

Finance and Performance Committee

DRAFT MINUTES

Minutes of the meeting of the Finance and Performance Committee on 28th February 2018, Board Room Capability House, Wrest Park, commencing at 9.00 and concluding at 10.55.

Members Present

Roland Ginn	Lay Member – Finance & Performance (Chair)	RG
Jane Meggitt	Acting Accountable Officer	JM
Saqhib Ali	Lay Member – Audit and Governance	SA
Dr Alvin Low	Clinical Chair [Joined meeting at 10.00]	AL
Malcolm Miller	Acting Chief Finance Officer [Dialled into meeting]	MM
Alan Streets	Turn-around and Contract Advisor	AS
Dr William Hollington	GP – Locality Chair of Ivel Valley	WH
Dr Jonathan Kirkham	GP – Clinical Lead	JK
Dr David Howard	GP – Locality Chair of Bedford	DH

Others in attendance

Alyson Malciw	PA to Chief Finance Officer (minutes)	AM
Caroline Kurzeja	Director of Strategy and Transformation [joined meeting at 10.15]	CK

Apologies for absence

Stephen Makin	Head of Finance, NHS England, Midland & East (Central Midlands)	SM
Sarah Thompson	Accountable Officer	ST
Matt Hollex	Head of Programme Management Office (PMO)	MH
Andrew Moore	Lead Turn-around Advisor	AM

No	Item
1.0, 2.0	<p>Welcome and Apologies</p> <p>Apologies for absence were noted as recorded above.</p> <p>The meeting was noted as QUORATE.</p>
3.0	<p>Declarations of Interest</p> <p>WH, DH, JK and AL declared an interest in Agenda Item 14.0 it was confirmed that they would leave the room when this item was discussed.</p> <p>There were no further changes to declarations in relation to items on the agenda, or noted over and above these on the Conflicts of Interest register.</p>
4.0	<p>Minutes</p> <p>Minutes of the meeting held on 24 January 2018 were approved as an accurate record.</p> <p>These minutes are to be presented at the next BCCG Governing Body Meeting in public –once approved in the next committee.</p>

5.0

Action Tracker

The actions were discussed and logged with relevant updates added to the live action tracker. All closed actions will be archived and coded accurately for future reference.

PF102: Better Care Funds with Bedfordshire Borough Council and Central Bedfordshire Council is to remain open until next meeting 28 March 2018 where Jonathan Bilson is to attend to give an update.

FP124: Contract Highlight Report – AS has employed an expert to do the Contract Highlight Report, on a medium to long term contract. AS/MM to employ two Senior Management Accountants, one for Contracting Support and the other for QIPP Planning. Also one Senior Finance Planning Role...

FP126: Delegated Authority for S106 Applications – it was agreed that AL and MM would liaise with the Local Authorities, to discuss S106 funding with an aim to align the process across Bedfordshire.

FP127: Circle MSK: Contract Extension - Closed

6.0,

Integrated Performance Report – Month 10

7.0,

AS presented the report. L&D had not seen a massive uplift in Month 10 as they had initially thought. The L&D's year-end number is close to the BCCG's estimate.

7.1

BHT had not seen a massive uplift in Month 10. Admissions had increased by 80 over the month than previously expected. The issue with BHT is that they had 50-60 more escalation beds open over that period, causing a significant cost pressure without the income pressure to offset it.

BCCG are not seeing the two main acute contracts getting any worse than forecasted.

East and North Herts are continuing to underperform. Addenbrookes continue to underperform.

Other acute contracts are seeing a slight up and down; there is no significant pressure on the other acute contracts.

Lister Hospital are having problems with their data and are not responding to BCCG queries and challenges, this puts the BCCG in a strong position from a contracts perspective.

The Non-Emergency Patient Transport contract has been signed. The Contract Manager assigned to this is Stephanie Glover. From April 2018 there will be a new Contract Manager in post to replace Deborah O'Brien.

ELFT are taking over the Community Services and transition is going well, they are very engaged.

MM added that the last SLA payment to EPUT will be held until the BCCG are satisfied with the transfer to ELFT.

AS reported that contract performance is progressing well and there is a clear plan for 2018 where they stabilise, the CCG gather information, agree a baseline and then do initial shadow monitoring to establish if this is a realistic baseline. A target is then set, they are then expected to improve in order to qualify for the 10% performance bonus.

The deadline is end of Q2, it will be assessed in Q3, and in Q4 the target is established.

ACTION: AS to provide a complete update on performance at the end of September (Q2).

JM asked if the L&D are included in the list of how things are going in terms of how they are performing. AS confirmed that L&D's performance is being scrutinised for some of their reporting.

AS reported that LCCG have a major paediatric admissions flow problem. BCCG are being more robust with regard to L&D's performance and challenges than LCCG. L&D are failing on diagnostic waits, LCCG had not picked up on this, and had not pushed them for a quality plan, and it was the Quality Team in BCCG who recognised this.

	<p>The committee noted the performance report and the Contract Highlight Report</p>
8.0	<p>Phased QIPP Forecast Outturn 2018/19</p> <p>MM drew the committee's attention to the key messages within the paper. He highlighted that it had been reviewed scheme by scheme to see if there is any evidence of back loading.</p> <p>Significant back loaded QIPP to be delivered in Feb of £2.7m and March 2018 of £3m. There is a risk that this will not be delivered. MM advised that if this is not delivered it can be covered off by £1.7m of acutes which is not in the run rate. This would be identified as a risk.</p> <p>AS added that a non elective task force is up and running and is reporting 8 patients a day, against the target of 5-6 with a 1-2 saving on admissions. From a patient aspect this is seen as working, but the hospital is still seeing patients turning up.</p> <p>RG requested when he could have sight of the next financial years QIPP. This would be available in draft form in 2 months' time.</p> <p>Action: MM to table 18/19 QIPP when available</p> <p>It was agreed that this item would stay on the Agenda as a standing item.</p> <p>The Finance and Performance Committee noted the report</p>
8.1	<p>Integrated Finance and QIPP Report – Month 10</p> <p>MM reported that it had been a better month with a slight easing of 1-2 pressures.</p> <p>The forecast outturn at Month 10 is a deficit of £7.1m against a revised target of a break even position. There is a slight improvement of £0.4m on the forecast outturn position which was reported at the end of December (£7.5m).</p> <p>£400k unidentified QIPP was reported in the forecast outturn in Month 09, but the forecast outturn for Month 10 did not include the unidentified QIPP so the risk of any shortfall has been absorbed into the position.</p> <p>The main risks are the over performance of Acute Contracts, with a £3.6m contract challenge included in the Acute forecast position and £1.7m of QIPP which is not yet in the run rate. Other risks are mental health expenditure, Section 117, Prescribing and the risk of delivery of QIPP.</p> <p>MM reported that BCCG are undergoing an STP wide triangulation exercise with the intention of reconciling the Commissioners and Providers views on the year end outturn position. Progress has been made in closing the gap of expectations between BCCG and BHT and L&D. To date the gap is £2.9m.</p> <p>MM advised that the January 2018 data will be available w/c 5 March 2018.</p> <p>The Finance and Performance Committee noted the report</p>
9.0, 10.0	<p>Update on Financial Recovery Plan/NHSE Planning Guidance</p> <p>MM gave an update on the recent meetings with Dr Paul Watson. The presentation slides for these meetings were shared with the committee for information.</p> <p>On 7th February 2018 the BCCG presented an initial financial plan for 2018-19, it was highlighted that this did not reflect the planning guidance. The guidance allocated an additional funding of £4.7m and a reduction in the control total target of £1.4m to a £10m surplus.</p> <p>Dr Paul Watson commented that the plan was sensible from a financial prospective, but wanted to see an updated plan.</p> <p>The second meeting was held on 19th February 2018 where an updated plan was presented to Dr</p>

	<p>Paul Watson which reflected the feedback from the initial meeting.</p> <p>RG asked what the QIPP number for next year would be, plus how much of that is not pinned down.</p> <p>MM reported that it would be £23.6m with 4.1% unidentified. These would not be stated as unidentified until they are granular and in a contract. AS added that £7.2m are not all unidentified, there are schemes in place. AS further explained that if a scheme is in play then the BCCG assume it is blue [100%], if a scheme hasn't started yet or is about to start it is green, and if a scheme is in planning stage, the BCCG take 50% of its number and if it is a red scheme (a scheme that hasn't been worked up) the BCCG take 0%.</p> <p>AL raised a concern that the non-elective planning for next year is 7.7% less than that transpired for the current financial year. We are planning for a growth of 3000, whereas in reality we saw a growth of 7000 cases. He added that we have to accept the plan, but thought that F&P should be sighted on this as it is a big gap. AS added that there is exceptional growth this year and BHT and other hospitals are stating that they cannot cope with another increase in volume. They could not cope with another 10% increase in activity. They do not have the capacity. AL further added that with regard to the L&D the BCCG need to challenge a zero length of stay in admissions. This was raised as a corporate risk.</p> <p>CK added that the attendance is not an issue it is those that convert into admissions. The attendances are usually turned around reasonably quickly. Even though the attendances this year have been enormous, they are still holding quite well on their four hour targets, achieving about 76%/80%. The biggest issues are the medical outliers and the staff resilience in the hospitals to manage frail old people.</p> <p>ACTION: Corporate Risk Register to be reviewed.</p> <p>The Finance and Performance Committee noted the update</p>
11.0	<p>Urgent Treatment Centre – Contract of Service</p> <p>CK gave a verbal update on the progress of the above.</p> <p>The acute trusts agreed (27.02.2018) the build for Cauldwell on the business case that BCCG have co-authored. It has been challenged significantly on the numbers which was built on the numbers from Putnoe Walk In Centre. The business case was agreed and a Letter of Intent and a Heads of Terms Agreement signed so they could incur the costs in the first instance to develop the Cauldwell Site and go ahead with the building schedule. There is up to six weeks work to be undertaken. The hospital is signed up to it and it is on track. The date for opening is 1st October 2018. CK added that weekly team meetings are being held and fortnightly meetings with the hospital are being held to bring the partners together and give assurance.</p> <p>The Finance and Performance Committee noted the update</p>
12.0	<p>Circle – MSK update</p> <p>CK reported that the purpose of the paper was to update the Committee on two key discussion points that were raised at F&P on 24 January 2018, being the BCCG position and the next steps on the removal of the Financial Levy Arrangements and BLMK commissioning landscape for MSK. The paper describes the work that has been undertaken.</p> <p>BHT contractual requirements need sorting out with Circle. AS said that they are moving towards signing a contract.</p> <p>ACTION: To confirm the date of the signing of the BHT Contract.</p> <p>AL asked if the financial levy is removed how will this benchmark in terms of money. It was agreed</p>

	<p>that there needs to be a detailed piece of work outlining the levels of MSK as it continues to grow. DH asked if the L&D had a contract with Circle. AS confirmed that they do.</p> <p>The Finance and Performance Committee noted the paper</p>
13.0	<p>TIAA Internal Audit – Contract Extension</p> <p>MM presented the report which provided an update of the contractual position with TIAA Internal Audit.</p> <p>The Committee are asked to note the contents of the report and recommend the extension of the existing contract for a further two years to the Governing Body. Extension of the contract will avoid disruption in service and a break in continuity.</p> <p>MM referred to the Letter dated 21 April 2016 signed by Ben Jay, Chief Finance Officer, which gives the option to extend. He added that MKCCG and LCCG are currently tendering for a new provider and we could join them, but he proposed that we agree to extend the current contract with TIAA for two years, and not go out to tender with the other CCGs. SA agreed that the letter gave assurance to extend the contract and that it was very explicit.</p> <p>ACTION: Finance and Performance Committee to recommend to the Governing Body not to go out to tender, as it is the same value, there will not be an increase. They are to recommend the extension of the existing contract for a further two years.</p> <p>Finance & Performance Committee noted the contents of the report and provide assurance of the recommendation to Governing Body to extend the contract.</p>
14.0	<p>PMS Investment Scheme for 18/19</p> <p>The GP’s declared a conflict of interest for this item, therefore, DH, AL, WH and JK left the room.</p> <p>The report had previously been presented at Joint Primary Care Co Commissioning Group, it did not include financials. It has been reviewed and co-authored with the Commissioning team and the Finance Team and now includes financials.</p> <p>NHSE and BCCG have jointly reviewed the cost of the PMS in APS contracts where they were found to be exceeding the national baseline on PMS contracts. They were heavily loaded to provide additionality in Primary Care, this never materialised, in effect practices were giving GMS service, but at PMS prices. They had to be reduced down to the GMS average area. For the BCCG, it has resulted in a big opportunity to make some efficiencies, but the BCCG are tied into re-commissioning the money into GP Primary Care.</p> <p>CK reported that plans had been put in place. RG asked how we will know on a quarterly basis that it is on track.</p> <p>ACTION: CK to pass the report back to the Joint Primary Care Co Commissioning Group. CK/JM to provide a quarterly update on the saving.</p> <p>The recommendation from the Finance and Performance Committee is that this proposal should be approved. RG is content with the financials and agrees it has the necessary assurance that is needed to continue, quarterly updates to be presented at Joint Primary Care Co Commissioning Group.</p>
15.0	<p>Management Changes in IM&T</p> <p>JM updated the Committee on the changes that have been made within structure of IM&T and Information Governance, JM explained that as of 1st February 2018, the responsibility at the BCCG for IM&T and IG moved from Finance (CFO) to the Governance team (Director of Governance, Risk and Corporate Services).</p>

	<p>Meetings have been put in diaries for monthly meetings with HBLICT, conference calls with regard to the NHS Mail migration, monthly meetings with regard to Licence and Asset reporting, Chairing of the IM & T Programme Board meetings and meetings with the chair of the GP IT Sub Group. JM also added that she is now a member of the HBL IT Strategy Steering Group.</p> <p>JM reported that the BCCG are looking to recruit an IT Expert. RG recommended that this be a 12 month contract to ensure continuity. JM added that as the handover of the responsibilities continues from finance to governance, regular reports and a plan will be presented to the Finance and Performance Committee to keep them informed.</p> <p>RG welcomed the proactive approach by JM to gather hold of various IT strands and start the hiring process.</p> <p>JM reported that the SIRO for BCCG is MM at the moment. RG questioned whether it is necessary for the SIRO to be the CFO.</p> <p>AL declared an interest. He raised the point that there is a need for more equipment. It was agreed that it would be a good idea to liaise with BHT with regard to the IT.</p> <p>The Finance and Performance Committee Members complimented Jane Meggitt for taking on the IM&T Programme Board. It was agreed that Jane would give periodical updates to the Committee</p> <p>ACTION: JM to clarify who is eligible to be the SIRO for the BCCG.</p>
16.0	<p>Risk Registers</p> <p>The committee were asked to note and discuss the risk registers (Finance, Contracts, IM&T and Information Governance). It was noted that the IG and IMT registers needed an update</p> <p>The committee noted the Finance, Contracts, IM&T and Information Governance Risk Registers.</p>
17.0	<p>AOB: Update on the Mental Health Financial Implications</p> <p>It was noted that Jonathan Bilson was not in attendance at the meeting, therefore this report was deferred until the next meeting March, where Jonathan Bilson will be expected to attend to present.</p> <p>ACTION: Jonathan Bilson to attend the next Finance and Performance Committee Meeting.</p>
18.0	<p>Items to raise to the Governing Body Part 2</p> <p>Risk at Year End; Risks in QIPP; Update on the merger position; TIAA contract extension</p>
19.0	<p>Date of Next Meeting: 28th March 2018 - Board Room, Suite 3, Capability House, Wrest Park, Silsoe, Beds, MK45 4HR</p>

Signed (As a true record)

Dated

	
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Roland Ginn - Chairman, Finance and Performance Committee