

**Minutes of the Meeting of the Vale of York Clinical Commissioning Group Governing Body held on 1 August 2013 at Priory Street Centre, York**

**Present**

Professor Alan Maynard (AM)	Chair
Dr David Hartley (DH)	GP, Council of Representatives Member
Dr Mark Hayes (MH)	Chief Clinical Officer
Dr Tim Maycock (TM)	GP Member
Mr Kevin Howells (KH)	Interim Chief Finance Officer
Dr Shaun O'Connell (SO)	GP Member
Dr Guy Porter (GP)	Consultant Radiologist, Airedale NHS Foundation Trust, Secondary Care Doctor Member
Mr Keith Ramsay (KR)	Lay Member and Audit Committee Chair
Dr Cath Snape (CS)	GP Member

**In Attendance**

Mrs Wendy Barker (WB)	Acting Executive Nurse
Dr Brian McGregor (BM)	Local Medical Committee Liaison Officer, Selby and York
Ms Michèle Saidman (MS)	Executive Assistant
Ms Helen Taylor (HT)	Corporate Director, Health and Adult, North Yorkshire County Council

**Apologies**

Dr Emma Broughton (EB)	GP Member
Dr Paul Edmondson-Jones (PE-J)	Director of Public Health and Well-being, City of York Council
Ms Kersten England (KE)	Chief Executive, City of York Council
Mr John McEvoy (JM)	Practice Manager Member
Dr Andrew Phillips (AP)	GP Member
Mrs Rachel Potts (RP)	Chief Operating Officer
Dr Phil Underwood (PU)	GP, Council of Representatives Member
Mrs Carrie Wollerton (CW)	Executive Nurse

Ten members of the public were in attendance.

Alan Maynard welcomed everyone to the Extraordinary Meeting to discuss the updated financial plan. He particularly welcomed Wendy Barker to her first meeting.

## **1. Apologies**

As noted above.

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

None

## **3. Appointment of Vice Chair**

AM referred to appointment of a Governing Body Vice Chair. MH proposed KR for this role. SO seconded the proposal which was supported by members.

### **The Governing Body:**

Appointed KR as Vice Chair.

## **4. NHS Vale of York Clinical Commissioning Group Financial Plan 2013/14: Update**

KH presented the report which provided a review of the CCG finances for 2013/14 and 2014/15. He noted that the original 2013/14 financial plan had been based on delivery of QIPP (Quality, Innovation, Productivity and Prevention) savings of £10.7M and that Month 8 activity had been used to determine provider contract values. In regard to the latter all contracts had now been signed and, due to a number of contract challenges which had not been upheld, the contract values agreed with providers exceeded the plan by £7M. Mitigating action to manage this pressure was detailed in the report.

KH also advised that a review of the QIPP schemes during July had identified a £5.6M deficit against the £10.7M target. Following further work this deficit was currently £4.3M.

KH noted that, although it was early in the financial year, there appeared to be a potential £3M overtrade on the contract with York Teaching Hospital NHS Foundation Trust; £2M of this related to QIPP schemes which were not currently delivering. He also referred to continuing health care and prescribing budgets, which were kept under review, and to the agreement by Leeds and York NHS Partnership Foundation Trust to defer £1M to 2014/15 via a Business Transfer Agreement. The overall forecast variance would thus be £4.3M. KH emphasised that the financial position was challenging but, assuming there were no further pressures in the system and management of the York Teaching Hospital NHS Foundation Trust contract, financial balance could be achieved through utilising on a non recurrent basis the balance of the contingency reserve and 1% surplus which totalled £4.7M.

In terms of 2014/15 KH highlighted Department of Health planning guidance which advised all CCGs to plan for a 1% surplus.

In response to concern about £1.7M transferred from the running cost budget KH noted that this had been incorporated in planning for the current year to ensure management and delivery of the challenging agenda. MH additionally referred to the 10% cut in management spend across the NHS from 2015/16 when a proportion of the running cost budget may also be rebadged as programme costs. KH highlighted that the main challenges were management of contracts with acute providers and of the continuing health care and prescribing budgets. He also emphasised that more robust planning was required to ensure schemes were deliverable.

MH and HT reported on challenges from 2015/16 which would emanate from a national perspective relating to integrated health and social care. MH noted that the 3% top slice would result in a £12M challenge to come from provider budgets and HT advised that the national £20B ringfenced for health and social care equated to £20M for North Yorkshire. HT highlighted that, whilst clarification was awaited of the associated responsibilities, it was imperative to commence joint working to introduce additionality into the system. She expressed concern at the potential loss of any surplus which enabled implementation of change on a “one off” basis.

Further discussion included: the requirement for implementation of system change in both secondary and primary care to achieve financial balance and meet the challenge of managing within the national funding formula; learning from other CCGs who had faced similar challenges; robust planning with a focus on achievable efficiencies; and the need for close working with partners, providers and GPs.

KR reiterated the importance of delivering QIPP efficiencies in the most effective manner and noted the associated role of the Governing Body in supporting and seeking assurance. He also proposed that a development session be arranged for members when more clarity was available in respect of integrated health and social care.

AM summarised the discussion noting the challenging position, over optimism at the start of the new organisation, emphasis on management contracts, and the requirement for partnership working. KH additionally noted that planning for 2014/15 should commence early to ensure robustness and confirmed that, following recent appointments, management capacity had been greatly strengthened. This should be kept under review to ensure appropriate skills were in place to support the CCG’s work.

### **The Governing Body:**

1. Approved the updated NHS Vale of York Clinical Commissioning Group financial plan to achieve break even in 2013/14.
2. Noted the review of the recurrent (underlying) position going forward to 2014/15.
3. Noted that the revised financial plan would require discussion with the NHS England Area Team.

4. Expressed appreciation to KH and Andrew Wilson, Interim Deputy Chief Finance Officer, for their work.
5. **Next Meeting**

**The Governing Body:**

Noted that the next scheduled meeting would be held on 5 September 2013 at 10am at The Memorial Hall, Potter Hill, Pickering YO18 8AA.