated to members on Friday prior to submission.</p>
Date of Next Meeting	
15 th October 2014, Thames Room, Civic Offices	

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