NHS Cambridgeshire and NHS Peterborough
working in partnership

ANNEX B

Minutes of the Finance and Performance Committee Meeting held on 25 September 2012 at 8.30AM in the Cedar Room, Lockton House, Cambridge

Present	Peter Southwick (Chair) John Barratt Maureen Donnelly Sushil Jathanna Harper Brown Alan Mack Victoria Corbishley Kevin Downing (attending for John Leslie) Dr Geraldine Linehan
In attendance	Edward Libbey Jill Houghton Dr Andy Liggins Melissa Mottram Simon Barlow (Minutes)

1. Apologies for Absence

Apologies for absence were received from Glen Clark, Professor Colin Coulson-Thomas, Sally Williams, Dr Neil Modha, Andy Vowles, Sharon Fox, John Leslie, Sarah Shuttlewood, Anna Gillard and Catherine Mitchell

2. Declarations of Interest

There were no declarations of interest made.

3. Notification of Any Other Items of Business

Future Management of the Finance and Performance Committee. The Committee subsequently agreed to discuss this matter as the next item of business.

4. Future Management of Finance and Performance Committee

It was noted that the Finance and Performance Committee was now formally acting as an integrated Committee comprising PCT and CCG membership.

It was noted that for the time being the Committee would continue to meet on a monthly basis and in addition to the PCT Cluster Board would also report to the CCG Governing Body.

It was recognised that as structures developed further consideration would need to be given to ensuring that the reporting mechanisms in place satisfactorily met the requirements of all and took due account of respective accountability. John Barratt advised that in terms of accountability to the PCT Board this was an area that he would raise with the Interim Local Area Team Director, Sheila Bremner.

Given the integrated nature of the Committee it was **agreed** that the agenda front sheet should now be reformatted so that business items were listed under a CCG, PCT or NCB (Primary Care etc.) section. **ACTION: Simon Barlow**.

Given the important monitoring role that this Committee had during the transition period and beyond, the need for relevant Senior managers to consistently attend meetings was highlighted.

The issue of dual CCG / PCT roles that would need to be held by certain staff ('double-hatting') during the remainder of the Trust's the transition period was raised. The Committee were of the opinion that the PCT Cluster Board would need if it had sufficient resources in place to deliver what was necessary during the next few months. It would important to flag-up any potential areas of risk and to formally document these. Such risks and concerns would need to be reflected in the BAF, Legacy Document and the Quality Handover document. It was **agreed** that this would be raised as an item for discussion during the private session of tomorrow's PCT Cluster Board, the outcome of which would be communicated to Sheila Bremner. **ACTION: John Barratt.**

5. Minutes of the Last Meeting

The minutes of the previous meeting held on 28 August 2012 were agreed as a true record subject to the following amendments

Minute 8 - Combined Performance Report (Never Events). Delete reference to *Non-event* and replace with *Never Event.*

6. Matters Arising

6.1 Actions List

The Action List was updated and is appended to the minutes.

CQUIN

It was noted that the issue of the CQUIN allocation had been discussed at the Chief Executives' Group as requested. Sushil Jathanna advised that the full 1% CQUIN allocation would not now be allocated due to the timescales involved. Problems in convening meetings due to the non-availability of required attendees had also contributed to the delay. The intention was to discuss and make a decision on this matter within the next

month. Discussions with the CCG regarding the use of unallocated CQIN money would need to held. A letter relating to this matter was to be produced by Harper Brown. The Committee agreed that it would be helpful for the membership of this Committee and the CCG Governing Body to have sight of the draft letter. **ACTION: Harper Brown.**

Sushil Jathanna commented that if the CQUIN process could not be made to work this year it may have a negative impact on the adoption of a similar process in subsequent years. He highlighted that this would present a test for the current partnership working arrangements.

It was noted that Finance would provide clarification about how CQUIN money was currently being budgeted and accounted for.

7. Finance Reports

7.1 NHS Cambridgeshire and NHS Peterborough Finance Report – Month 5

Kevin Downing presented the Finance Reports for NHS Cambridgeshire and NHS Peterborough circulated prior to the meeting. The main points arising from the reports and subsequent discussion were noted as follows.

- A break-even position for both PCTs was currently being forecast but pressures arising from the under-performance of QIPP and the over-performance of the various acute contracts remained a significant concern for both Trusts. The management of the acute contract was a major challenge and would need to be a primary focus for the organisation over the coming months.
- The potential volatility of Specialised Commissioning spend and the delays experienced in receiving up to date data was an area of concern for both Trusts. Harper Brown commented that moving forward this was an area that would fall under the remit of the NCB but was still likely to impact upon the CCG.
- The Committee were informed that the anticipated position on prescribing for NHSC was considerably better than what was currently being forecast.
- Victoria Corbishley commented that the lack of reported community services activity data was problematic. The observation was made that this should be included as a requirement in the Commissioning Intentions process for 2013/14.
- The potential risk inherent in the receipt of retrospective claims for Continuing Health Care had been recognised.

The Chair emphasised that it was essential that the Committee received the most up to date financial information to support discussion. Accordingly it was requested that in addition to the standard formal report, finance should provide members with the latest data available to them in advance or to be tabled at the meeting if necessary. **ACTION: John Leslie/Kevin Downing.**

7.2 QIPP

7.2.1 QIPP Forecast 2012/13

Kevin Downing tabled for information the NHSC and NHSP QIPP forecast for 2012/13, which had been based on the Month 5 reported position.

For NHS Cambridgeshire a QIPP delivery of £13.841M against an original target of £28.218M was being forecast resulting in an anticipated shortfall of £14.737M. For NHS Peterborough QIPP delivery of £12.477M against the original target of £28.218M was being forecast resulting in an anticipated shortfall of £9.260M.

Sushil Jathanna highlighted that the current gap on the acute contracts was going to be key and it should also be taken into account that the winter period was still to come. The Chair made the observation that it would be important to obtain a clear understanding of the issues relating to PSHFT. Jill Houghton reported that a Star Chamber meeting had recently been held with PSHFT to discuss their Cost Improvement Plan (CIP), information for which had been tabled at the meeting. The Chair requested that the PSHFT CIP document be scanned and circulated to the Committee membership for information. **ACTION: Jill Houghton.**

A need to further discuss the current PSHFT position and the way forward was raised by Maureen Donnelly. She advised that she would initially discuss this with Andy Vowles and Dr Neil Modha. **ACTION: Maureen Donnelly.**

7.2.2 QIPP Update 2012/13

Victoria Corbishley presented an update on the QIPP 2012/13 which outlined the work presently being done to transfer this work across to the CCG in preparation for the April 2013. It was highlighted that although the accountability for this year's QIPP remained with the PCT the responsibility for delivering plans rested with the CCG.

The Committee was advised that a small difference had been identified in the QIPP figures held internally and those that were being reported in the SHA template. A reconciliation exercise would be carried out with a view to addressing this by the time of the next meeting.

The paper set out a number of proposals with a view to developing project prioritisation and future planning and reporting arrangements which were discussed. The Committee subsequently **endorsed** in principle the following recommendations.

- That for 2013/14 a clearer link should be established between the QIPP reporting of individual projects and the financial reporting of QIPP;

- Local Commissioning Group (LCG) reports to be in a standard format to enable the CCG to have one consistent view of QIPP delivery
- Those projects with predicated savings of less than £500K should be primarily monitored by the LCGs. This proposal to be communicated and discussed with the CCG Governing Body in the first instance. **ACTION: Victoria Corbishley**
- That for the remainder of this year two or three key projects should form the focus of QIPP monitoring at a central level. Initial consideration was given to End of Life Care, Non-Elective Admissions and Advice and Guidance as potential areas. Prescribing was also raised as a potential project area.
- It was noted that planning guidance would be co-produced with the LCGs and brought back to the this Committee within the net two months **ACTION: Victoria Corbishley**

Edward Libbey left the meeting at 10.20am

7.3 Capital Plan Update 2012/13

The Committee received and noted the revised Capital Plan for NHS Cambridgeshire for 2012/13.

NHS Cambridgeshire was allocated £3.052M capital for 2012/13. It was noted that capital expenditure as at month 5 was £166K. Forecast spend, including the capital grants, was £2.543M leaving £599K as the forecasted underspend which would allow the PCT the flexibility to cover any appropriate unplanned overspends on the project budgets and address any further unexpected essential expenditure. It was noted that the scope for this would reduce during the final 6-months due to the insufficient lead-in time for most capital works, on the basis that these would need to be completed by 31 March 2012.

The Committee therefore noted that there was an opportunity to utilise this available capital funding to progress potential capital projects e.g. risk Stratification Tool or potential upgrade of GP Practice IT systems. The Executive were asked to identify and put forward any potential capital projects to ensure that all available funding was used by 31 March. **ACTION: All/John Leslie.**

8. Acute Contract Performance

Harper Brown introduced the Month 5 acute contract performance overview. The report as received provided an overview on performance, quality and escalation issues for each of the main providers across the cluster, namely; Cambridge University Hospitals NHS FT (CUHFT); Hinchingbrooke Healthcare NHS Trust (HHCT); Peterborough and Stamford Hospitals NHS FT (PSHFT); and Queen Elizabeth Hospital Kings Lynn NHS FT (QEHKL) which were noted by the committee.

Harper Brown commented that in terms of on-going acute contract management it would be important over the next 6-months to look at all of the relevant finances and

compare activity against actuals, with a view to establishing tighter contract management controls. He advised that he would be liaising with John Leslie with a view to developing a single comprehensive contract database, which would help to underpin this process.

The specific issues relating to PSHFT set out in the report were raised and discussed under minutes 7.1 and 7.2.1 above.

The committee **noted** the Acute Contract Performance report for month 5.

9. Combined Performance Report

The monthly progress report against key performance deliverables across both NHS Cambridgeshire and NHS Peterborough was received. The exception report focused on those areas that were currently RAG rated as Red or Amber.

Alan Mack advised that the current reporting format was likely to change in the near future once the NCB reporting requirements had been confirmed. These were presently awaited.

Specific points raised during the consideration of the report were briefly noted as follows.

Referral to Treatment: Victoria Corbishley highlighted that in future increased emphasis was likely to be placed on achieving the targets by speciality as opposed to overall performance. It was noted that on a year to date basis the C&P CCG was currently under the 90% standard for admitted patients. The remedial work being undertaken in each of the respective Trusts was noted.

Diagnostic Tests: It was reported that the unvalidated data received for August indicated that the current position had worsened.

2 week Wait from a referral for evaluation of 'Breast symptoms' by primary care professional: The need to carry out a root-cause analysis to gain a clear understanding about the recent breaches that had occurred was noted.

Cancer (Radiotherapy): The Committee were please to note that this target had been met. It was noted that PSHFT were intending to progress with the purchase of two new machines.

Cancer Treatment(62 Days) It was noted that the current position had worsened since the last report. CUHFT had indicated that they did not anticipate recovery until Quarter 4. The need to understand why this was the case was highlighted.

Accident & Emergency (4 hours): Victoria Corbishley reported that despite previous good performance the latest data available for PSHFT indicated that they were below target for the last two-weeks and were therefore likely to fail the quarter.

Choose and Book: Awaiting the outcome of the national consultation process before confirming the future approach.

DTOC: The Committee were pleased to note that the latest data recorded for September had indicated a significant improvement in position (25 as at 20.09.12 compared with 49 as at 06.09.12. Addenbrookes were due to take forward five work streams to take out lost bed day. These new pathways would be implemented during October. It was reported progress would be monitored to establish if they delivering each component that makes up the DTOC final figure e.g. bed days lost due to the delay in assessing patients in hospital.

Health Checks: The Committee requested that any available data on the outcomes arising from the health checks programmes being run across the Cluster be circulated to the membership between meetings. **ACTION: Dr Andy Liggins / Dr Liz Robin**

The Committee **noted** the month 5 performance report.

10. Corporate Governance

10.1 PCT Cluster Board Assurance Framework

The latest version of the PCT Assurance Framework was received for review and comment.

The Committee asked that the specific issues and concerns raised during the course of this meeting were adequately reflected in the BAF e.g. volatility of the Specialised Commissioning Budget; double running of staff and related capacity issues; Transition to NCB; Continuing Health Care retrospective cases.

The Committee **noted** the latest BAF

10.2 CCG Assurance Framework

The latest draft of the CCG Assurance Framework was received and **noted**.

The Committee were informed that a new Assurance Framework template for the CCG was currently being developed. This would be reviewed by the Clinical and Management Executive Team (CMET) prior to it being submitted to the CCG Governing Body for approval.

11. Annual Cycle of Business

The Committee received and noted the latest annual cycle of business.

12. Date of Next Meeting

The date of the next meeting was confirmed as Tuesday 23 September 2012 at 8.30am in the Cedar Room, Lockton House, Cambridge.

Simon Barlow
Integrated Governance Manager
October 2012