NHS
West Hampshire
Clinical Commissioning Group

Finance and Performance Committee

Meeting: 30 April 2020, meeting was quorate in accordance with 'lean' arrangements

Overview of business – including summary of key issues for Board

The following items of business were discussed:

- Received and reviewed an update on the risks in relation to the West Hampshire CCG Financial Position 2019/20 and a report on the Month 12 2019/20 financial position. The financial position to the end of March 2020 is £13.6m adverse of the annual plan, which was to deliver an in-year breakeven position. The bottom line position was £9k better than our forecast.
- Received and reviewed an update on the risks in relation to the implementation of the CCG Financial Plan 2019/20, for which there were unidentified savings totalling £9.7million in the financial position at 31 March 2020.
- Received a verbal update regarding the review and oversight of COVID-19 related expenditure.
- Received and provided comment on the Performance Oversight Report detailing overall performance for West Hampshire CCG and its main NHS providers towards the end of March, noting that there has been a substantial impact on the position in March due to the preparation for the COVID-19 surge. Key areas of concern highlighted remain Cancer performance and Child and Adolescent Mental Health Services.
- Received an update on Financial Planning 2020/21, noting that normal planning constraints / rules around contracting have been changed in light of the need to prioritise the COVID-19 response.

There were no new items identified which required escalation to the Board.

Key reference documents

- Minutes of the meeting held on 30 April 2020 (attached)
- Financial Position 2019/20 – Month 12 (paper reference FPC20/036)
- 2019/20 Savings Programme – Summary Report (Month 12) (paper reference FPC20/037)
- Performance Oversight Report (paper reference FPC20/038)
- Financial Planning 2020/21 Update (paper reference FPC20/039)

Papers are accessible on BoardPacks and are available on request.

Date of next meeting: 26 June 2020

Minutes

Finance and Performance Lean Committee

Minutes of the Finance and Performance Committee Virtual meeting held on Thursday 30 April 2020 from 10.15am to 11.15am

Present:	Alison Rogers	Lay Member Strategy and Finance
	Charlie Besley	Locality Clinical Director Totton and Waterside
	Mike Fulford	Chief Operating Officer and Chief Finance Officer
	Simon Garlick	Lay Member Governance/Audit
	Judy Gillow	Lay Member Quality
	Johnny Lyon-Maris	Locality Clinical Director, West New Forest
	Sarah Schofield	Clinical Chairman
	Andrew Short	Deputy Chief Finance Officer, Financial Accounting and Reporting
	Jim Smallwood	Secondary Care Consultant
	Caroline Ward	Lay Member New Technologies and Digital
	Jon Vaughan	Deputy Chief Finance Officer, Contracting
In Attendance:	Ian Corless	Board Secretary/Head of Business Services
	Terry Renshaw	Governance Manager (Minutes)
	Jackie Zabiela	Governance Manager

1.	**WELCOME, APOLOGIES AND CONFIRMATION OF QUORACY**
1.1	Alison Rogers welcomed members present to the first virtual lean meeting of the NHS West Hampshire Clinical Commissioning Group (West Hampshire CCG) Finance and Performance Committee and noted apologies for absence.
1.2	Attention was drawn to the new lean style of working following the agreement that future business will be processed virtually and will focus on immediacy of any governance processes/decisions, and that whilst we want to assure the Board and manage risks effectively our aim is to reduce as much workload as possible during this exceptional time. Clinicians and officers will be stood down from attending wherever possible so they can concentrate on Covid-19 response and recovery requirements.
1.3	It was confirmed that the meeting was quorate.
2.	**DECLARATIONS OF INTEREST (FPC20/033)**
2.1	Alison Rogers directed members to the Declaration of Interest Register.

2.2	Attention was drawn to the fact that should a conflict arise at any point during the meeting members will need to declare this fact.
2.3	**AGREED** **The West Hampshire CCG Finance and Performance Committee:** • **Received and noted the Register of Interests.**
3.	**<u>MINUTES OF THE PREVIOUS MEETING</u> (FPC20/034)**
3.1	The Finance and Performance Committee received the draft minutes of the meeting held on the 26 March 2020.
3.2	**AGREED** **The West Hampshire Finance and Performance Committee:** • **Approved the minutes of the meeting held on the 26 March 2020 with no matters arising.**
4.	**<u>ACTION TRACKER</u> (FPC20/035)**
4.1	Alison Rogers introduced paper FPC19/035. The following updates to the action tracker were provided:
	1. **<u>FPC19/006b) Savings Programme: Add resourcing the scale/challenge around the change programme and pressures driving the system onto the action tracker</u>** – It was reported that this has been added to the action tracker rather than the risk register. Alison Rogers commented that it is important not always to imply/reference that a system solution is the answer to everything and that we need to keep our eye on the ball locally. Alison Rogers reminded the Committee that this is not a true action, but an **AIDE MEMOIRE**.
	2. **<u>FPC19/014a Performance Report CAMHS : Provide Committee with an update on national benchmarking performance</u>** - It was questioned if this action can now be closed following the sharing of the national data report. There was discussion around current CCG position in terms of overall spend and performance and the fact that we did not present well within the report and that further thought is needed on how we want to go forward with this issue. Attention was drawn to the next meeting of the Transformation Committee that will be held in May and it was suggested that this action remains on the tracker but is discussed further outside of the meeting to ensure that it is amended to reflect the work being done around Covid and transformation. In addition Mike Fulford is to test with team if there is any additional information that can be shared with the Committee.
	3. **<u>FPC20/002a) Performance Report : Circulate letter regarding UHS working with Wessex Cancer Alliance around deep dive diagnostics</u>** – Agreed Ian Corless is to double check if letter has been circulated and if it has this action can then be closed via a post meeting note. (**Post meeting note**: Confirmed information has been circulated to the Committee. **Closed**.)
	4. **<u>FPC20/002c) Performance Report : Dementia Diagnosis Rate : To clarify what is included within the detailed plan</u>** – It was noted that the report was circulated to the Committee on the 12 March 2020. **Closed.**

	5. **FPC20/002d) Performance Report : Wheelchairs Clinical governance Committee to revisit deep dive into clinical triage process** – It was reported that the deep dive will not be undertaken until after Covid however wheelchairs features as a regular agenda item at Clinical Governance Committee with updates from the quality team. It was stated that this is a performance issue and should not be closed at this point as performance is still poor and needs monitoring. Clarification was sought as to what is the formal action on the tracker as this will continue to be monitored as 'business as usual'. It was agreed that this should remain on the action tracker as an aide memoire to pick up again as a performance issue when we emerge from Covid. **AIDE MEMOIRE**
4.2	**AGREED** **The West Hampshire Finance and Performance Committee:** • **Received the updates from the action tracker.** • **Agreed that two actions are complete and can now be closed.**
5.	**FINANCE**
5.1	**Financial Position 2019/20 – Month 12 (FPC20/036)**
5.1.1	In addition to the information provided within paper FPC20/036 circulated for the meeting the following points were noted: • Draft accounts were submitted to the auditors on Monday 27 April 2020. Attention was drawn to the fact that the bottom line position was £9k better than our forecast. • Regarding the underlying position the Committee will remember that the CCG had agreed, in Month 11, year-end numbers with the vast majority of our acute providers and there has not been a lot of change in terms of what we reported would happen. We have also reported more or less the same numbers in respect of CHC as we did at Month 11, however we are reporting more regarding prescribing, therefore prudence is required regarding any prescribing that may have happened at the end of March as more people may have been picking up prescriptions at the end of the month prior to lock-down. Actual data on this will be available in the next couple of months. • We achieved our cash position with a minimal amount within the account and we have done what we said we would do in respect of Income and Expenditure and Better Payment Practice Code and have paid 99% of suppliers on time.
5.1.2	The Chair thanked Andrew and his team for the comprehensive report. As a result of discussion it was: • Observed that PHT still looks problematic and there is a need to understand why they are showing such an up and down position. Also ED attendance is key and we need to consider that this has been good through Covid so it was suggested that there is a need to capture learning in moving forward as we cannot continue to operate emergency departments in the same way as they have been in the past. It was responded that the majority of change is in relation to renal activity. We have also seen a gradual increase and shift in patient flows from a couple of Practices that is a shift away from HHFT and UHS to PHT. Therefore, whilst cross provider shifts of activity looks particularly high it is a shift of activity rather than new activity being seen. With regard to ED we have seen a big reduction in activity and we will identify those activities that will change/switch in the future. It was reported that we are starting to see an increase in ED presentations in the last 2 to 3 weeks. • Clarification was sought in respect of slide 18 High Cost Placements, CHC where we are seeing some really big overspends and it was requested that the Committee are talked through the slide including an outline on CHC Fast Track and Adult Learning

	Disability. It was responded that we have seen an increase in costs for Adult Learning Disability the majority of which has been driven by discharges from NHSE long term placements. As reported previously we pick up the whole costs of these placements that can be really expensive but we only receive a small proportion of the funding from NHSE for each of these which is a real cost pressure for the CCG. However, we are nearing the end of this programme now and have tracked through into our budget for 2020/21. Regarding Fast Track and Adult Physical Disability we have switched the way of working now for example through discharge to assess areas where people were possibly incorrectly put on Fast Track last year when discharged, but since we have had the discharge to assess contract in place we have seen quicker discharge via that route to an appropriate setting. It was subsequently questioned if any of this discharge is related to Covid. It was responded that from the 23 March 2020 the new guidance was put in place that suspended CHC assessments. From this date rapid discharge to assess was put in place. Therefore, there would have been some of the spend coming through at the end of March relating to this and there will be significant change in profile of spend at the end of April. Attention was drawn to the high number of discharges out of UHS to WHCCG and the fact that the team are trying to assess the impact of discharging all patients that are medically fit within a day. Concern was expressed regarding financial and clinical issues that is in the process of discharging patients out of hospital to free up capacity for surge beds is some of this also happening in Adult Learning Disability and if so does this give us an increase in costs of packages of care that could partially be related to Covid. It was responded that High Cost Placements will not be part of discharge to assess; they will have their own process with packages of care which can be quite complex. Clarification was provided that patients are only being discharged if they are deemed medically fit for discharge. What is not happening is that we are not assessing them for packages of care. Patients discharged post 23 March 2020 are being nationally funded for their package of care until the CHC assessment process is re-established.
5.1.3	**AGREED** **The West Hampshire Clinical Commissioning Group Finance and Performance Committee:** • **Received and reviewed the update on the risks in relation to the West Hampshire CCG financial position 2019/20 and the report on the Month 12 financial position.**
5.2	**<u>2019/20 Savings Programme – Summary Report (Month 12)</u> – (FPC20/037)**
5.2.1	In addition to the information provided within paper FPC20/037 circulated for the meeting it was stated that the CCG has presented a consistent picture over the last few months and has achieved strong delivery in those areas over which we have direct control for example, CHC, Medicines Management and HQ costs. There are however more challenges where we are reliant on providers and third parties to support delivery. The CCG can demonstrate a high percentage of delivery against plan which is consistent with previous years.
5.2.2	As a result of discussion clarification was sought in respect of non-elective admissions which is reporting an overspend position but has overachieved on QIPP. It was responded that the QIPP is targeting a sub-set of activity that is targeted on a particular cohort of patients. We have therefore been successful in reducing that activity, but have seen an increase in demand and activity in other areas of non-elective activity. It was stated that there is also a bit about price as well as activity. PbR is an uncertain methodology of pricing in that it is

	subject to coding particular episodes of care and we have seen an increase in costing due to HRG+ where PbR is in place. We are targeting certain areas of activity for example the South West Frailty project that is delivering really well, although we are seeing a range of increases in activity in certain areas that were much higher than planned for.
5.2.3	**AGREED** **The West Hampshire Clinical Commissioning Group Finance and Performance Committee:** • **Received and reviewed the update on the risks in relation to the implementation of the West Hampshire CCG Financial Plan 2019/20.**
5.3	**Covid-19**
5.3.1	Mike Fulford reported that: • We have a process in place to record all costs directly related to the Covid response. • For 2019/20 we had assessed those increased costs to be £625k for WHCCG and these costs have been submitted, verified and signed off as part of our year end accounts process. • We continue to record expenditure and there is a monthly submission and sign off process in place. • The CCG is following all guidance as to what can be coded as Covid expenditure with a good and robust procedure to capture expenditure to date.
5.3.2	As a result of discussion it was: • Questioned how detailed is the analysis of spend, is it by GP practice, by specialties in hospitals. It was responded that as a CCG we have our direct expenditure, providers are responsible for listing their issues which they will submit to NHSE/I for reimbursement. The CCG is not responsible for any expenditure incurred by our providers. For the CCG it would be around where we have incurred additional costs for example around securing Out of Hospital additional activity to support discharge costs or additional package costs incurred in lieu of CHC assessment suspension, IT and where we have put additional things in place. Clarification was sought as to whether we are responsible for additional costs incurred within primary care. It was reported that primary care are submitting their detailed responses to the primary care team who are then consolidating and submitting returns. • Clarification was sought around the time lag from submission to the money coming through as this will impact on CCG finances as well as that of individual GP practices. It was reported that for Month 12 the CCG had the allocation assigned to us within a few days of submission. To date we have not seen a 2020/21 timetable although all the indications suggest that the money will come through quite quickly. There are no real implications for the CCG as our budgets are high value and the way that we can draw down cash means we will not experience cash issues. We do need to ensure that money flows through to other organisations such as primary care and we will endeavour to do this as quickly as possible. Details of the 2020/21 timetable will be shared with primary care as soon as it becomes available.
5.3.3	**AGREED** **The West Hampshire Clinical Commissioning Group Finance and Performance Committee received the update regarding the review and oversight of Covid-19 related expenditure.**

	PERFORMANCE REPORTING
6.	**Performance Oversight Report (FPC20/038)**
6.1	In addition to the information provided within paper FPC20/038 circulated for the meeting the following points were noted: • This is the usual highlight process in terms of our normal performance measures and this report reflects the position towards the end of March 2020. April data will be available shortly. The key thing to note is that there has been a substantial impact on the position in March due to the preparation for the Covid surge. This impact is reflected within the number of red RAG ratings in the left hand column of the tables, we understand that some of this is as a result of Covid but it gives us a range of concerns which we need to maintain a focus on as we move to the next stage of restoration. • There has been an improvement in A&E 4 hour performance with a reduction in ED attendances and patient flow within hospitals, with a number of beds currently unoccupied. Account will be taken within our planning on how we look to sustain that from current base position and services are reinstated going forward. • Cancer is a key concern. The majority of cancer operations have continued at some level, with some site specific cancers reduced. Work is to be undertaken to look at how we restart those services rapidly in the next few weeks. We are also seeing a drop off in 2 week referrals nationally and we are seeing a significant drop across Wessex. The Wessex Cancer Alliance is looking at 2 week waits at a locality level which will enable us to target specific areas. This features as part of the restoration work outlined in the 29 April 2020 joint letter from Simon Stevens, NHS Chief Executive and Amanda Pritchard, NHS Chief Operating Officer regarding the Second Phase of NHS Response to Covid-19. • Conversations regarding how cancer services may be redesigned for example referrals, and services being at a wider level across HIOW rather than at provider level but discussions are still at early stages. • CAMHS remains an area of concern. There is an on-going programme of work as well as our transformational work which will feed into the Health and Wellbeing Recovery Programme. This is particularly important as there needs to be work undertaken to look at how best we can support children and young people and their families during these times whilst schools are closed as part of the lockdown. There are currently differences in thought as some children may benefit from these changed circumstances whereas for others it may be more problematic/detrimental. CAMHS are working with families to understand the impact of the Covid situation and this will help to inform/be taken into account when looking at new ways of working/ getting services back up and running. • Out of Areas Placements has reduced further and figures are looking positive in terms of a continuing reduction. • Mental Health Service review is part of the recovery work programme under way at the moment. • Performance is variable across providers.
6.2	The Committee acknowledged/understood the current position recognising that it is not all where we would like it to be.
6.3	**AGREED** **The West Hampshire CCG Finance and Performance Committee:** • **Noted and provided comment on the performance report.**

7.	**<u>Financial Planning 2020/21 Update</u> (FPC20/039)**
7.1	In addition to the information provided within paper FPC20/039 circulated for the meeting the following points were noted: • In terms of financial planning the last couple of months have been difficult as we were initially planning on a whole range of different criteria and framework to where we find ourselves today. • All our normal planning constraints /rules around contracting have been changed. All NHS contracts are on block for first 4 months of year at least with contract values calculated nationally. All private providers contracted nationally, again for four months on a block or cost and volume basis. • CHC assessments ceased as of 23 March, so all CHC costs for packages of care for patients discharged out of hospital are subject to central funding until July 2020 but this will be subject to review in terms of guidance post July. What we have assumed in terms of this plan is that the block contract values in place will continue for 12 months, on the basis that we have no other base information to use. This has been highlighted as a risk. • There are some savings targets for example CHC, HQ but dependent on Covid-19 response over the next few months. • Planning a break even position as FRF funding has not yet been confirmed. All Covid related expenses are anticipated to be nationally fully funded. • The mental health standard has gone into baseline contracts with no changes to service specifications over the coming year as it stands. • With regard to CHC it is expected that there will be a dip in costs for first 6 months of the year and to increase over last 6 months. We have planned accordingly in current plan, but very unclear at present as to what funding changes will be. This leaves us with an enormous backlog of CHC cases so unless change guidance substantially we will be back where we were 5 or 6 years ago with a substantial backlog of cases which will require a substantial programme with a high number of patients requiring assessment. • Leaves us around £30m shortfall, which would have been the FRF funding we were expecting. • There are so many unknowns within this plan that this is the best assessment of our current financial plan.
7.2	As a result of discussion it was: • Questioned in terms of the joined up nature of an HIOW plan is it the aspiration that there will be a single plan, recognising that we will still have our statutory responsibilities to deliver. It was responded that at the moment we have not had any guidance as to whether we need to pull together an HIOW plan but there are regular 'catch up' meetings with CCG deputies across the area and some of the call tomorrow will be how we are forming assumptions / sharing thoughts and views regarding where align. It was clarified that this query also related to provider and community plans. It was stated that this will be an amalgamation of individual plans. At the moment all providers certainly until the end of July will be funded effectively to a break even position for the first four months of the year. They will receive top ups based on expenditure. At the moment have not had any commissioner guidance to say how they will manage commissioner positions within that revised framework. There is an individual plan for each organisation regarding expenditure of top ups and Covid expenditure which will bring them broadly back to a break even position. • Reflected that in terms of planning assumptions we have said that we will probably do block contracts until end of year as do not know differently. But we have not made the same assumption for CHC and it was questioned as to why this line has been taken. It was highlighted that we have assumed business as usual for CHC from 1 November 2020. It was responded that we feel that this is more likely due to

	the financial impact it will have on NHS England, but they may change this. Effectively they are currently funding patients who would have been self-funding therefore it is substantial. • On concluding the discussion it was stated that the Committee would be interested in thoughts regarding PbR contracts as aware there is a kind of tension around wanting to reach performance targets and yet having financial constraints. If moving across to block contract arrangements, would this be from a cost effectiveness point of view and is that to our advantage as a system / to our patients or would it not have much difference. • It was reflected that moving away from PBR contracts to new ways of funding it takes the funding issue to some degree out of it and will enable us to look at money in a different way that is how we can collectively use it rather than following a range of accounting rules that is how do we use our collective money in a system / area for the benefit of our patients based on population health management data.
7.3	**AGREED** **The West Hampshire Clinical Commissioning Group Finance and Performance Committee:** • **Received the 2020/21 Financial Planning update.**
8.	**ANY OTHER BUSINESS** – There were no items raised on this occasion.
9.	**RISKS ARISING FROM DISCUSSION OF AGENDA ITEMS TO BE INCLUDED ON THE CORPORATE RISK REGISTER** - There were no items identified on this occasion.
10.	**DATE OF NEXT MEETING** – The Finance and Performance Committee will next meet on Thursday 28 May 2020. Timing to be confirmed.

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