

**Minutes of the Finance and Contracting Committee Meeting held on  
6 June 2013 at West Offices, Station Rise, York YO1 6GA**

**Present**

Professor Alan Maynard	Chair, Vale of York CCG and Finance and Contracting Committee
Dr Mark Hayes	Chief Clinical Officer
Mrs Rachel Potts	Chief Operating Officer
Mr Keith Ramsay	Lay Member and Audit Committee Chair
Mr Adrian Snarr	Chief Finance Officer

**In Attendance**

Mr Michael Ash-McMahon	Deputy Chief Finance Officer Designate
Ms Michèle Saidman	Executive Assistant
Mr Andrew Wilson	Interim Deputy Chief Finance Officer
Mr Gareth Winter	Senior Contract Manager

**Apologies**

Dr Guy Porter	Radiologist, Airedale NHS Foundation Trust – Secondary Care Doctor Member
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**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 2 May 2013**

The minutes of the meeting held on 2 May were agreed.

**The Committee:**

Approved the minutes of the meeting held on 2 May 2013.

#### **4. Matters Arising**

*Terms of Reference:* Adrian Snarr confirmed that the amendments had been incorporated in the terms of reference. There were no matters arising.

#### **5. 2012/13 Finance and Contracting Update**

Adrian Snarr reported that the 'freeze' information from York Teaching Hospitals NHS Foundation Trust of £400K would be contained within the provision made in the PCT accounts with a small amount of headroom and that negotiations were continuing for the phased timescale of the readmissions proposal. The contractual challenges had been resolved with the exception of £150K for the Malton and Whitby theatres which were also the subject of dispute for NHS Scarborough and Ryedale CCG and NHS Hambleton, Richmondshire and Whitby CCG. Adrian Snarr confirmed that the 2012/13 position did not pose a financial risk and advised that whilst the balance would remain with the PCT it would be funded over to the CCG. He also noted that as part of the closedown of the PCT a number of longstanding disputes had been resolved.

Adrian Snarr proposed, and members agreed, that there should be no compromise on the £150K for the theatres.

#### **The Committee:**

1. Noted the update on the 2012/13 finance and contracting position.
2. Resolved that there should be no compromise on the £150K disputed in regard to the theatres at Malton and Whitby Hospitals.

#### **6. 2013/14 Contracting Update**

Adrian Snarr reported on meetings with NHS Scarborough and Ryedale CCG and York Teaching Hospitals NHS Foundation Trust in regard to quality and CQUIN schedules and the plan not yet signed off, presented at item 7, relating to the £3.8M financial penalty for breaching the clostridium difficile performance indicator. Two further areas required agreement: the sections on inputs and overtrades.

Historic issues relating to activity management were discussed in detail with emphasis on the need for establishment of a partnership approach. Adrian Snarr and Gareth Winter reported on discussions with Kevin Howells and the Area Team about the contract and its levers. Further discussion noted the potential impact on the QIPP programme and associated ongoing work in light of the 2013/14 contract not being signed.

Adrian Snarr reported that the revised specialist commissioning budgets required validation, noting a disproportionate effect on NHS Hambleton, Richmondshire and Whitby CCG from the North East. There was an opportunity to refresh these budgets at Month 4 if necessary. In this event any

amendment would be revenue neutral due to this area of commissioning being across North Yorkshire and York.

In regard to mental health services the issues with Leeds and York Partnership NHS Foundation Trust had been resolved. Work was ongoing with Tees, Esk and Wear Valleys NHS Foundation Trust to resolve the issue of service delivery and cost at a North Yorkshire and York level.

**The Committee:**

Noted the update and ongoing work to address remaining issues.

**7. Vale of York/Scarborough Ryedale - Schedule 6 part F Service Development Improvement Plan**

Further to the discussion above the Improvement Plan was discussed in the context of the need for targets to be measurable with a whole system approach to achieve improvements in quality through agreed indicators of success.

Keith Ramsay requested that the CCG's Executive Team consider establishment of measurable standards against which associated payment would be made if achieved.

**The Committee:**

1. Noted the Development Improvement Plan.
2. Requested that consideration be given to establishment of measurable standards against which associated payment would be made if achieved.

**8. Update on Running Costs**

Adrian Snarr referred to the report which detailed the NHS Vale of York CCG's Running Costs Budget 2013/14, the methodology for calculating the budgets, recruitment against plan and management of uncertainty. He highlighted that clarification was required in regard to the costs associated with the Vulnerable Adults and Children's Commissioning Unit (VACCU) Management Team, Business Support and Contract Management Team and noted that due to the ongoing recruitment within the CCG the overall position was rapidly changing.

Adrian Snarr confirmed the forecast underspend against the £8.33M total pay and non pay budget noting that the £25 per head running cost would not change. Mark Hayes emphasised that the level of staffing should be in accordance with need identified to support the CCG's work.

In regard to non pay budgets Adrian Snarr reported that these had been based on a pro rata basis of the PCT expenditure on particular areas, including computers and legal services.

Andrew Wilson clarified the potential risk of liability relating to the VACCU highlighting that a collective North Yorkshire and York approach was required. It was noted that running costs could be vired to programme costs if necessary.

**The Committee:**

Noted the 2013/14 Running Costs Budget.

**9. Draft Dashboard**

Adrian Snarr explained the proposed revised format of the financial information presented in the Quality and Performance Dashboard. Rachel Potts noted that the Quality and Performance Committee had received a draft QIPP Dashboard. It was agreed that the two be combined to provide overall information on financial assumptions, milestones for delivery and impact on contracts. The QIPP tracker would demonstrate forecast value of schemes incorporating the profile and risk due to financial timings.

Members agreed that detailed information on the York contract be included with explanatory narrative. Activity at the Ramsey and Nuffield Hospitals should also be reported.

Gareth Winter noted the potential to present fast track data at the Finance and Contracting Committee, with recognition that it required validating. Discussion of the schedule of meetings emanated from this proposal.

Alan Maynard sought clarification in regard to primary care assurance. Adrian Snarr noted that the Area Team performance managed primary care; the CCG responsibility was for quality. In this regard Rachel Potts referred to financial reporting relating to Local Enhanced Services and availability of quality data.

**The Committee:**

Welcomed the development of a revised Dashboard noting that it would be an iterative process.

**10. Any Urgent Business**

None.

**11. Next Meeting**

4 July 2013 at 1pm.

**NHS VALE OF YORK CLINICAL COMMISSIONING GROUP FINANCE AND CONTRACTING COMMITTEE**

**SCHEDULE OF MATTERS ARISING/DECISIONS TAKEN ON 6 JUNE 2013 AND CARRIED FORWARD FROM PREVIOUS MEETINGS**

<b>Meeting Date</b>	<b>Item</b>	<b>Action Required/Decisions Taken</b>	<b>Responsible Officer/Body</b>	<b>Action Completed/ Due to be Completed by (as applicable)</b>
6 June 2013	Vale of York/Scarborough Ryedale – Schedule 6 part F Service Development Improvement Plan	Consideration to be given to establishment of measurable standards against which associated payment would be made if achieved.	Executive Team	4 July meeting
6 June 2013	Draft Dashboard	Financial and QIPP Dashboards to be combined	Rachel Potts/ Adrian Snarr	4 July 2013