

**Finance and Performance Committee Meeting**

Tuesday 27<sup>th</sup> November 2018, 3.00 – 5.30 pm  
St Paul's Church, Hammersmith, London W6 9PJ

**Present**

Name	Role and Organisation	Initials
<b>Governing Body Members:</b>		
Paul Skinner	GP, Hammersmith and Fulham Governing Body (Chair)	PS
James Cavanagh	Vice Chair and GP, Hammersmith and Fulham Governing Body	JCa
Janet Cree	Managing Director, Hammersmith and Fulham CCG	JC
Nick Martin	Lay member, Hammersmith and Fulham CCG	NM
Vicki Cooney	GP and Governing Body member	VC
Andy Petros	Secondary Care Clinician and Governing Body member	AP

Name	Role and Organisation	Initials
<b>Officers in attendance:</b>		
Sue Roostan	Deputy Managing Director, H&F Clinical Commissioning Group	SRO
Sharon Robson	Associate Director Acute Finance, H&F Clinical Commissioning Group	SR
Owen White	Interim Head of Finance, H&F Clinical Commissioning Group	OW
Sue Hillyard	Interim Financial Recovery Director, H&F Clinical Commissioning Group	SH
Margaret Kelly	Business Support Manager, H&F Clinical Commissioning Group (minutes)	MK

**Apologies**

Name	Role	Organisation
Smitha Addala	GP member, H&F Clinical Commissioning Group	Hammersmith and Fulham CCG

<b>1.</b>	<b>Welcome</b>	
1.1	PS welcomed everyone to the meeting.	
<b>2.</b>	<b>Minutes of the Previous Meeting</b>	
2.1	The minutes of the previous meeting were approved as an accurate record of the meeting.	
<b>3.</b>	<b>Conflict of Interest</b>	
3.1	The previously acknowledged potential conflicts of GPs as commissioners and providers were noted. No additional conflicts were reported.	
<b>4.</b>	<b>Matters Arising/Action Log</b>	
4.1	<p>The action log and matters arising were discussed. The majority of actions were deemed as closed, with the exception of the following:</p> <p><b>Action 12.1 (results from staff survey)</b> - A brief action plan covering the main areas of focus agreed by members of the OD Working Group will be circulated to the F&amp;P committee once finalised.</p> <p><b>Action 6.1 (Imperial Contractual issues)</b> – To ensure the committee has oversight, it was agreed for this action to remain open until the contractual issues are resolved.</p> <p><b>Action 8.1 (Contract Register and Pipeline)</b> – The clinical leads to be added to the tracker. This action remains on-going, with the contract leads to be incorporated into the register for the next iteration of the tracker for January’s committee meeting.</p>	
<b>5.</b>	<b>HFCCG Financial Position at M7</b>	
5.1	<p>OW presented the paper. He reported that year to date (YTD) at M7 H&amp;F CCG was reporting a deficit of £2.3m and £0.5m worse than plan, with small movements in mental health of £400k in the second half of the year. The forecast outturn was on plan, but showed an in-year deficit of £3.5m, offset by an in year drawdown of £3.9m with a £0.4m surplus.</p> <p>OW indicated that all £4.6m of reserves had been fully utilised to offset CCG financial pressures, mainly related to QIPP non-delivery, with no additional NWL support in the forecast outturn or in risks and opportunities from M7 onwards.</p> <p>OW said the underlying position of the CCG showed a deficit ranging from c£10m to £15m, however this was contingent on the delivery of future recurrent QIPP.</p> <p>OW indicated that the likely outturn was a £5.8m shortfall against plan, but assumes delivery of significant future non-recurrent QIPP.</p> <p>OW said it was assumed that the GP at Hand pressures were fully mitigated, and stood at £5.7m YTD at M7 and £11.3m for the full year.</p> <p>OW noted that cash utilisation was above plan but was forecast to return to plan by year end, nonetheless this was dependent on receipt of all GP at Hand mitigations. OW said a meeting was scheduled with David Slegg to discuss this further.</p>	

5.1	<p>OW made reference to QIPP delivery and the acute challenges, and the major changes to guidance, however said it was too early to define the full impact on H&amp;F CCG.</p> <p>NM asked if the underline position for H&amp;F CCG would form the starting position for next year. OW said this was correct but the CCG would also need to take into account demographics, growth, and any under delivery against QIPP for this financial year. OW indicated that with a deficit ranging from c£10m to £15m that H&amp;F CCG would require £27m of QIPP savings to bring us back to plan. OW said risks remain with the delivery of non-recurrent QIPP and the worst-case scenario would be a deficit c£10.8m; with two thirds non-recurrent. He noted that delivery of our in-year deficit would influence next year's allocations.</p> <p>The committee <b>noted and discussed</b> the YTD M7 and forecast outturn position</p>	
<b>6. Primary Care M6 budget</b>		
6.1	<p>OW introduced the budget paper. He said the paper and new format provides a total view of primary care spend for H&amp;F CCG. OW stated that the paper had been to the Primary Care Commissioning Committee (PCCC) and was taken to this committee to ensure members were sighted on the new way of reporting to improve the understanding of the totality of spend in H&amp;F CCG, to include the delegated budget and spend against the core primary care budget.</p> <p>OW reported that in 2018/19 the forecast was that total Primary Care spend would be £4.9m above the target allocation, and relates generally to historic investments in Primary Care, funded from core funding. OW said owing to H&amp;F CCG receiving less than its target allocation for Primary Care, the total value of Primary Care services funded from core funding was expected to be £5.8m, and £1.8m worse than budget. OW noted that the forecast overspend of £1.8m relates to QIPP plans not delivered during 2018/19, but are expected to be taken forward and delivered in 2019/20.</p> <p>PS sought further clarification of the anticipated underspend of £199k for weekend plus and extended hours schemes. OW clarified that this relates to the take up of the service. OW said subject to a positive return from GP practices that a discussion would be had with the Primary Care Team to decide whether to extend the deadline for data submission, but emphasised a similar process would need to be adopted for acute. JC noted that the primary care budget paper was shared at the members meeting, with information also shared with GP practices to ensure they were sighted on the changes. Communication was also had with the LMC and Chris Adams at H&amp;F partnerships, with H&amp;F CCG open and transparent about this. JC noted that a query raised at the members meeting on extended hours claims was being followed up.</p> <p>JC advised the committee that some CCGs had an increase to their allocation known as 'headroom' while some CCGs had a deficit budget. JC said that H&amp;F CCG was reviewing the two sources of funding and noted that money from the delegated budget was being spent on primary care.</p> <p>The committee <b>noted</b> the primary care report and new ways of reporting on the primary care budgets</p>	

7.	<b>Imperial Contract Performance and trend analysis month 6 – 2018/19</b>	
7.1	<p>SR presented the report. She reported a year to date (YTD) mitigated favourable variance of £272k. The position also moved favourably in month by £23k, with activity 2.4% above plan and costs 1.8% below.</p> <p>SR reported that QIPP of £930k was deducted YTD and if QIPP was excluded would show a favourable position of £1.2m.</p> <p>SR advised the committee that outpatients had showed a favourable variance of £460k driven by the majority of specialities being below plan, with respiratory and cardiology the single biggest areas contributing to the majority of the £367k favourable variance, with maternity also below plan by £249k. SR highlighted that the favourable variances were utilised to offset an adverse variance against non-electives (NEL) of £1.1m driven by under delivery against QIPP, with a smaller variance associated with direct access, day case and electives. SR also noted pressures against trauma and orthopaedics and nephrology.</p> <p>SR specified that further mitigations were being pursued in respect of the Ambulatory Emergency Care (AEC) charging and pathology pricing. SR said it was probable that H&amp;F CCG as lead commissioner would instigate a further clinical audit of AEC activity as the initial audit had only focused on 50 patients. SR indicated that it was possible for the Trust to propose a financial offer for commissioner consideration and to contemplate a wider clinical audit later. SR said that an executive level meeting was being convened to discuss this matter further, following on from a meeting with the operational and finance teams at the Trust.</p> <p>SR reported that M6 showed a favourable forecast of c £0.5m, due to a higher run rate against planned care, with a more prudent view on challenges, and a reduction in the back ended QIPP target of £1.86m.</p> <p>SR indicated that a seasonality adjustment of £487k was included in the forecast outturn in an effort to calculate the level of increased spend over the winter, but excludes the potential impact of additional beds being phased in from the end of December 2018. SR highlighted that an executive level meeting between the commissioner and provider was being held to discuss the management of the risk associated with the additional beds from a finance perspective.</p> <p>SR specified that some of the additional winter beds would be based in Hammersmith and some in existing wards. SR said that the Trust are now planning a phased approach with the beds to come on stream by January/February 2019 with a potential risk of £1.5m across the eight NWL CCGs built into the contract. AP queried where the expenditure would come from. SR said that sufficient money would need to be set aside and explained that if an additional 12 beds were added to a unit this would result in a great deal of staffing costs for the Trust, which Imperial would need to factor in to their costings. The committee noted an opportunity for the Trust to use the beds for planned care to improve the 52-week waits and to address readmission rates.</p>	

	<p>SR said the patient transport costs associated with extending the existing contract with the current provider until April 2019 would move from a risk to a forecast cost from next month; as the CCG had agreed to pick up the additional costs c£870k with the provider. SR noted that the new provider costs are likely to be c£2m higher for next year across the eight NWL CCGs.</p> <p>SR reported that M7 shows a static position, with continuing care lower by approximately £100k.</p> <p>SR stated that H&amp;F CCG had submitted a challenge to the Trust for readmitted planned activity for formal resolution. SR noted that work was underway to review day case and elective case mix activity, focusing on HRG and comparable years as part of the process, and put forward a challenge to the Trust for this area.</p> <p>SH questioned the Trusts compliance for gynaecology. In response SR acknowledged the sensitivities associated with this area but agreed to review the patient level data if required. VC responded that the Trust were compliant for all areas that lead up to IVF and were only IVF regulated. SR agreed to obtain a breakdown for the validity of the IVF cycles.</p> <p>SR advised the committee that the gap between what the H&amp;F CCG plans to pay for all activity in the acute contract (inc GP At Hand) based on M6 actuals and YTD position; and the figures put forward by Imperial, would require resolution before the end of December 2018, to include an explanation of the categories where figures were available. SR said failure to come to an agreed resolution on the figures would result in NHSE arbitration.</p> <p>The committee <b>noted and discussed</b> the M6 Imperial position</p>	SR
<b>8.</b>	<b>Corporate Risk Register Financial Risks</b>	
8.1	<p>PS presented the financial risks in the corporate risk register.</p> <p>The committee deliberated the risks in detail and agreed the following:</p> <ul style="list-style-type: none"> <li>• <b>Risk HF11 - There was a significant financial risk in regards to the projected overspends for NHS Continuing Care Placements and Packages of Care.</b> SRo agreed to include additional actions on the transformation and update the risk for the next meeting.</li> <li>• <b>Risk HF102 - Failure to deliver the required level of QIPP on the Imperial contract and other BAU activities could materialise, as a significant risk to achieve our control total, with GP at hand is an area of on-going risk the CCG financial position and ability to achieve our control total.</b> SH said at the FRPG upfront discussions were had with the contract leads so everyone was fully briefed, with each team in contact with the clinical leads to ensure they understand the numbers.</li> <li>• <b>Risk HF144: TeleMedicine - There is a risk that due to lack of programme management and leadership of the last phase of the project that the programme will not deliver on its commitments to Social Finance. This could</b></li> </ul>	SRo

	<p><b>result in remedial actions being taken by Social Finance including the termination of the funding arrangement</b></p> <ul style="list-style-type: none"> <li>JC noted that recruitment was progressing but agreed that the financial risk and how to measure the impact going forward would require review. JC indicated that Paul Brown, CFO NWL CCGs, was aware of the risk associated with the finances and asked OW to review the costs and changes in the financial agreement as the risk may increase.</li> <li><b>Risk HF157 - There is a risk to the overall NEL QIPP that IC step up provision from community settings and AE will not be realised within the financial year 2018/19.</b> SRo agreed to review the risk description, consider closing this risk and replace with a NEL QIPP risk.</li> <li><b>Risk HF159 – The Estates Failure to secure funding for the refurbishment results in further delays to the proposed relocation of Sterndale and Brook Green Surgeries into Milson Road, and the associated void costs chargeable by NHSPS from April 1st 2017.</b> PS said the resilience funds to assist GP practices with the legal costs had been resolved, with money available for the financial year with the agreement being progressed between all parties. MK to include the update under mitigating actions.</li> </ul> <p>PS asked for details of all clinical leads and the areas they lead on to be shared with governing body members. In response JC said that details would be shared once further discussion was had about primary care and the distribution of work.</p> <p>The committee:  <b>Deliberated</b> the risks in detail  <b>Noted</b> that since the last iteration of the corporate risk register;</p> <ul style="list-style-type: none"> <li>The total number of risks on the register has reduced from eight to six</li> <li>The number of risks scored twelve and above has reduced from three to two, with one risk scored fifteen and above</li> <li>No changes to the current risk scores for all other risk</li> </ul>	<p>OW</p> <p>SRo</p> <p>MK</p> <p>JC/ Mark Jarvis</p>
<p><b>9.</b></p>	<p><b>Feedback from the NW London Finance Committee</b></p>	
<p>9.1</p>	<p>NM provided verbal feedback on the key items discussed at the last meeting. He stated that;</p> <ul style="list-style-type: none"> <li>The terms of reference were approved.</li> <li>All CCGs are forecast to achieve the planned position with the exception of Harrow CCG, which forecasts a deficit of £7.7m and YTD adverse variance of £4.5m, driven by over spend on acute SLAs (particularly out of sector) and Mental health placements. The H&amp;F £0.5m adverse YTD position was due to QIPP slippage. Forecast assumes that other than Harrow CCG adverse QIPP was mitigated through slippage of community reinvestments, underspend on prescribing and release of reserves. The forecast outturn position assumes that the H&amp;F GP at hand pressures are fully mitigated. Some CCGs have a higher risk than others, with H&amp;F one of the CCGs along with Ealing and Harrow.</li> <li>A discussion was had on the main sector contracts' performance at M6 and the key areas of over or under performance for the four NWL CCG acute trusts.</li> <li>A draft of the in-year financial recovery plan for the 8 CCG's, was agreed by the NW London Finance Committee for submission to NHS England, with preparations for</li> </ul>	

	<p>next year's QIPP planned for early next year, including the financial recovery plan.</p> <p>PS said that the 4<sup>th</sup> October NWL Shadow Finance Committee minutes mentioned that only 13 GP practices across NWL appeared to have successfully lowered their costs in relation to prescribing for over the counter medications, and sought further clarity on this point.</p> <p>JC explained that Harrow CCG was exploring the option of a QIPP saving and hoped to release £400k from the service. JC said that Tessa Sandall; Managing Director at Ealing CCG did not envisage this was achievable, and it was generally agreed by everyone present that all potential areas of saving had been identified this financial year. JC noted a slight shift in costs in H&amp;F CCG with additional work required in general practice to further reduce prescribing costs, working in conjunction with medicines management. JC said that during her meetings with GP practices that repeat prescribing and over the counter medication was raised.</p> <p>PS stated that figures provided by Chris Corfield, Head of Medicines Management in a OptimiseRx report, showed GP practice behaviour in a positive light.</p> <p>The committee <b>noted</b> the feedback provided from the shadow NW London Finance Committee</p>	
<b>10.</b>	<b>Minutes of the NWL shadow finance committee</b>	
10.1	The committee <b>noted</b> the draft minutes.	
<b>11.</b>	<b>Any other Business</b>	
11.1	<p><u>Health Help Now App - Funding Approved at the 30<sup>th</sup> October Operational Group</u></p> <p>JC provided a verbal update on the Health Help Now App developed across NWL signposting services across the area. JC advised members that the App would be funding through the national ETTF programme until April 2020; with H&amp;F CCG to fund the maintenance costs of £4,000 per annum from 20/21 onwards.</p> <p>JC noted that a six-month clause was built in to allow H&amp;F CCG to pull out of the contractual arrangements once an alternative App becomes available. JC noted that a paper on the next steps and project plan was being presented at the next IM&amp;T Committee.</p> <p>JC stated that Laurie Slater was the clinical lead for the App with Bethany Golding was providing advice and support on the engagement aspect, with roll out and go live planned for January 2019. JC noted that a review of the App would be carried out six-months prior to H&amp;F CCG paying towards the maintenance costs and asked for the App to be added to the contract tracker.</p> <p>The committee <b>noted</b> the verbal update provided on the Health Help Now App with H&amp;F CCG to fund the maintenance costs of £4,000 per annum from 20/21, with a six-month clause built in to allow H&amp;F CCG to have the option to pull out of the contractual arrangements once an alternative App becomes available</p>	<b>MK</b>
<p><b>Date of next meeting: Tuesday 27<sup>th</sup> November, 3.00 - 5.30 pm, St Paul's Church, Hammersmith</b></p>		