Healthy Future

NHS
Hammersmith and Fulham
Clinical Commissioning Group

Finance and Performance Committee Meeting

Tuesday 28th November 2017, 2.00 – 4.45 pm
St Paul's Church, Hammersmith, London W6 9PJ

Present

Name	Role and Organisation	Initials
Governing Body		
James Cavanagh	GP and Vice Chair, Hammersmith and Fulham Governing Body (Chair)	JCa
Janet Cree	Managing Director, H&F Clinical Commissioning Group	JC
Shelley Martin	Head of Finance, Hammersmith and Fulham CCG (Deputising for the Chief Financial Officer)	SM
Paul Skinner	GP and Governing Body member	PS
Trish Longdon	Lay member, Hammersmith and Fulham Governing Body	TL
Vanessa Andreae	Vice Chair and Practice Nurse, Hammersmith and Fulham Governing Body	VA
Andy Petros	Secondary Care Consultant	AP

Name	Role and Organisation	Initials
Officers in attendance:		
Carol Lambe	Head of Planned Care, H&F Clinical Commissioning Group (deputising for Sue Roostan)	CL
Sharon Robson	Associate Director, Acute Finance	SR
Wendy Lofthouse	Mental Health Commissioning Manager, H&F Clinical Commissioning Group	WL
Helen Lipinski	Project Manager for Planned Care and Mental Health, H&F Clinical Commissioning Group	HL
Hannah Hanfy	Primary Care Commissioning Manager	HH
Salma Mohamed	Finance Analyst, Strategy & Service Transformation Team	SMo
Charles Gunaratnam	Project Finance, Strategy & Service Transformation Team	CG
Margaret Kelly	Business Support Manager, H&F Clinical Commissioning Group (minutes)	MK

Item	Agenda Item /Discussion	Action Owner
1.	**Apologies**	
1.1	Apologies were received from Keith Edmunds, Nick Martin, Tony Willis and Sue Rooston. <u>F&P Committee Membership and Quoracy</u>	
1.2	JC discussed the committee membership and the timing of today's meeting being altered to allow Trish Longdon, lay member to attend to ensure the meeting was quorate. JC thanked Trish Longdon and Vanessa Andrea for their attendance, also for their valid contribution towards the discussions.	

Item	Agenda Item /Discussion	Action Owner
1.3	JC highlighted the significance of having an effective and functioning F&P; with papers read in advance of the meeting, and members fully engaged with the committee. She emphasised the importance of attendance and proper representation at future meetings to ensure the committee was quorate, with sufficient clinical representation in attendance, to provide vigorous scrutiny of items. She asked F&P members to provide sufficient notice of any planned leave, with two weeks' notice required if a member was unable to attend a meeting, to allow alternative arrangements to be made to ensure the committee was quorate.	
2.	**Minutes of the Previous Meeting**	
2.1	The minutes of the previous meeting were approved as an accurate record of the meeting.	
3.	**Conflict of Interest**	
3.1	The previously acknowledged potential conflicts of GPs as commissioners and providers were noted. A conflict of interest was reported for item 9, the Network Plan 16-17 Performance, by James Cavanagh, Paul Skinner and Vanessa Andreae.	
4.	**Matters Arising/Action Log**	
4.1	The outstanding actions were reviewed and discussed. Please refer to the actions table for updates.	
5.	**Corporate Risks Register – Financial Risks**	
5.1	The committee **noted** the CCG Corporate Risk Register; in particular the seven finance risks scored 15 and over that are shown as red, and the rigorous process in place to review and mitigate these risks.	
6.	**Month 7 Finance Report – 2017/18**	
6.1	SM introduced the report. She advised that month 7 showed an improvement on M6 with the CCG continuing to report on plan for year to date and forecast outturn however, relies on a significant level of back-ended QIPP being delivered, and the release of non-recurrent balance sheet gains. SM reported that the acute position in M7 has worsened, with actual activity £1.12m higher than forecast for September, but overall contracts are over-performing by £3.21m which was 4.2%. SM highlighted that the community CLCH contract savings have been revised down from £0.48m to £0.17m compared with M6, due to service line costs being revised from plan to actual, and the inclusion of the Tissue Viability service omitted in error. SM advised that the prescribing position had worsened by £0.2m in month to give a forecast outturn and overspend of £1.1m; based on the Itemised Prescribing Payment (IPP) monthly data, which gave a worse position than the Prescribing Monitoring Document, produced by the NHS Business Services Authority (NHSBA). SM said that the CCG had not factored in general prescribing and generic drugs, but the latest information from the prescribing team based on July/August activity data, had not shown any price increase. SM noted movements in the forecast across programme areas and overall the forecast has deteriorated by £0.87m, which has resulted in further balance sheet mitigations being required this month, from £4.27m to £5.14m.	

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	SM stated that at M7, the CCG was forecast to achieve the planned surplus of £0.9m, supported by non-recurrent benefits which will not be available in 18/19. SM added that given the high level of balance sheet gains released in 17/18 and other non-recurrent underspends, the CCG was forecasting an underlying deficit of £2.65m, which was a concern for the 18/19 planning process. SM said that the forecast based on the year to date position showed a £7.4m overspend and a worsening of £0.77m from the M6 position. She said the forecast included a manual adjustment of £0.4m, to reflect back-ended QIPP not yet included in the position, but was expected to be delivered later in the year. SM explained that reserves of £2.57m had been released to date to support the financial position, but the CCG retains reserves to cover the 0.5% system risk, in line with NHSE guidance. SM indicated that the net risk at M7 was £0.3m, a reduction on the net risk of £1.24m reported in M6; with the improvement largely due to a reduction in the level of risk identified associated with QIPP, revised down from 90% to 75% with the risk of non-delivery brought in line with the assessment used by other CWHHE CCGs. SM mentioned delegated primary care and the opportunity available from headroom; with investment slippage removed as the CCG was working with GPs to ensure this was fully invested, to enable progress in implementing the Primary Care Strategy. SM stated that in terms of estates, there was a potential to move the Connect MSK services from Charing Cross to the Milson Road site; which presents a number of opportunities, specifically the partial release of the remaining provision to cover void costs through to 20/21, and to assist in reducing the CCGs overall net risk. JC noted that work was required on the Milson Road site prior to the site being occupied. SM advised that the recurrent position going into 18/19 was off concern; and reiterated that the forecast underline deficit was £2.65m, with low level growth and cost pressures that would need to be managed effectively. TL commented on the CLCH M7 performance and planned savings revised downwards to reflect the actual position and questioned what assurance was in place that the worsening position and lack of transformation would be addressed. VA explained that an extensive review programme on a line by line basis was carried out of the CLCH contract; with the aim to remove £18m over a 2-year period, but insufficient funds were removed towards transformation. VA stated that the District Nursing and Community Matron service specs were reviewed; however any reductions in capital spend into these services would impact Shifting Settings of Care in the Community. VA noted that the Tissue Viability costs were inadvertently excluded from the bottom line, however were now reflected, with the outcome of a service review to be shared with the committee for discussion at a future date. CL explained that a total of £9m was removed from the CLCH contract across the three CCGs. SM said that savings were achieved, but the figures would need to be reconciled, prior to being reflected in the position. CL said that savings were achieved for low level Podiatry and Speech and Language Therapy (SALT), with the Anti-coagulation and Dermatology services removed from the contract and re-commissioned elsewhere. CL said a review of next year's Transformation Plans was scheduled; however, reiterated that insufficient monies were due to come out of the contract towards tangible transformation.	

Item	Agenda Item /Discussion	Action Owner
	JC suggested taking a summary paper of the CLCH 17/18 and 18/19 transformation programmes to the next committee meeting to allow the current position to be deliberated, including next year's proposed changes, and asked for Carol Lambe and Sue Roostan to collate the information with input from Vanessa Andrea. JC mentioned the community contract and lack of savings currently being delivered for areas such as community gynaecology; however recognised that community services were having an impact, but not at the desired level, and mentioned the importance of monitoring these services to ensure that the full benefits are realised. JC added that any decision taken to stop such services would result in a shift back to acute, at a much greater cost to the CCG. CL said there was the potential for further patients to go through the MSK service in 18/19, with good savings being generated through MRI's. The committee discussed future investments decisions; the modelling of business case proposals and the need to develop them alongside some examples of good business cases. JC said as part of the modelling process; the committee would need to be mindful that uptake may not always be realised, but emphasised the importance of learning and the continual improvement of business planning and the likely impact of these business cases. Furthermore, to take into consideration that the timeframe may be longer and the activity shift might not always be achieved. JC advised that the QIPP planning for 18/19 was underway; with teams reviewing services on a line by line basis including at speciality level, to ensure essential work was being carried out, with the review process to determine what services were offering value for money and to include regular review points to provide the F&P committee with assurance. JC mentioned that the underline position would need to improve with the QIPP Delivery Group to hold people to account on delivery. The committee: • **Noted and discussed** the month 7 finance report.	**CL**
7.	**2018-19 Planning update**	
7.1	SM said the report was presented to update the committee regarding the progress to date on developing the financial plan for 2018/19; and in particular to highlight the level of QIPP and other savings to be identified to support H&F CCG to achieve the in-year balance in 2018/19, which was a mandatory requirement by NHSE. SM reported that the M7 forecast underlying position was the basis for the plan, and the planning assumptions used to develop the draft position for 2018/19. She explained that the CCG reported a forecast underlying deficit of £2.65m, however following completion of the reporting, it received further information on the full year effects of the 2017/18 NWL QIPP schemes and a projected saving of £1.4m, now factored in therefore shows a revised underline deficit of £1.2m. SM said the CCG were awaiting guidance on the business rules from NHSE, but were currently using the existing rules. She stated that it was possible that the sector would have some flexibility to adjust this target for individual CCGs within the wider control total for NW London. SM said it had assumed the CCG would be required to deliver an in-year break even position in 2018/19 and retain 1% of recurrent allocation as a non-recurrent reserve, of which 0.5% must remain uncommitted and available to contribute to the NHSE system risk reserve, reinstating the 0.5% general contingency, with drawn down of prior year surplus through prior approval of NHSE.	

Item	Agenda Item /Discussion	Action Owner
	SM said if the CCG were unable to achieve its control total in 2017/18, the allocation received in 2018/19 would be reduced by the level of the shortfall, but as the forecast outturn was on plan this has not been factored in, therefore would be an additional pressure. SM said that the CCG should see additional growth in 18/19 and with Primary Care accelerated growth on the primary care budgets. SM stated that in terms of activity growth, the uplift from last year was rolled forward using the same assumptions, however would require further analysis and review to ensure it was still valid and in line with the NWL approach and other CCG increases. SM said the net tariff uplift was based on NHSE guidance which was currently awaited, therefore had used the contract team calculations to model the impact for 18/19, the pricing changes and to determine the uplift. SM said the planning model included the known cost pressures and investment, and a total CCC cost of £6.4m. However, this was modelled prior to the CCG's budget setting exercise with budget holders and reviewed the outputs from the contracting process, therefore was subject to further refinement and sign off. SM highlighted some of the areas and explained that the plan included £799k built into the position to support Hounslow CCG, which was the third of the 4 years support to reflect the Market Forces Factor (MFF) and London weighting, as H&F had previously been paid a higher MFF alongside WLCCG, but was now reduced. SM explained that this was an historic agreement and Hounslow CCG was under-capitated. SM said the plan included £0.58m to bring the 17/18 community contract up to contract level given the level of under activity and BCF minimum contribution required in 18/19. Furthermore, it included £0.09m underfunding of the 17/18 Child and Adolescent Mental Health Services (CAHMS) transformation budget and £0.12m match funding to Improving Access to Psychological Therapies (IAPT). SM indicated that the H&F 2018/19 QIPP programme currently had identified savings of £6.4m, split into £1.7m full year effect from the 2017/18 QIPP programme and £4.6m of new schemes for 2018/19. SM emphasised that this was an early draft position, and given the new schemes are at varying stages of development would require further scrutiny prior to being presented for sign-off. SM explained that based on the forecast underlying position at M07, adjusted for the NWL QIPP, and using the planning assumptions, the CCG was facing a QIPP target of £14.7m, equivalent to 5% of recurrent allocation, in order to deliver a balanced plan. SM highlighted that the figures would alter depending on actual QIPP delivery and calculated full year effects over the remainder of 2017/18. SM explained that the NWL QIPP was an early draft; and the numbers had since altered, but based on the last position looked at, showed a £140m QIPP gap across NWL, with £62m QIPP identified and schemes at various stages of development, leaving a significant gap. SM emphasised that £14.7m was the H&F CCG QIPP target. JC asked if the H&F QIPP gap was £7.6m. SM clarified that the H&F QIPP gap was £8.4m with additional saving required, through additional QIPP savings or other budgetary reductions in order to breakeven. SM added that work would continue in order to refine the planning model and assumptions, and to ensure consistency of approach at a NWL level. JCa commented on the increasing list size of GP at Hand and asked how as a CCG it planned to mitigate this risk, in particular the flow of people from out of area. SM explained that the assumptions were based on the 16/17 five year allocations, and would need to mitigate the impact at practice level and change in activity level. SM said	

Item	Agenda Item /Discussion	Action Owner
	the CCG would need to demonstrate the changes and the effect on services; and make a case to NWL for the additional registrations, and put forward a case to NHSE for London. The committee **noted:** • The progress to date on developing the 2018/19 plan • The month 7 forecast underlying position as the basis for the plan, and the planning assumptions used to develop the draft position for 2018/19 • Current modelling suggests the CCG is facing a QIPP target of £14.7m for 2018/19 which equates to 5% of allocation. However, this assumes a level of back-ended QIPP in 2017/18 and associated full year effect in 2018/19 and is therefore subject to change • The current QIPP programme for 2018/19 has identified savings of £6.4m against this target, with schemes ranging from 'in outline' to 'signed off' • This leaves a current estimated planning gap of £8.3m, which will need to be addressed through additional QIPP or other budgetary reductions	
8.	**Mental Health Employment, Recovery & Wellbeing Service Business Case**	
8.1	WL introduced the report. She explained that the paper outlines the proposal for the reinvestment of funds currently committed to a range of voluntary sector employment and support services. She noted that all these contracts have tender waivers in place until March 2018, with the proviso services to be reviewed and new services commissioned. WL said that the reinvestment in a new Employment and Wellbeing Service would enable the CCG to meet the Mental Health Five Year Forward View (FYFV) national targets in relation to employment support, and improve the current employment and wellbeing services while delivering a QIPP. WL said the service specification would concentrate on delivering specified outcomes with providers, with flexibility to deliver innovative models of care which can evolve during the course of the contract and use digital innovations to provide maximum efficiencies within the service delivery. The service would link to STP objectives and focus on radically upgrading prevention, increasing employment support, reducing loneliness and shifting care from secondary care back into a primary care setting. SM questioned how it arrived at the proposed tender amount of £500k per year; for the three year contract, and if the price was achievable. Furthermore, if it offered value for money and would allow for service efficiencies whilst still meeting the full year forward view requirements. WL clarified that the amount was based on employment support in secondary care and employment support in IAPT including the wellbeing components. She said the aim was for the new service to be delivered in a more effective and joined up way. WL explained that a market engagement event was held but acknowledged that it would be challenging for the service to be delivered within the £500k envelope. JC queried how value for money would be assessed. TL commented that the service had less impact on health compared with other services; and given the CCGs current cost pressures if it had money to invest, and whether the money should be invested in this service given the lack of QIPP delivery in 18/19. Additionally, whether it meets the Chief Financial Officer (CFO) tests. JCa mentioned the number of investment proposals being put forward; and the decisions being taken by the CCG to determine which investments were justified, and what schemes should stop, and asked if the new Employment and Wellbeing Service was feasible.	

Item	Agenda Item /Discussion	Action Owner
	AP commented on the timeliness and the importance of having a priorities list and for investment decisions not to be taken in isolation. VA mentioned that the money was already included in the mental health service line; and raised particular concern around parity of esteem if this money was removed from the contract, given the high number of mental health incidents in the H&F borough. VA emphasised that the business case was to re-procure an existing service at a cheaper cost, with approximate savings of £85k to be achieved. CL informed the committee that as single tender waivers were no longer an option and given that the service finishes after the 31st March 2018, the decision could not be deferred. JC said a review of the service was undertaken but would need to quantify the overall benefits; and asked the committee to consider what additional information was required in order to make a decision. WL explained that an analysis by Employment Support of the existing service showed a reduction in the number of secondary care bed days, but was more difficult to determine for the wider economy. JCa asked if resources were available to fund the service. SM mentioned the CFO test and as part of this test would need to consider return on new investment; an affordable finance position and pay back in future years. JC said in the context of the CCG position, it would need to contemplate payback in year and whether the service was affordable. SM clarified that the money was included in the CCG budget line and was not new investment. However, as a CCG should also contemplate the CFO test in looking at existing spend and the re-procurement of services. JC explained that as the F&P committee was a sub-committee of the governing body it had delegated authority to recommend the business case for governing body approval. JC acknowledged the importance of clarity around all of the information in order to make a decision. JC mentioned the importance of having a reference point and benchmarking the service against other services and the need to do this as an iterative process. TL advised that particular elements of the business case were not clear; especially the areas around navigation and the sub-elements, therefore needed to be assured that all elements had passed the CFO test prior to supporting the decision to recommend the business case for approval. TL asked if all sections of the business case to be reviewed, to determine whether the CFO test was met. CL said it fits in with the wellbeing service and the aim was to bring the service together for people trying to acquire work and to assist them secure employment. WL mentioned the risk of not approving the service; given that there were no more tender waivers, and the tight timescales with the current service due to discontinue after the 31st March 2018. PS suggested that the CFO test be expanded but asked for clarification to be obtained whether it should relate to all services such as new and existing services, in terms of return on investments against cost and payback. The committee: • **Recommended** the business case for approval and to authorise the procurement of the Mental Health Employment and Wellbeing service, with a caveat that it looks for savings elsewhere in the system as part of the approval	**SM**

Item	Agenda Item /Discussion	Action Owner
	• **Agreed to obtain** Governing body chair's approval as there was no governing body meeting scheduled for December 2017	
9.	**Network Plan 16-17 Performance**	
9.1	HH presented the Network Plan 16-17 performance report. HH explained that the end of year performance has been finalised and practices have been remunerated for their achievement for all elements of the scheme. However, bowel cancer screening remained the exception to this as a result of changes made to assessing practice performance. HH said that the committee were being asked to review the process and changes made to the threshold for bowel cancer screening in assessing practice performance, as the initial assumptions were ambitious and the changes would bring this element in line with the other areas, and cost the CCG £28k. HH said the committee were being asked to agree the recommendation for paying practices for this quality component of the plan. HH noted that off the £1,001,000 investment that £702,588 (70%) was spent for the six elements of the plan. She noted that against the network plan budget there was an under-delivery of approximately £300k. JCa sought further clarification on the £194,227k spent on community pathways and the £805,000 QIPP delivery against the plan of £2,818,000. HH clarified that the money towards the community pathway was being allocated to ensure practices were maximising the use of the commissioned pathways included in this year's network plan with practices required to send 100% of referrals through to each community's single point of access (SPA), with the exception of the services red flag and exclusion criteria. HH added that the QIPP was to redirect the cost in acute service, therefore was an enabler with no direct link. JCa queried the referral review and QIPP delivery of £0. HH clarified that the referral review focused on reducing the number of first outpatient attendances into secondary care and ensuring that referrals made by practices were both appropriate and justified, but the referral review was excluded from the CCG's QIPP programme in 2016-17, therefore any savings projected as part of the network plan were to be considered separately with no savings realised. She added that some of the areas would alter in 18/19 to ensure they were more successful, with the work carried out in 17/18 to be used to build on the targets in 18/19. The committee: • **Noted** the end of year performance across Elements 1 - 6 of the Network Plan 2016-17 • **Noted** the appeals process and payments made to practices • **Reviewed and agreed the recommendation** for paying practices for the Bowel Cancer Screening Quality component • **Noted** the indicative spend and QIPP savings for the Network Plan scheme	

10.	**Homeless Health Services Review**	
10.1	CL introduced the report and updated the committee on progress and the revised timescales of the Homeless Health Review, and the request for approval to be given to extend the funding of these services in the event that the decision is taken to de-commission some or all of these services, and to enable sufficient notice to be given to the service providers. CL provided details of the intended services that are in scope of the Homeless Health review, which are due to end by the 31st March 2018. CL advised that LBH&F was the lead commissioner for the EASL contract, with H&F CCG funding 50% at an annual cost of £25,000, with 3-months' notice period required to terminate the contract. However, the council as lead commissioner did not wish to terminate any contract that benefits vulnerable people in the weeks leading up to next year's local elections, therefore are requested that in the event that the service was decommissioned, that there was a service extension of 5 months up to 31 August 2018 at a cost of £10,416. CL added that LBH&F was also the lead commissioner for Groundswell and H&F CCG fund 27% at an annual cost of £15,000, and the LBHF have also requested an extension of this contract for 5 months up to 31 August 2018, at a cost of £6,250. CL explained that if the CCG wished to agree to the extension money was available through S75 to fund the EASL service. However, money towards Groundswell was not included in the CCG baseline to fund the 5 month period at a one off cost of £6,250. CL noted that a full service review of the homeless service was on-going and a paper outlining the service review and options would be brought to Operational Group on 19th December 2017 and then to the Finance & Performance on the 23rd January 2018 for consideration. SM said that given the lack of assurance and service review outcome; that a decision should not be taken in isolation, therefore should defer a decision and await the paper outlining the options and outcome of the Homeless Health Services Review to be presented at January's F&P Committee. The committee unanimously agreed that a decision should be taken at January's F&P committee about whether to decommission all or part of the Homeless Health Services, and to decide whether the CCG should fund the 5 month extension period for Groundswell at a one off cost of £6,250 and the EASL contract for the same period, at a cost of £10,416, utilising the monies available through S75 for EASL. The committee: • **Agreed <u>not to fund</u> an extension to the Groundswell contract for a 5 month period (1st April 2018 - 31st August 2018) in isolation**, at a cost of £6250, as the committee were not assured and awaited the outcome of the review • **Agreed** that a paper outlining the options and outcome of the Homeless Health Services Review be presented at January's F&P Committee, to allow members to make a decision whether to decommission all or part of the Homeless Health Services, and to decide whether the CCG should fund the 5 month extension period for Groundswell at a one off cost of £6,250 and the EASL contract for the same period, at a cost of £10,416, utilising the monies available through S75 for EASL	
11.	**NWL STP Financial update**	
11.1	SM presented the report and provided the committee with an overview of the financial performance within the NWL STP and update regarding the NWL STP month 6 year to date position. Subsequently, provided an updated forecast of the outturn and a high level summary and analysis of the key issues.	

	SM said based on the M6 forecast following adjustments for non-recurrent items, the NWL underline run rate position was a deficit of £178m. She added that forecasts and methodology were being reviewed as part of 2018/19 planning process. JCa commented on the NWL underline run rate position of £178m and questioned how performance in London per head of population compared with the rest of London. JC responded that it was not indicative of the H&FCCG underline position as the figures were based on M6 information and the H&F data was more up to date. JCa queries why Harrow CCG was shown as a big outlier. SM explained that the forecast outturn was £20.6m but were planning to move from a forecast to a recurrent position and said that Neil Ferrelly, the new Chief Financial Officer, had produced a paper presented to the Joint Finance Working Group (JFWG) on the Harrow position and agreed to share a copy with the committee and TL for information. The committee **noted** the month 6 NWL Sector Finance Report 2017/18	**SM**
12.	**Imperial Contract Performance and trend analysis month 6 – 2017/18**	
12.1	<u>Imperial Contract Performance and trend analysis - month 6 2017/18</u> SR presented the month 6 Imperial report. She informed the committee that year to date (YTD) there was an unmitigated/mitigated variance of (£2.8m)/ (£1.85m) respectively. SR mentioned the QIPP year to date target of £6.4m and QIPP delivery shortfall. She added that if 50% of QIPP was delivered a gap of £3.1m would remain. However, this was a conservative estimate given that 42% of QIPP was unidentified. SR noted that year to date that QIPP of £2.94m was deducted and if this was removed from plan, the adverse variance would be replaced by a favourable variance of £1.07m, for areas such as Critical Care, Drugs and Maternity, but these favourable variances could not be relied upon going forward. SR reported non elective coding issues, not accepted under the coding rules, with a challenge of £4m put forward to Imperial across the 8 NWL CCG's. SR explained that a three way triangulation of data and robust analysis was carried out to ensure the accuracy of data. She noted that it planned a FIG and PCE discussion to discuss the figures further and would also be included in the NHSE gap statement. SR advised of costs 16% above plan with a significant element of this due to sepsis and the NEL coding challenge, and a more expensive case-mix, with a cost pressure against Sepsis of £515k. SR reported pressure against most HRGs, in particular cardiac disorders a driver of the adverse variance, with costs 28% above plan. She added that heart failure or shock was one HRG that was significantly over performing with a plan of 14 against actuals of 49 and a cost pressure of £260k. SR said that arrhythmia or conduction disorders were also a high cost area and over performing. SR reported issues with critical care and drugs devices, with critical care significantly below plan by 35% (£829k) driven by volume. However, both areas are being adjusted and matched to plan in the forecast, from M7 onwards. SR stated that maternity was under spending by approximately £6m across all providers, with the exception of Royal Free.	

	SR assured the committee that all challenges put forward to Imperial; with the exception of non-electives and the marginal rate, were closed down. JCa sought further clarification on the small number of outpatient procedures. SR mentioned the pressure in outpatients overall and the move of patients between outpatients and day cases, with a need to refine the process to ensure people were put into the correct classification for first and follow-up procedures and agreed to undertake a comprehensive review of this area across NWL to ensure the process was reliable and robust. SR explained that RTT was funded at 92% but it shows £1.8m year to date, with performance less than expected but at a high cost. She mentioned the assumptions in the forecast for critical care and drugs, and an adjustment of £193k for seasonality to factor in the impact of the low month in August and marginal rate adjustment of £394k. She added that a further adjustment was required to the forecast outturn for QIPP; in particular for back ended adjustments. SR advised that based on unvalidated figures, the M7 position had deteriorated by an additional £400k in the H&F forecast. SR noted that the contract included levers and marginal rates, but the QIPP ask was challenging. VA said there needs to be a joint effort with the providers to sort out QIPP and to change the way people act around the use of health services and to articulate to the public where the funding sits. SR reported that the contracts team were focusing on the technical calculations of the Imperial contract and stage 1 for this year; and the recurrent outturn for the 18/19 contract. She added that the 18/19 Imperial contract would include a tariff increase of .4% across all 8 NWL providers. SR highlighted an additional cost pressure associated with an extra 2 working days in 18/19, which would cost a further £7.1m across the portfolio of 8 NWL providers. JC commented on the schedules that support the 18/19 contract; and explained that as it was a 2-year contract, that only small changes were required to the schedules (Information Management, Quality) with the main focus on the activity and cost element of the contract with SR focusing on the activity across the sector. SR indicated that it did not anticipate any changes to the counting and coding and programmes. SR explained that the 18/19 Imperial contract would include the 17/18 recurrent outturn; additional QIPP, growth, plus any additional CCG required changes prior to being compared with the available envelope. SM explained that the Imperial contractual figures were not currently reflected in the 18/19 planning report, with the exception of the tariff impact, but agreed to reflect them together with the additional cost pressures once the figures became available. SR said the contracts team were following due process for contract sign off. She added that in terms of timeframe, it anticipated that the 18/19 Imperial contract would be finalised and signed off by the end of January 2018. The committee **noted** the Imperial month 6 performance and trend analysis report for 2017/18	**SR** **SM**

13.	Month 7 Performance Report plus QIPP Delivery Group minutes and actions	
13.1	CL presented the M7 QIPP Report. CL advised the committee that the CCG was not expecting to see any material change to the forecast performance for local schemes in in the next few months, but reporting would continue to be revised as the latest information becomes available such as IPP data for prescribing. CL stated that the QIPP forecast was under £5m and the CCG continue to rely on non-recurrent measures to deliver our forecast, with £1,732k QIPP delivered year to date. CL noted that the Financial Recovery Group (FRP), Capital Expenditure Programme (CEP) and STP schemes contribute 40% towards the overall QIPP target of £19,428k; therefore delivery of the forecast performance was vital. CL explained that in terms of governance process that the performance reporting was signed off at the FRG. She added that all mitigations are reported in the year to date and forecast performance. CL explained that little or no progress was made in identifying schemes with in year impact against the £3,916k of QIPP gap in acute contracts. CL advised that performance to date showed that the CCG had achieved net savings of £6.1m, however when compared to the revised plan of £7,685k, it shows an adverse variance of 20%, and gap of £1,511k. CL added that this includes £1,732k (28%) of savings delivered on a non-recurrent basis and through savings from the North West London (NWL) schemes. CL indicated that the CCG was forecast to deliver £13m net savings against the plan of £19m a gap of approximately £6m off plan and 68% delivery. CL highlighted that the year-end forecast had deteriorated by £326k compared to M06, and includes additional new scheme with in year benefit. CL noted that M7 performance was driven by: • Improvement in the forecast of £341k for DA Diagnostics and Pathology (£159k) and Primary care prescribing (£182k) schemes above plan based on latest information. Offset by deterioration in forecast for planned care schemes of £54k • FRP, STP and CEP schemes reporting has been updated based on the latest information provided, which has resulted in adverse shift of £336k • Provider contract gap variance has deteriorated by £308k JC said that Clare Parker, Chief Office and Keith Edmunds, Chief Financial Officer had emphasised the importance of ramping up back-ended QIPP to ensure the CCG was in a stronger position next year. CL reported that the draft QIPP plan was submitted to NHSE on the 13th November and consisted of a combination of roll over and new schemes, with 49% (£6,405k) of our current QIPP target of £13,135k identified. CL advised that a rapid review across all London CCGs was being carried out of the current position of the 2018/19 QIPP programmes to assess the status of QIPP planning and actions required improve the 2018/19 position. JC said for H&F CCG, NHSE were providing a dedicated 2 day session with Deloitte on 7th and 8th of December to discuss the: • Planning cycle • Monitoring and reporting • QIPP documentation • Stakeholder Engagement and • Project Manager / Programme Management Office capacity	

	JC indicated that the first day would be a senior team session, to meet with other members of the team and to focus on the process and key elements, with day two used to provide feedback. The CCG would report back to the F&P committee and governing body on the outcome of the process and to work with the QIPP Delivery Group (QDG) for review and challenge. JC added that the CCG would report back to Deloitte the work of Kingsgate and the recommendations and how the CCG had moved forward with this work. CL said the CCG would need to focus on improving the delivery of QIPP in the last 5 months of the year and to ensure the current forecast position did not deteriorate, support the underlying position and reduce the QIPP target for 2018/19. The committee **noted** the QIPP month 7 report	
14.	**Strategy and Transformation month 7 budget report – 2017/18**	
14.1	SMo and CG introduced the Strategy and Transformation month 7 budget report. SMo reported that the S&T operational budget at M7 showed actual expenditure of £6.6m against a plan of £8.2m, therefore a year to date underspend of £1.6m. SMo highlighted that the underspend was predominantly due to consultancy and other cost pressures expected in the last 5 months of the year, also cuts in non-pay expenditure and the process and strict controls in recruiting to vacant posts. SMo said concerning the S&T operational budget the forecast outturn was £12.5m, a £2.5m underspend against plan. SMo stated that the trajectory of the WTE within the S&T operational budget had changed significantly with 83 WTE and 18 WTE interims at M7, but are forecast to have 100 substantive WTE and 6 interim WTE posts by March 2018, which would have a significant positive impact upon the pay costs of this budget, but was subject to the posts being recruited into. SM commented on the £6m NHSE funding to support SaHF and the transformation programme budget; yet to be secured, and the provider support and CCG contribution of 1%, and asked if S&T failed to secure the NHSE monies would this have financial implications for H&F CCG. SMo responded that if S&T failed to secure the NHSE monies it would reduce their provider support and other budget areas, and emphasised that it would not be seeking further funding contribution from the CCG, with costs to be met from the overall S&T budget. JC requested clarification when a decision was to be reached on the NHSE monies. SMo indicated that contingency plans have been devised in the event that S&T fail to secure the NHSE funding; with the initial contingency plans enacted, with a reduction of the S&T operational budget from the proposed £15m to £12.5m following reassessment. SMO added that outline plans have also been made for potential further reductions, should they be required. SMo explained that £2.1m of the S&T £12.5m budget was pooled into a central consultancy and non-pay budget, and could be drawn upon for those schemes that require consultants, however would require budget owner approval. JC commented on the externally funded programme, in particular Diabetes, and queried the overall programme of expenditure and the CCG level of spend. SMo clarified that the proportion of funding that went to the CCG was £61k towards 2.25 clinical lead and admin support posts. JC asked if money was available towards these posts in 18/19. SMo said once it receives the NHSE funding for 18/19 the money would be allocated to the CCGs. JC asked for this money to be added into the externally funded section of the report and to be reflected in future reports. SM queried the £61k and asked if this amount was included within the £2.3m. SMo said that the money was included for the posts between October-March 2017.	**SMo** **SMo**

	SM advised the committee that future S&T reports would include the work carried out for each scheme. The committee **noted** the Strategy and Transformation month 7 budget report	
15.	**CWHHE Workforce Report**	
15.1	The committee **noted** the report, shared for information.	
16.	**Any Other Business**	
16.1	No other business was discussed.	
Date of next meeting: Tuesday 19th December, 3.00 - 5.30 pm, St Paul's Church, Hammersmith		