

## **NHS NORTH YORKSHIRE AND YORK CLUSTER**

### **Minutes of the Meeting of NHS North Yorkshire and York Cluster Board held on 27 November 2012 at Priory Street Centre, York**

#### **Present**

|                               |   |
|-------------------------------|---|
| Mr Kevin McAleese CBE (Chair) | Chairman  |
| Mrs Elizabeth Burnley CBE     | Non Executive Director  |
| Mrs Janet Dean                | Associate Non Executive Director                              |
| Mr Roy Templeman              | Non Executive Director  |
| Mrs Maureen Vevers            | Non Executive Director  |
| Mr Christopher Long           | Chief Executive   |
| Mrs Julie Bolus               | Director of Nursing   |
| Dr Paul Edmondson-Jones       | Director of Public Health and Wellbeing, City of York Council |
| Mrs Sue Metcalfe              | Deputy Chief Executive/Director of Localities                 |
| Mr Bill Redlin                | Director of Standards   |
| Dr Lincoln Sargeant           | Director of Public Health, North Yorkshire                    |
| Mr Alan Wittrick              | Director of Finance and Contracting                           |

#### **In Attendance**

|                    |   |
|--------------------|---|
| Ms Michèle Saidman | Executive Assistant to the Board and Committees |
|--------------------|---|

#### **Apologies**

|                      |   |
|----------------------|---|
| Mr Geoffrey Donnelly | Non Executive Director, Vice Chairman         |
| Dr David Geddes      | Medical Director and Director of Primary Care |

Twenty members of the public were in attendance.

Kevin McAleese welcomed everyone to the meeting, in particular Dr Paul Edmondson-Jones and Dr Lincoln Sargeant on their first attendance since appointment.

Questions relating to the following matters were raised by members of the public:

1. Councillor John Clarke, North Yorkshire County Council

*Following discussion at the recent North Yorkshire Health Overview and Scrutiny Committee (OSC), attended by Bob Wiggins, the North Yorkshire and York Turnaround Director, where reference had been made to a number of figures in excess of the £19M forecast deficit, and up to £70M, sought clarification in regard to the overall financial position and to the potential debt to be passed on to the Clinical Commissioning Groups (CCGs).*

Chris Long explained that it had become apparent early in the financial year that the approved £19M deficit budget would be exceeded without further actions and therefore a further £10M worth of measures had been agreed to bring the position back in line and to ensure that at the end of the year the deficit would be no greater than £19M. He referred to the national requirement for the NHS to become more efficient to manage demand and described the local challenge on the whole health system of c£55M per year. The hospitals had responsibility for c£30M of this figure with the remaining c£25M being the responsibility of commissioners. This efficiency would be an ongoing requirement each year whereas the £19M deficit was non recurrent for 2012/13 and would be clawed back during 2013/14. The KPMG report to the January Board meeting would help to address the longer term challenge.

Alan Wittrick noted that confusion emanated from the fact that some of the financial numbers referred to the current year and some to the underlying requirement for system change in the future.

In introducing Councillor Clark whose questions related to The Friarage Hospital, Northallerton, Kevin McAleese expressed the Board's appreciation to the staff there in view of the recent flooding they had experienced.

2. Councillor Jim Clark, Chair of the North Yorkshire County Council Health Overview and Scrutiny Committee took issue with a number of points within the Chairman's report at item 5:

- (i) *Reference to the decision of the OSC to refer the proposed changes at The Friarage Hospital to the Secretary of State which had not been taken until 22 November.*
- (ii) *The OSC had never argued for maintaining the current service at The Friarage unchanged, as stated at paragraph 2.2 in item 5, but had sought a unique consultant-led service as was being implemented in a number of other areas which had been visited to gather evidence.*

Kevin McAleese referred to the minutes of the Board meetings in September and October which recorded requests to include consideration of maintaining services as currently provided.

- (iii) *Contrary to the view expressed at paragraph 2.11 that the CCG's investment in public engagement had achieved very little, there had been significant input from the community in a variety of ways and including engagement with the CCG Chair.*

Kevin McAleese emphasised the CCG's work to engage with the public highlighting that this was the first local clinically led consultation. He also reported that he had a meeting scheduled with Henry Cronin, Chair of Hambleton, Richmondshire and Whitby CCG.

- (iv) *In regard to reference to the County Council elections in May 2013, also referred to at paragraph 2.11, discussions about The Friarage had been taking place long before these were planned and were unlikely to have any effect on their outcome.*

Kevin McAleese referred to recent newspaper articles and political implications, for example 'Save The Friarage' candidates and also to the fact that the NHS had not been permitted to speak at the meeting on 22 November. However, he offered an apology if offence had been caused to any Councillors by suggesting there was a political element in their responses.

Councillor Clark explained that it had been agreed that Henry Cronin would attend the meeting the previous week as an observer. He also apologised to the Chairman for any offence in his comments to the press about him and emphasised the importance of partnership working.

- (v) *Clarification was sought in regard to leaked information about uncertainty of provision of maternity and children's services at Scarborough and Harrogate. Councillor Clark advised that he had been requested to include these concerns in his letter to the Secretary of State.*

Chris Long reported that this related to the ongoing KPMG systematic review which aimed to establish sustainable health services. There were no current plans or proposals for the changes described. Kevin McAleese added that the National Clinical Advisory Team criteria of "realistic, sustainable and affordable" would be applied to any proposed service changes.

3. Mr Rex Negus, Patient in the Vale of York CCG area:

*Welcomed the information about the national funding formula in the Chair's report. Expressed concern about legacy debt to the CCGs and the public being kept informed of funding issues.*

Kevin McAleese expressed appreciation of Mr Negus's comments and advised that he had been interviewed by Look North for a programme about the new funding regime.

Chris Long noted that publication of a new funding formula, based on patient and GP population, was awaited for allocation of CCG resources but he did not anticipate this would have significant impact in North Yorkshire and York. In regard to legacy debt he clarified that the Secretary of State had committed that the CCGs would not inherit debt from 2011/12.

4. Councillor Tina Funnell, Chair of City of York Overview and Scrutiny Committee:

*Referred to a meeting on 7 December to discuss finances and partnership working with attendance by representatives of City of York Council, North Yorkshire County Council and the voluntary sector. She hoped that the PCT would also be represented.*

Chris Long reported that he had received the invitation but was unable to attend. In view of clarification of the context of the meeting he advised that the CCGs be invited.

5. John Yates, York Older People's Assembly Executive Member:

- (i) *Hoped that he represented the position of "Older People" who are potentially the most at risk and who may be unaware of the potential changes in healthcare availability or access that may occur following the likely financial deficit.*
- (ii) *Reported that he had met with Julian Study MP in September in the hope of persuading him to try to have a joint approach on the apparent under funding of North Yorkshire and York healthcare to the Secretary of State for Health from a group of interested North Yorkshire and York MPs on a non party political basis, which to the best of his knowledge had not taken place. However, Julian Sturdy MP had written with an update following a meeting with Jeremy Hunt MP, Secretary of State for Health, at which he had raised concerns about the financial challenge faced by NHS North Yorkshire and York and the local CCGs and at which Mr Hunt had informed him that the government would be considering a range of options regarding this issue.*

6. Mrs Julia Mulligan, North Yorkshire Police and Crime Commissioner:

*Referred to Julie Bolus's report to the April 2012 Board meeting regarding establishment of a Designated Place of Safety at a cost of £55K and requested that the Board reconsider the decision to defer this to the CCGs. She highlighted inappropriate detention of children and people with mental health problems in police cells and the fact that North Yorkshire and York is the only place in the country without a Designated Place of Safety.*

Julie Bolus advised that this had been raised as a risk and was a recommendation for consideration by the CCGs, also noting that it had been complicated in view of service changes. She confirmed that work was ongoing with Leeds and York NHS Partnership Foundation Trust, the Local Area Team Director and the Assistant Chief Constable but could not give a commitment as to any timescales, and also noted that the actual cost was more than £55K. Julie Bolus offered to give Julia Mulligan the appropriate contact details.

Kevin McAleese expressed concern that North Yorkshire and York was the only place in England without a Designated Place of Safety and supported progressing this statutory requirement.

## **1. Apologies**

As noted above.

## **2. Declaration of Members' Interests in Relation to the Business of the Meeting**

None.

## **3. Minutes of the Meeting held on 23 October 2012**

The minutes of the meeting of 23 October were agreed.

### **The Board:**

Approved the minutes.

## **4. Matters Arising from the Minutes**

Bill Redlin agreed to circulate the outstanding report on the meeting with the Craven locality within 48 hours of the Board meeting. The summary of likely redundancies was on the agenda for the Remuneration Committee following the Board meeting and for the Audit Committee on 5 December. Other actions had been completed.

### **The Board:**

Noted that Bill Redlin would circulate the report on the Craven meeting within 48 hours.

## **5. Chairman's Report**

Kevin McAleese referred to his report which included an update on Executive Director departures, the proposed reconfiguration of The Friarage Hospital, the national funding formula and the Jimmy Savile allegations. He highlighted the contributions of Sue Metcalfe, David Geddes and Julie Bolus, whose departures from NHS North Yorkshire and York were imminent, expressing regret at the loss of their expertise and local knowledge and extending best wishes in their new roles.

Kevin McAleese additionally expressed appreciation to Dr Phil Kirby for fulfilling the Interim Director of Public Health role until the recent appointments of Dr Paul Edmondson-Jones and Dr Lincoln Sargeant at City of York Council and North Yorkshire County Council respectively.

In response to clarification sought by members regarding referral of The Friarage proposals to the Secretary of State, Chris Long explained that a decision would be taken as to whether the matter should be referred to an independent reconfiguration panel; alternatively it would be returned to the OSC requesting that they participate in the consultation. The timescale for this was unknown and was causing concern to Dr Vicky Pleydell in view of the requirement for the CCG to set financial plans for 2013/14.

Members discussed further concerns raised in the public questions session regarding the national funding formula. Whilst recognising the historic under funding to North Yorkshire and York, they emphasised the local health economy's responsibility to maximise utilisation of the available resource and the requirement for major reconfiguration to achieve this. The forthcoming KPMG report would make recommendations for a sustainable solution.

In regard to the recommendations emanating from the Jimmy Savile allegations Julie Bolus reported that CCG Quality Leads had been requested to seek assurance from providers that safeguarding policies were being reviewed. She also advised that a safeguarding framework had been incorporated in adult services commissioning contracts for some time and noted the request for a report to the next available Board meeting. Chris Long additionally proposed, in response to concerns raised by Maureen Vevers as Chair of the Governance and Quality Committee, that Jo Coombes, Director of Nursing at the Local Area Team, would provide the requisite Board assurance for safeguarding from 1 January 2013. Additionally, discussions were taking place with Bill Redlin to ensure appropriate assurance was in place.

#### **The Board:**

1. Noted the Chairman's report.
2. Expressed appreciation to Julie Bolus, David Geddes and Sue Metcalfe for their contributions to NHS North Yorkshire and York.
3. Requested a report to the next available Board meeting regarding safeguarding in accordance with the recommendations emanating from the Jimmy Savile allegations.
4. Noted the arrangements for receipt of requisite assurance.

#### **6. Chief Executive's Report**

Chris Long referred to his report which provided updates on the transition, the financial review and appointments of Directors of Public Health. In regard to the CCG authorisation, Hambleton, Richmondshire and Whitby CCG and Harrogate and Rural District CCG site visits had taken place; the Scarborough and Ryedale CCG visit was taking place on 27 November and the Vale of York CCG visit was the following day, 28 November. Review and discussion would follow the assessments to agree outcomes to be forwarded to the NHS Commissioning Board for moderation. Conditions would be imposed on the four CCGs in view of the financial position across the North Yorkshire and York health economy; these would be known in January 2013.

#### **The Board:**

Noted the Chief Executive's Report.

## **7. Commissioner Core Performance Dashboard**

### *Performance*

Bill Redlin presented the Commissioner Core Performance Dashboard as at November 2012 which comprised information under sections: Summary Assessment, Performance and Quality Indicators, Financial Performance, QIPP (Quality, Innovation, Productivity and Prevention) and Corporate Performance, advising that the position was similar to that reported in October and highlighting outcomes by exception.

Ambulance response times remained of concern though the CCGs' GP urgent referral work had impacted on the performance in North Yorkshire of 'Red 2' 999 calls responded to within 8 minutes. Ongoing work to divert numbers to Patient Transport Services was anticipated to further improve this performance.

The 'red' rating of the number of episodes of crisis resolution/home treatment care provided was being investigated in order to identify the causes for this significant reduction.

The CCGs continued to work to address the issues of patients who had waited 52 weeks or more from referral by their GP or other healthcare professional. The main concerns were respectively York with 29 patients, where the main specialty involved was general surgery due to demand exceeding capacity, and South Tees with seven patients. Vale of York CCG had commissioned additional capacity in the private sector as part of plans to address this issue.

In regard to ongoing issues about GPs' implementation of Choose and Book, Bill Redlin noted that this was a performance issue for all the CCGs in North Yorkshire and York.

Bill Redlin reported that although there was variance in performance for MRSA and clostridium difficile these were currently on plan. Lincoln Sargeant explained that MSSA, which was 'red' rated, should not occur as this was an indicator of cleanliness and also related to resistance to antibiotics. Associated work was ongoing to address this.

Bill Redlin highlighted that, despite the financial challenge, work was ongoing to maintain performance but noted potential winter pressures. Kevin McAleese additionally commended the number of 'green' indicators in the Dashboard.

### *Finance*

Alan Wittrick highlighted that the information presented related to the current financial year.

In presenting the summary performance of the £10M turnaround initiatives, agreed at the September Board meeting, Alan Wittrick explained the PCT's statutory duty to break even, which in view of the agreed £19M deficit budget would not be fulfilled. The £10M additional measures, agreed with the CCGs, aimed to maintain, or if possible improve, the planned outcome position. Due to implementation timescales the majority of initiatives had not yet delivered savings; this information would be incorporated in the Dashboard as progress was made.

Alan Wittrick reported that the central turnaround team had assessed delivery of the savings as 'amber' and noted that the forecast outturn was now shown on the appropriate line on the financial schedule. He also highlighted a prescribing cost reduction which was a technical adjustment subject to Audit approval as a new initiative to deliver the full £10M.

Members confirmed that this approach fulfilled their requirements for monitoring of the performance of the turnaround initiatives.

Alan Wittrick referred to the QIPP schemes and apologised for a number of errors in the total line figures advising of the following corrections:

- Hambleton, Richmondshire and Whitby CCG forecast outturn and annual target should read respectively £2.583M and £3.2M
- Scarborough and Ryedale CCG variance should read '-12.15%'
- Harrogate and Rural District CCG forecast outturn should read £2.747M

Members noted the overall forecast outturn on the QIPP schemes was at 80% with Harrogate and Rural District CCG being closest to their plan and Vale of York CCG posing the greatest challenge. Alan Wittrick highlighted in regard to the latter the use of Lucentis at York Teaching Hospital NHS Foundation Trust.

In presenting the overall financial position Alan Wittrick explained that this information for the first time assumed delivery of the turnaround initiatives on the appropriate expenditure lines. He also reported that agreement had been reached with Harrogate District NHS Foundation Trust and South Tees Hospitals NHS Foundation Trust on their respective contracts for 2011/12.

Significant changes were noted in regard to forecast spend on the primary care dental contracts, where the likely outturn had been reassessed in terms of activity, and in GP prescribing as a result of action taken by the CCGs; the national prescribing forecast had also been factored in. Improvements were additionally noted in regard to continuing care/funded nursing care and the general reserve.

Alan Wittrick explained the increase to £13.7M for aged debtors on the balance sheet was due to NHS trusts being invoiced for use of PCT owned premises in 2012/13 and confirmed that all requisite action was being implemented in other respects in regard to aged debtors. Discussion was ongoing with the Department of Health in the event of outstanding debtors and creditors at 31 March 2013.



Alan Wittrick expressed increasing confidence of delivery of the £19M deficit budget but noted the risks associated with the potential impact of winter pressures.

**The Board:**

1. Accepted the Commissioner Core Performance Dashboard
2. Welcomed the increasing confidence of delivery of the £19M agreed deficit position.

**8. Transforming Community Services: Delayed Transfer of Hambleton and Richmondshire Specialist Children's Service and Community Paediatric Service to a Provider Organisation**

Julie Bolus presented the report which described the reasons for, and actions to remedy, the delayed transfer of Hambleton and Richmondshire Specialist Children's Service and Community Paediatric Service to a provider organisation in accordance with transforming community services. She confirmed that, following identification of Harrogate District NHS Foundation Trust as the new preferred provider it was anticipated that the requisite work would be completed to ensure that the service transferred on 1 March 2013 at the latest.

Julie Bolus advised that Bill Redlin would assume Board responsibility for the transfer and Jo Harding, Lead Nurse at Hambleton, Richmondshire and Whitby CCG, would provide clinical support. She also confirmed that the staff of the Specialist Children's Service had full confidence in the transfer to Harrogate District NHS Foundation Trust and that no issues were foreseen in regard to the transfer date.

Sue Metcalfe added that staff were being kept fully informed of the progress and commended Harrogate District Foundation Trust for their support.

Members noted and commended the commitment of the staff at the Specialist Children's Service during the extended delay of transfer to a provider organisation.

**The Board:**

1. Noted the developments and identification of Harrogate District NHS Foundation Trust as the preferred provider.
2. Noted the revised service transfer completion date of 1 March 2013 at the latest.
3. Commended the commitment of the staff at the Specialist Children's Service during the extended delay of transfer to a provider organisation.

## **9. Future Pattern of Board Meetings**

In view of the ongoing transition Kevin McAleese sought members' views on the frequency of Board meetings for the remainder of the PCT's existence. Following confirmation that the CCGs were holding meetings in public, including engagement with members of the public, it was agreed to cancel the meetings scheduled for December and February.

### **The Board:**

Agreed to meet on 22 January 2013 in York and 26 March 2013 in Harrogate.

## **10. Minutes of Board Committees**

### **The Board:**

Received the following minutes, noting the additional information detailed below:

- a. Governance and Quality Committee held on 13 November 2012.

Maureen Vevers proposed, and members agreed, the cessation of this committee with immediate effect in view of responsibility for assurance transferring to the CCGs and the Local Area Team. She reported on discussion with Geoffrey Donnelly, Chair of the Audit Committee, that any specific issues would be considered at that committee for the remainder of the PCT's existence. Members also sought and received assurance that all the CCGs had established a committee structure which took account of safeguarding requirements.

- b. Hambleton, Richmondshire and Whitby Clinical Commissioning Group held on 27 September 2012.
- c. Harrogate and Rural District Clinical Commissioning Group held on 20 September 2012
- d. Scarborough and Ryedale Clinical Commissioning Group held on 26 September 2012. In view of the continuing absence of an action and follow up log Chris Long agreed to write to the Chief Officer Designate to request this be addressed.
- e. Vale of York Clinical Commissioning Group held on 4 October 2012.
- f. Executive Leadership Group for the Implementation of the North Yorkshire and York Review held on 29 October 2012.
- g. Yorkshire and The Humber Specialised Commissioning Operational Group held on 28 September 2012.

## **11. Next Meeting**

### **The Board:**

Noted that the next meeting would be at 10am on 22 January 2012 at the Priory Street Centre, 15 Priory Street, York YO1 1ET.

## **12. Follow Up Actions**

The actions required as detailed above in these minutes are attached at Appendix A.

The Chairman requested that members remain at the meeting to consider the Part II minutes of the meeting of 23 October 2012.

## NHS NORTH YORKSHIRE AND YORK CLUSTER

## ACTION FROM BOARD MEETING ON 27 NOVEMBER 2012 AND CARRIED FORWARD FROM PREVIOUS MEETINGS

| Meeting Date     | Item                               | Description   | Director Responsible | Action completed/<br>Due to be completed<br>(as applicable) |
|------------------|------------------------------------|---|----------------------|---|
| 23 October 2012  | Chairman's Report                  | <ul style="list-style-type: none"> <li>Best and worst case summary of likely redundancies for the next meetings of the Remuneration and Audit Committees</li> </ul> | Chris Long           | 27 November and 5 December 2012                             |
| 23 October 2012  | Core Performance Dashboard         | <ul style="list-style-type: none"> <li>Report on assurance meeting with Craven locality to be circulated to members</li> </ul>                                      | Bill Redlin          |   |
| 27 November 2012 | Chairman's Report                  | <ul style="list-style-type: none"> <li>Safeguarding report emanating from the Jimmy Savile allegations</li> </ul>   |                      | 22 January 2013 meeting                                     |
| 27 November 2012 | Scarboough and Ryedale CCG minutes | <ul style="list-style-type: none"> <li>Chris Long to write to Chief Officer Designate to request inclusion of action follow up log</li> </ul>                       | Chris Long           | Completed 27 November 2012                                  |