

**Minutes of the Quality and Finance Committee held on 21 April 2016  
at West Offices, York**

**Present**

Mr David Booker (DB) - Chair	Lay Member
Mr Michael Ash-McMahon (MA-M)	Deputy Chief Finance Officer
Mrs Fiona Bell (FB)	Deputy Chief Operating Officer
Mrs Michelle Carrington (MC)	Chief Nurse
Mrs Helen Hirst (HH)	Interim Accountable Officer
Dr Shaun O'Connell (SOC)	GP Governing Body Member, Lead for Planned Care and Prescribing
Dr Andrew Phillips (AP)	GP Governing Body Member, Lead for Urgent Care/Interim Deputy Chief Clinical Officer
Mrs Rachel Potts (RP)	Chief Operating Officer
Mrs Sheenagh Powell (SP)	Lay Member and Audit Committee Chair

**In attendance**

Mrs Anna Bourne (AB) – for item 9	Senior Procurement Lead
Mrs Pennie Furneaux (PF) – for item 7	Policy and Assurance Manager
Mr Neil Lester (NL)	Interim Senior Finance Manager
Mr Keith Ramsay (KR) - part	CCG Chairman
Ms Michèle Saidman (MS)	Executive Assistant
Ms Lindsay Springall (LS) – for item 9	Senior Delivery Manager

**Apologies**

Dr Mark Hayes (MH)	Chief Clinical Officer
Dr Tim Maycock (TM)	GP Governing Body Member, Lead for Primary Care
Mrs Tracey Preece (TP)	Chief Finance Officer

The agenda items were discussed in the order below.

**Apologies**

As noted above.

**Declarations of Interest in Relation to the Business of the Meeting**

There were no declarations of interest in relation to the business of the meeting. All declarations were as per the Register of Interests with the exception that any potential conflict of interest on the part of SOC and AP be confirmed in respect of item 10.

**1. Minutes of the meeting held on 17 March 2016**

The minutes of the meeting held on 17 March were agreed.

**The Committee:**

Approved the minutes of the meeting held on 17 March 2016

## **2. Matters Arising**

*NICE Summary Guidance Follow Up Process:* MC reported that this process was currently being managed through the Clinical Research and Effectiveness Committee. Discussion was still pending in regard to GP involvement through agreement with the Council of Representatives. Members agreed that this action be removed from the schedule.

*Partnership Commissioning Unit Audit:* MA-M reported that the audit report had been finalised to include a form of words about the assurance sought for the Head of Internal Audit Opinion in the CCG's Annual Report for 2015/16. SP noted that the audit report would be presented at the May meeting of the Audit Committee and Victoria Pilkington, Director of the Partnership Commissioning Unit, would be asked to attend in line with the agreement that representation be requested to discuss Limited Assurance audit reports. In respect of the wider review of the Partnership Commissioning Unit MC advised that the North Yorkshire CCGs' accountable officers were planning a workshop for consideration of next steps.

HH noted the Partnership Commissioning Unit performance would be discussed at the CCG's Assurance Meeting with NHS England on 4 May and NL described benchmarking work he was undertaking to understand the issues, including the backlog of continuing healthcare package reviews. Recharge of staffing costs to the CCG was included in his review.

*SOC and AP joined the meeting*

Further discussion of concerns relating to the Partnership Commissioning Unit took place in the context of financial risk to the health and social care system, potential opportunities relating to the Better Care Fund, and the need for both short term action and a longer term strategic commissioning approach. In respect of the former RP agreed to establish a task and finish group to report to the next meeting. She also noted that governance arrangements would be included on the agenda for the joint Senior Management Teams meeting on 17 May.

It was agreed that Partnership Commissioning Unit assurance should remain on the agenda in view of the continuing concerns.

A number of matters were noted as agenda items, completed or scheduled for a future meeting.

### **The Committee:**

1. Noted the updates and ongoing work.
2. Requested that RP establish a task and finish group to report to the next meeting on the role of the Partnership Commissioning Unit.
3. Agreed that the Partnership Commissioning Unit should remain on the agenda.

## **“Good News”**

As agreed at the March meeting a “good news” item was included. MC reported that she had attended a special meeting of York Health and Adult Social Care Policy and Scrutiny Committee on 25 April to discuss lessons learnt from the review of the closure of Bootham Park Hospital, noting that the Chair had expressed appreciation of the discussion. MC advised that she had also attended a Healthwatch Assembly where Tees, Esk and Wear Valleys NHS Foundation Trust had been commended for their approach to engagement and services. These meetings provided assurance that the CCG’s new mental health and learning disabilities contract had been the right decision for patients.

### **3. Turnaround Plan**

#### *3.1 Financial Performance Report 2015/16*

In presenting the month 12 financial performance report, MA-M noted delivery of the forecast £6.3m deficit which was £10.2m variance from plan. There were no material variances on individual budget lines to that which had been reported and forecast in the previous month.

MA-M reported that to date a year end position had been reached with all acute providers except Hull and East Yorkshire Hospitals NHS Trust, Ramsay and Nuffield. There were a few other areas of estimation in line with the CCG’s accounting policies to be finalised as there were every year. Individually these were not felt to be material to the year-end accounts.

#### *3.2 Financial Plan 2016/17*

MA-M reported on meetings and discussions that had taken place in development of the 2016/17 financial plan, including detailed analysis undertaken by the NHS England Finance Team. The plan, assessed as high risk, had been submitted as a joint NHS England/CCG plan and included progressing work on the areas supported by the Council of Representatives. MA-M highlighted that any investment in 2016/17 was required to generate at least a corresponding saving. MA-M briefed the Committee on the key changes in the final version of the plan submitted on 19 April.

MA-M referred to the removal from the plan of £900k non contractual inflationary funding in respect of the York Teaching Hospital NHS Foundation Trust community contract. Detailed discussion ensued on the work across the system to reconfigure community services, the need for an overall strategic approach to achieve transformation, and the Better Care Fund.

MA-M explained that the CCG position had improved by a further £1.2m with regards to additional “lift and shift” of existing community services into the Better Care Fund whilst still meeting the minimum investment in respect of Section 256 monies and the Social Care Act. In respect of the £3.3m City of York Council Better Care Fund set aside to pay for acute activity that had not been saved as planned in 2015/16, there was potential for the equivalent value to be made available in the event of agreement across all parties about avoiding and therefore removing acute activity and costs. Further

discussion took place regarding pooled budgets in the context of the CCG's financial position and the complexity of quantifying the impact of Better Care Fund schemes, such as closing beds.

MA-M reported that across NHS England Yorkshire and Humber there was a current gap in funding of £9m due to a £39m proposed draw down against the control total of £30m. The bottom line in the CCG's plan was now £13.3m deficit with £7.1m of further net unmitigated risk. If exceptional permission was granted from NHS England to mitigate the £7.1m in part through using the 1% non-recurrent requirement the risk would reduce to £2.8m.

In respect of the nine areas agreed with the Council of Representatives, which would contribute to mitigating the risk, a detailed project plan would be developed in line with QIPP plan processes. SOC noted that, with the exception of IVF, he was the lead clinician for these areas. FB advised that work with partners was taking place to develop a system communication and engagement strategy.

### **The Committee**

1. Noted the 2015/16 end of year position.
2. Noted the ongoing work to address the challenging financial position for 2016/17.

### **4. Turnaround Plan – QIPP Update**

FB referred to the 2016/17 planned QIPP schemes in the financial performance report and tabled a report, auto generated from Covalent, providing additional detail to the Red Amber Green rating, noting that Green related to confidence from the financial perspective. She also noted that an external review of the CCG's programme management office arrangements was currently taking place and recommendations would be incorporated in future reports.

*KR joined the meeting*

Discussion on the Red Amber Green rating included emphasis that this should equate to confidence in deliverability of schemes with a consistent approach to reporting. Presentation should focus on providing assurance to the Committee regarding areas of concern. DB requested inclusion of percentage of likely delivery. It was noted that Senior Management Team meetings would provide a standard process for review.

In response to concern about the £4m QIPP scheme relating to demand management and cost reduction at York Teaching Hospital NHS Foundation Trust, it was noted that this was within current contracting arrangements; further clarification would take place outside the meeting.

### **The Committee**

Requested reports focus on providing assurance on processes and deliverability of QIPP schemes.

## **10. Business Case for Proposed Investment in Provider Market Development**

HH proposed that consideration of the business case for proposed investment in provider market development be deferred in view of strategic discussion at the Governing Body on 5 May which would include an accountable care system and associated investment decisions to be agreed with the Council of Representatives.

SOC expressed concern in view of support from the Council of Representatives for Practices to take on indicative prescribing budgets with a gain share of savings to potentially invest in the Vale of York Clinical Network. He also noted a meeting with them on 28 April to discuss implementation of delegated budgets. Further concern was raised in view of discussion at the Council of Representatives indicating investment in the Vale of York Clinical Network as a “red line” provided that an equivalent return on investment could be achieved elsewhere; prescribing savings had this potential.

### **The Committee**

Agreed that the business case for proposed investment in provider market development could not be considered prior to discussion by the Governing Body of a strategic direction for Primary Care.

## **8. System Resilience Group Schemes**

In presenting the report that included an update on the 2015/16 system resilience funding and described performance of unplanned care schemes in quarters 1, 2 and 3 AP highlighted that c£830k was being requested for continuing a number of the schemes. AP noted that the potential cost pressure had been assessed at c£1m if these schemes were discontinued.

MA-M advised that system resilience spend was not currently within the CCG’s budget and that the acute plan was configured such that the activity reductions were profiled in the contract. Therefore any investment in continuation of these schemes or the removal of them would be a cost pressure. MA-M also noted that the lack of clarity around this had arisen because the Senior Management Team had considered a previous update on this where it had been suggested these schemes could be removed.

Members recognised that the schemes were contributing to avoiding admissions and that a notice period was required if funding was to cease. Following detailed discussion in the context of the CCG’s financial position and the need for any spend on this to be mitigated through the QIPP plan, it was agreed that work be undertaken to identify whether there were any opportunities to fund some of this spend, achieve further efficiencies for the same spend or reduce the investment required with any remaining balance effectively adding to the QIPP requirement. An update would be presented for consideration by Senior Management Team and subsequently the Committee as soon as possible.

### **The Committee:**

Requested that the schemes funded through the 2015/16 system resilience monies be further reviewed to identify any potential additional efficiencies with the outcome to be considered by Senior Management Team and reported to the Committee.

*PF joined the meeting*

## **7. Corporate Risk Report**

PF presented the report that identified risk trends and highlighted the most significant risks to the delivery of programmes of work and the CCG's objectives. One new event was reported relating to a hiatus in Business Intelligence capacity due to transfer of services to eMBED. This issue of data flow had been resolved but may have impacted on business critical decisions.

PF highlighted that the finance information had been enhanced. Other areas were being reviewed and updated; identified leads would be corrected as part of this. Work was also taking place to ensure that reporting through Covalent was maximised.

PF explained that a draft Strategic Risk Register, aligned to the programme groups and the 2016/17 NHS England Improvement and Assurance Framework, was included in the report and that strategic risk would be considered by Senior Management Team. RP added that the CCG's Operating Plan was also aligned to the Framework.

Discussion included the need for a robust process with clear accountability and noting the outcome of the current programme management office review as referred to above, would be incorporated. In response to assurance sought regarding processes for reporting risk PF described the processes and escalation pathway. She also noted that the Audit Committee and Governing Body received regular reports on risk and that Senior Management Team would review the risk register. RP added that assurance relating to 'red' risks was provided through standard agenda items.

### **The Committee:**

1. Approved the approach that Senior Management Team review and own the strategic risk register through receipt of reports, frequency to be decided.
2. Approved the new risk profiling structure for capturing and reporting risk in line with the NHS England Improvement and Assurance domains noting that strategic risk may be captured through the newly convened programme groups and reported to the Programme Delivery Steering Group who would escalate to Senior Management Team as appropriate.

*PF left the meeting*

## **5. Turnaround Plan – Other: Quality and Finance Committee Terms of Reference**

DB noted that the terms of reference, included in the meeting papers, had been reviewed. However, further review would take place as part of the overall internal governance review on decision making processes.

RP reported on two proposals for joint commissioning arrangements: in respect of Yorkshire Ambulance Service across the 23 Yorkshire and Humber CCGs and in respect of the Sustainability and Transformation Plan footprint. These would be presented for approval.

### **The Committee:**

1. Noted the internal governance review.
2. Noted the proposals for joint commissioning arrangements.

### **6. Quality and Performance Intelligence Report**

MC referred to the report which presented validated data as at February or March 2016. She noted that performance across the system had, as reported at the last meeting, continued to be affected by the 230 beds closed due to infection.

Senior Management Team had discussed the proposals for changes to Yorkshire Ambulance Service commissioning, as referred to above, on 26 April.

Emergency Department four hour performance of 84.9% against the 95% target was discussed in the context of the consultant and nursing vacancies and the fact that the rotas did not appear to match activity levels. MC described the senior review process in the department noting the increase from 4pm. She also advised that performance had been at 83% during the junior doctors' strike the previous day.

In respect of diagnostics MC noted that two new key performance indicators had been agreed with York Teaching Hospital NHS Foundation Trust for 2016/17 in respect of both referral to scan times and scan reporting times by scan type to ensure no avoidable delays in patient pathways.

MC advised that the 18 week referral to treatment backlog was 960 year to date, not 800 as per the report, highlighting the contributory factors detailed and noting York Teaching Hospital NHS Foundation Trust's plans to address. She also noted that the CCG had included additional activity in the plans for 2016/17 that was not in the original budget.

MC highlighted new cancer breach allocation guidance coming into effect on 1 October 2016. The biggest potential risk to performance at York Teaching Hospital NHS Foundation was in respect of the 62 day target.

In respect of healthcare associated infections MC reported significant concern for the 2015/16 performance advising that for York Teaching Hospital NHS Foundation Trust as a whole there had been eight cases of MRSA against a zero target and 62 cases of clostridium difficile against a target of 48. The review process for the latter to identify lapses in care for contractual purposes had not yet been completed therefore this number could potentially change and bring the Trust under trajectory.

MC referred to the serious incidents information and advised that since publication of the lessons learnt report confirmation had been received that there was sufficient evidence for a full judicial review into the closure of Bootham Park Hospital. She noted

a significant number of 12 hour trolley breaches at Scarborough Hospital over the weekend of 4 and 5 April and that York Teaching Hospital NHS Foundation Trust had declared a never event of wrong site surgery in the dermatology outpatient department. In respect of the latter MC expressed concern that the safe surgery checklist was not in use in the department.

MC noted potential media attention relating to an issue with interpretation of CT scans. She would provide an update when further information was available.

HH suggested that providers be invited to the Committee for detailed discussion of performance.

### **The Committee:**

Noted the quality and performance intelligence report.

*AB and LS joined the meeting*

## **9. Community Equipment and Wheelchair Services – Approval to Proceed to Invitation to Tender**

LS and NL presented the report which in addition to the main report included three appendices describing financial detail, activity detail to refine proposed commissioner contributions and financial models – options available. Members sought and received clarification on the documentation noting that the proposal would deliver potential savings across all commissioners of £688k per annum, which for 2016/17 would be potentially £228k based on a 1 December 2016 start date. For NHS Vale of York CCG this would equate to £471k and £157k for the respective services.

### **The Committee:**

Approved:

1. The refinement to the scope of the procurement, as outlined in the main report document.
2. Implementation of the Commissioners Forum recommendation to:
  - Adopt a credit model for Community Equipment Services from Year 1.
  - Apply a block contract for Wheelchair Services in Year 1, with the potential to move towards a credit model from Year 2.
3. Re-balancing commissioner contributions with partner organisations, based on a move to payment on actual activity basis for community equipment and wheelchair services.
4. Progression to the Invitation to Tender stage of the procurement process, whilst discussions continued regarding relative commissioner contributions.

*AB and LS left the meeting*

## **11. Key Messages to the Governing Body**

- Continuing concerns in relation to the Partnership Commissioning Unit audit and review and the emerging failure to provide adequate case review, also being



considered by the Audit Committee. There was a need to understand and develop the strategic role of the Partnership Commissioning Unit. RP was actioning establishment of a task and finish group.

- The need for a consistent approach to Red Amber Green review and rating of QIPP and the Better Care; Senior Management Team to action.
- A full review of the inter relationships of the Governing Body committees to take place, including corporate risk reporting and the Council of Representatives.; RP to action.
- Approval of the next stage of the community equipment and wheelchair services procurement.

**The Committee:**

Agreed the above would be highlighted by the Committee Chairman to the Governing Body.

**12. Next meeting**

9am, 19 May 2016.

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

**SCHEDULE OF MATTERS ARISING/DECISIONS TAKEN ON 27 APRIL 2016 AND CARRIED FORWARD FROM PREVIOUS MEETINGS**

Reference	Meeting Date	Item	Description	Responsible Officer	Action Completed/ Due to be Completed by (as applicable)
QF47	19 November 2015	Safeguarding Children Report	<ul style="list-style-type: none"> <li>DB, MC and KH meet in advance of Committee meetings to review data and provide detailed assurance.</li> </ul>	MC	Ongoing
QF50	21 January 2016  27 April 2016	Corporate Risk Update Report	<ul style="list-style-type: none"> <li>Update report on the Partnership Commissioning Unit issues</li> <li>Task and finish group to report to next meeting</li> </ul>	TP  RP	18 February 2016 Deferred – awaiting audit report  19 May 2016