

Finance and Performance Committee Report – September and October 2016

The Finance and Performance (F&P) Committee has met twice since the last Governing Body meeting and met on Tuesday 27th September and Tuesday 25th October. This report summarises the wide ranging and detailed discussions that took place and in particular the decisions taken on the various investment proposals presented.

Escalations

No items were escalated at either committee meeting.

Investment Proposals

The following investment proposals were discussed:

September

Tissue Viability Business Case: The committee:

- **Recommended to the governing body formal approval** of the proposal to commission a Tri-Borough Tissue Viability Service including Hammersmith & Fulham CCG (annual cost of £775,736 across the Tri-Borough).
- **Recommended to the governing body formal approval** of the recurrent Hammersmith & Fulham CCG funding for the Tissue Viability of £154K per annum.
- **Recommended to the governing body formal approval** of the progression of the Tissue Viability Service Business Case.
- **Notice to CLCH to decommission the Anti-Coagulation service:** The committee:
- **Approved** the decision to issue notice to the provider CLCH; to decommission their Anticoagulation Service, once assurance was obtained from the GP Federation following their Board meeting on the 3rd October to manage the transfer process and plan the safe transfer of all clinic based H&F patients in a phased manner back to their respective GP Practices as per the Out of Hospital (OOH) specification, in agreement with GP practices and the CLCH service. If assurance is not obtained from the GP Federation, a further paper to come back to F&P with an alternative proposal.
- **Noted** the proposed GP Federation plan, depending on the outcome of their Board meeting on the 3rd October, for the safe transfer of all clinic based H&F patients in a phased manner back to their respective GP Practices as per the Out of Hospital (OOH) specification in agreement with GP practices and the CLCH service

October

Wheelchair Service – Funding Request for Backlog Clearance: The committee:

- **Supported the approval** of non-recurrent funding, already in the baseline, for the proposed best estimate cost of £168,707 for the new provider, AJM, to clear the historic waiting list
- **Noted** the potential approach with CLCH to offset some of this cost pressure

Termination of Pregnancy Service Procurement: The committee:

- **Supported** the proposal for a North West London Central Booking Service
- **Recommended for approval to November's Governing Body;** the business case for a North West London Termination of Pregnancy Service, under the Any Qualified Provider procurement process.

This was in line with the updated service specification discussed and supported by governing body members at its clinical seminar and for authority to proceed to procurement

BI Reprourement: The committee:

- **Recommended that the governing body supports the decision to test the market for a replacement for the WHYSE solution** within the current cost envelope. The committee asked that any potential cost pressures identified during the process be highlighted to the committee.
- **Requested that a detailed service specification be developed**
- **Recommended to the governing body to approve the decision to provide financial support** for the continued development and delivery of Whole Systems Integrated Dashboard.

Finance and Activity update – 2016/17

Month 5 Finance Report - September 2016

At month 5, the CCG is reporting the year to date surplus and forecasts the delivery of the planned £2.72m surplus. The underlying position shows a forecast surplus of £1.06m, a worsening of £5.23m in the operating plan and 5 year model.

Month 6 Finance Report – October 2016

At month 6, the CCG was reporting a year to date surplus and was forecasting the delivery of the planned £2.72m surplus. The underlying position shows a forecast surplus of £0.42m, which was a worsening of £5.87m from the position in the operating plan and 5-year model. The committee **noted the finance and activity position** reported for H&F CCG at months 05 and 06.

Planning 2017-18 to 2018-19

The committee:

- **Noted** the planning guidance 2017 – 2019 issued by NHS England 22 September 2016
- **Noted** the draft outputs from the refresh of the CCG 5 year planning model
- **Noted** the tight timescales and proposed governance for signing off the submissions to NHSE

Imperial Contract Performance and Trend Analysis

Month 4 – September 2016

Year to date (YTD) at month 4, planned spend was £11.2m but actual spend came to £12.3m, resulting in an unadjusted overspend of (£1m) which represents an YTD overspend of 9%. Total adjustments of £473k, had reduced the mitigated variance to £558k and shows a £2.2m forecast. Overall, the Trust were performing better against budget, therefore should maintain the forecast.

Month 5 - October 2016

Year to date (YTD) at month 5, planned spend was £14.1m but actual spend came to £14.6m resulting in an unadjusted overspend of (£454k) which represents an YTD overspend of 3.2%. However, month 5 showed a favourable variance of £67k, ad forecast variance of £1.98m. The main areas of overspending were non-electives and outpatient procedures which were volume driven, also outpatients first attendance which are volume and case mix driven, but were partly offset by underspends in elective inpatients and direct access. C&W had shown a month 5 favourable variance of £39k compared with month 4 and forecast variance of £1.58m, but the main areas of concern were NEL and outpatient procedures. The committee **noted and discussed** the months 4 and month 5, Imperial Contract Performance and Trend Analysis update.

QIPP

Month 5 update – September 2016

Year to date, the CCG has delivered net savings of £1.16m against the plan of £1.97m, which shows an under performance of £807k and 41% adverse variance. The variance is largely attributed to the £632k of unidentified QIPP, with £133k of an under spend from In-health diagnostics used towards mitigating the gap. The underline position was mitigated by new schemes and non-recurrent mitigations of £650k, therefore reducing the adverse variance to £156k and an 8% variance. The committee **noted** the month 5 QIPP update.

The Recovery Plan and progress update including QIPP Planning and Demand Management was presented. It outlined the potential options to progress a recovery programme in H&FCCG. The committee:

- **Noted** the appended briefing paper reviewed by the Ops Group 20 September 2016
- **Noted** the preferred option of scoping a recovery programme with the Turnaround Team in Central London CCG
- **Noted** that the preferred option may entail a re-prioritisation of other work programmes

Month 6 update – October 2016

Year to date, the CCG have delivered net savings of £1.20m against the plan of £2.68m, which shows an under performance of £1.48m and a 55% adverse variance. The underline position was mitigated by the use of non-recurrent contingencies and new scheme totalling £948k, reducing the adverse variance to £538k (20% variance). The committee **noted** the month 6 QIPP update.

CWHHE Workforce Report

September 2016

The compliance levels for mandatory training had improved significantly; increasing to 36.02% in August. The sickness rate dropped to 2.85% in July, which was in line with NHS averages. The anomalies in the vacancy rates reported would be address in the October report.

October 2016

The compliance levels for mandatory training have improved increasing to 44% in September. A significant amount of emphasis continued to be placed on all staff undertaking their mandatory training, it was anticipated that this figure would increase further for next month's report. The committee **noted** the CWHHE Workforce Reports.

CIS update

September 2016

A verbal update was provided. The committee noted that weekly contracting meetings were held to discuss the new service. A number of issues were continuing to be addressed. In terms of next steps, a three borough service specification would need to be developed for a new Community SPoR service. The recommendations from the clinical audit would need to be implemented and the financial investment finalised.

CIS 17/18 Contract Update

October 2016

The committee **noted the verbal update** but required a clearer picture on the H&F specific element of the service and detailed figures prior to a final decision being taken.

Strategy and Transformation Q2 Report – 2016/17

The committee asked for the information to be presented more clearly with greater connection between activities and benefits and to include in the report the focus for Q3 and outcomes to be delivered and to agree the collective work areas in collaboration with the CCG. The committee **noted and discussed** the report.