NHS
Vale of York
Clinical Commissioning Group

Item 17.3

Minutes of the Quality and Finance Committee held on 21 July 2016 at West Offices, York

Present

Mr Keith Ramsay (KR) – Chair	Lay Chair, NHS Vale of York CCG
Mr Michael Ash-McMahon (MA-M)	Deputy Chief Finance Officer
Dr Louise Barker (LB)	GP Governing Body Member, Lead for Mental Health
Mrs Fiona Bell (FB)	Deputy Chief Operating Officer
Mrs Michelle Carrington (MC)	Chief Nurse
Dr Arasu Kuppuswamy (AK)	Consultant Psychiatrist, South West Yorkshire Partnership NHS Foundation Trust – Secondary Care Doctor Member
Mrs Tracey Preece (TP) - part	Chief Finance Officer

In attendance

Mrs Laura Angus (LA) – for item 7	Lead Pharmacist
Mrs Anna Bourne (AB) – for item 8	Procurement Lead
Mrs Sheenagh Powell (SP) - part	Lay Member and Audit Committee Chair
Mrs Helen Rees (HR)	Assistant Head of Finance, NHS England
Ms Michèle Saidman (MS)	Executive Assistant
Dr Christina Walters (CW)	Interim Programme Management Office Adviser

Apologies

Mr David Booker (DB)	Lay Member
Dr Mark Hayes (MH)	Chief Clinical Officer
Mrs Helen Hirst (HH)	Interim Accountable Officer
Dr Shaun O'Connell (SOC)	GP Governing Body Member, Lead for Planned Care and Prescribing
Dr Tim Maycock (TM)	GP Governing Body Member, Lead for Primary Care
Dr Andrew Phillips (AP)	GP Governing Body Member, Lead for Urgent Care/Interim Deputy Chief Clinical Officer
Mrs Rachel Potts (RP)	Chief Operating Officer

The agenda was discussed in the following order.

Apologies

As noted above.

Declarations of Interest in Relation to the Business of the Meeting

There were no declarations of interest in relation to the business of the meeting. All declarations were as per the Register of Interests.

1. Minutes of the meeting held on 21 and 28 June 2016

The minutes of the meeting held on 21 and 28 June were agreed.

The Committee:

Approved the minutes of the meeting held on 21 and 28 June 2016.

2. Matters Arising

21 June

Corporate Risk Register Update – Partnership Commissioning Unit Update Report: TP reported that Richard Mellor, Chief Finance Officer at NHS Scarborough and Ryedale CCG, and Victoria Pilkington, Director of the Partnership Commissioning Unit, had attended the Audit Committee on 6 July to discuss the CCG's concerns, which were also reflected in the Risk Register. An internal report on mental health out of contract placements had been presented to Senior Management Team and a further report on financial procedures and forecasting of continuing healthcare and funded nursing care budgets was scheduled for discussion at its 26 July meeting. These reports would be presented to both the Audit Committee and the Quality and Finance Committee. Additionally there was an external review meeting of the Partnership Commissioning Unit on 26 July which HH and MC were attending.

The revised Committee Terms of Reference - referred to on both the minutes of 21 and 28 June, the latter for purposes of governance and reporting arrangements - were deferred pending discussion at the Governing Body Workshop on 4 August.

A number of matters were noted as agenda items, completed or scheduled for a future meeting.

The Committee:

Noted the updates.

3. Turnaround Plan – Financial Performance Report

TP presented the month 3 report noting that this was the first good indication in the financial year of actual activity, the financial position and associated risks. The year to date financial position was £2.18m worse than planned as a result of several significant variances, these included £1m of the £4m difference between the York Teaching Hospital NHS Foundation Trust contracted and financial plan values. TP noted that the orthopaedic planned activity over trade with York Teaching Hospital NHS Foundation Trust of c£0.5m was offset by an equal underspend on the Ramsay Hospital contract.

TP explained that further analysis was being undertaken in respect of c£700k pressure that had arisen from continuing healthcare and noted that a report, following detailed review by Neil Lester, Senior Finance Manager, was being presented to Senior Management Team on 26 July. In response to assurance sought by members TP explained that detailed discussion had taken place at the Audit Committee on 6 July as referred to above; however there were ongoing concerns. MA-M added that since the start of the financial year the Partnership Commissioning Unit were providing weekly updates on high cost packages and any revisions to current packages. He also noted that, following his review of the frist draft, the CCG benchmarked comparatively favourably in terms of continuing healthcare, but not in Jointly Funded Nursing Care.

MA-M reported an additional estimated £1.3m risk that had recently arisen as a result of a nationally negotiated position for funded nursing care. The impact was being assessed but further information was awaited from NHS England regarding the potential for prescribing savings to offset this cost. This was not included in the risks and mitigations figures as it had only just been informed nationally.

TP advised that a number of areas of concern in the planning assumptions relating to the Partnership Commissioning Unit had been resolved. However, a genuine pressure had emerged in respect of high cost packages, particularly relating to Peppermill Court and Section 117 placements. With regard to the former the c£400k pressure would come into effect when Peppermill Court reopened for inpatient beds. TP noted that discussion was taking place with Tees, Esk and Wear Valleys NHS Foundation Trust about a potential risk share for high cost patients who would come out of Peppermill Court. She also noted that the mitigation included patients who should have been in the community but were in out of contract placements due to the closure of Peppermill Court.

In respect of the Better Care Fund TP reported that the £450k pressure relating to North Yorkshire County Council was the CCG's proportion of the mandated figure following the escalation panel. It comprised the Care Act and additional health funding for social care protection. MA-M noted the overall value of the fund would remain the same, but this would mean there was less to spend on health related schemes. Discussion was commencing with York Teaching Hospital NHS Foundation Trust to release equivalent cash savings from the Selby hub and/or reconfiguration of community beds to which the CCG had committed continuation but subject to review, as with all three integrated care pilots.

The pressure from the City of York Council Better Care Fund related to savings required to allow above the minimum social care spend. Discussion was also continuing in respect of establishing a risk share agreement, required together with a signed Section 75 Agreement, in August. There was currently a high level risk share but a risk and reward plan was required for each scheme.

The aim was for the three integrated care pilots to be extended across the CCG footprint for equity of service provision and parity of outcomes by no later than the end of the financial year. This would be through provider implementation of an outcomes based specification which was currently being developed for discussion with the Council of Representatives and subsequently with the Provider Alliance Board.

TP noted that the total overspend impact on the year to date was £2.18m and advised that three twelfths of the contingency had been included.

TP explained the robust processes that had been implemented to enhance reporting to NHS England noting that the £11.98m risk total and £4.86m mitigations and contingencies detailed in the report were in line with this reporting. The biggest risk was under delivery of QIPP where the current position was that schemes to the value of £8.6m had been individually risk assessed. There was c£0.5m risk overall on the acute trust contract relating to underlying activity and growth assumptions. Part of this risk had been reduced as a result of York Teaching Hospital NHS Foundation Trust accepting a number of material formal contract challenges with effect from 1 April 2016. Work was continuing to check coding of activity processes.

TP reported that with effect from 1 October 2016 the CCG would take on responsibility for Special School Nursing. Return of the allocation from the Local Authority was being pursued and would be included as a mitigation in the month 4 report.

TP noted challenges were being issued to Yorkshire Ambulance Service relating to Urgent Care Practitioner activity.

Work was taking place to progress the nine proposals for further savings agreed for development by the Council of Representatives and clinical thresholds were being increased as appropriate. Senior Management Team had agreed a campaign and communications plan to explain the CCG's challenging financial position.

In respect of prescribing TP advised that based on one month's data this was c£60k over budget. FB highlighted work that was taking place in this regard noting Branded-Generic Medicines was one of three prescribing policies that would be considered by Senior Management Team on 26 July. York Teaching Hospital NHS Foundation Trust had indicated support to work with the CCG on not prescribing branded-generics.

TP emphasised that all possible action was being taken to at least maintain the £13.3m deficit forecast outturn position. She referred to potential savings of c£5m from trauma and orthopaedics RightCare work noting opportunities for planned care too. FB added that work was taking place with York Teaching Hospital NHS Foundation Trust to identify and implement quickly areas of saving to the system, including a request for analysis of the work undertaken at Ramsay Hospital.

TP reported that the monthly meeting with NHS England was taking place on 27 July to discuss the forecast outturn and associated risks.

In response to clarification sought regarding QIPP performance, HR advised that this performance should be at 3% but the CCG was currently performing at 1%. TP referred to the potential use of the 1% non recurrent contingency mandated by HM Treasury and the need for consideration of the longer term. Further discussion ensued including the proposal for changing BMI from 35 to 30 for hips and knees surgery, discussed at Senior Management Team and to be included in the public consultation, to save c£1m with recognition of potential for reduced BMI to be considered for other planned procedures as part of system change to reduce activity.

KR emphasised that the £13.3m forecast deficit position must not be breached.

The Committee:

Noted the Financial Performance Report and the ongoing work to provide assurance and address the financial challenge.

SP joined the meeting

4. Turnaround Plan – QIPP Update

FB tabled the updated QIPP tracker and reported that IC2 Review of community hospital bed base and usage would return to amber from red rating as a CQUIN had

been agreed that included reprovision of Archways. She noted that savings released would go towards funding the clinical team to keep patients in the community. Lindsay Springall, Senior Delivery Manager, was a member of the project team which was meeting weekly.

IC6 Patient Transport Service review was currently on hold. This was a partnership pilot with North Yorkshire County Council to review all patient transport, phase 1 being to improve the experience for renal patients. As Yorkshire Ambulance Service had requested c£100k to undertake the pilot further options were being explored.

FB advised that the QIPP tracker was reviewed weekly at the Senior Management Team meeting.

Members sought and received clarification about alignment of the finance and delivery red, amber, green rating process and noted that this was a "live" document.

This item was continued after item 8.

AB joined the meeting

8. Award Recommendation Report for Integrated Community Equipment and Community Wheelchair Services

AB explained that, although two separate anonymised reports were presented, there had been a single procurement for Integrated Equipment and Community Wheelchair Services; bidders could bid for one or both lots. The CCG had been the lead commissioner for both lots and North Yorkshire County Council had been one of the commissioners alongside other North Yorkshire CCGs for Lot 1 but not for Lot 2.

Contract Award Recommendation Report for Lot 1 Integrated Community Equipment Services

AB referred to the Pre-Qualification Stage noting the evaluation was based on four elements: resource, capacity, experience and financial sustainability. For the bidders who progressed to Invitation to Tender the evaluation was weighted at the ratio of Quality to Price at 60:40 with each comprising a number of questions to inform the weighted scores. Confidence in terms of sustainability had been sought through further finance questions.

In response to members expressing concern at the initial quality threshold levels of the evaluation AB explained that best practice was for 50% or 60%. She also noted that community equipment was a Type A service due to the equipment element of the service costing more than the clinical element and as such this procurement was subject to the full EU Procurement Regulations. The contract was a cost to the system of £3.143m

In respect of savings AB noted that all bids had been below the financial envelope and advised that the expected QIPP savings of at least £0.5m would be shared across all partners. She explained that there was the potential for further savings as a credit model was being adopted. The budget had been modelled on activity, estimated as far

as possible, and if activity exceeded expectation discussion would be required with the provider. AB confirmed that, as with every contract, there would be a mutual break clause which would be agreed as part of the contract negotiations.

Members sought further assurance in view of the considerable price difference between the bids noting that the bidder who had scored highest on quality was also the cheapest. At least five members of the process had provided a finance perspective, and Dr Loraine Boyd had provided clinical input throughout the process. Further clarification was sought in respect of data used to inform development of the bids, risk of increased activity levels, the different components of the weighting of scores, confidence in product mix and high demand items. Assurance provided in response included the aim of one of the key performance indicators being development of an agreed standard catalogue, confirmation that availability of data had been tested, the pricing structure separated all elements of the contract with equipment being a comparatively small part of the overall price, and there would be no additional cost to the patient.

TP left the meeting

AB explained that the commissioner organisations had different approval processes which had been factored in to the mobilisation timescale and the proposed 1 December 2016 contract start date. In response to further assurance sought by SP regarding the triangulation process, payment mechanisms and risk assessment, AB agreed to circulate information to the Committee prior to the Governing Body on 4 August. The recommendation of Bidder B was supported subject to this further assurance.

Contract Award Recommendation Report for Lot 2 Community Wheelchair Services

AB explained that the budget for the Community Wheelchair Services contract was £2.002m. This was a block contract for the first year with the potential to move to the credit model in future years.

AB reported that the briefing to the bidders had been similar to Lot 1 and had also included questions about working with other providers. Of the bidders who had progressed to Invitation to Tender, Bidder B's bid was the lowest on price and had scored at second on quality. All bids had been within the financial envelope which had been set at a £400k reduction on the 2015/16 spend. There was the potential for further economies of scale and Bidder B had offered a "pain and gain" risk and reward element.

Members sought and received clarification and assurance that the quality evaluation included patient experience. It was also noted that key performance indicators would be finalised and agreed as part of the contract negotiation.

The recommendation of Bidder B was supported.

The Committee:

1. Requested receipt prior to the Governing Body on 4 August of further assurance regarding ability to assess risk from the outcome and process in respect of Lot 1.

2. Agreed the recommendation to the Governing Body that Bidder B be awarded the contract for Integrated Community Equipment Services based on their submission being the overall highest scoring bid.
3. Agreed the recommendation to the Governing Body that Bidder B be awarded the contract for Community Wheelchair Services.

AB left the meeting;

Item 4 Turnaround Plan – QIPP Update continued

MA-M referred to the initial 50 patient HealthNavigator project advising that, based on its success and the potential savings, a decision was required about its roll out at scale. He sought members' views in light of there not being a Governing Body meeting until 1 September. MA-M explained that the project was expected to offset the Acute spend by c£0.5m in 12 to 18 months. The CCG was the only national HealthNavigator pilot in the UK.

Following clarification of aspects of the pilot, it was agreed that a report be presented at the August meeting of the Committee to inform a decision by the Governing Body at its 1 September meeting.

The Committee

1. Noted the update and ongoing work on QIPP.
2. Requested a report on HealthNavigator including highlighting potential savings for consideration at the August meeting prior to discussion at the Governing Body meeting on 1 September 2016.
3. Requested circulation of the initial information from the HealthNavigator pilot. *(Post meeting note: This was circulated on 22 July)*

5. Turnaround Plan – Other

MC referred to the updated Turnaround Action Plan, presented for information. In respect of the area 'Financial Planning and QIPP' members discussed the five year planning model and SP and KR referred to discussion at the Governing Body session on 7 July. MA-M agreed to provide high level information at the Finance briefing on 4 August. He also confirmed that a risk sensitivity analysis was taking place noting that some areas of risk were non recurrent.

FB added that planning detail had been requested at project level.

The Committee

Noted that high level information regarding the five year planning model would be provided at the Governing Body Finance briefing on 4 August 2016.

6. Quality and Performance Intelligence Report

MC presented the report which provided validated data as at May 2016. She noted in respect of Yorkshire Ambulance Service response times that information was not

currently available at CCG level, however, performance was at 71% against the 75% target. The main mitigation was the Rapid Assessment and Treatment Service for high level triage in A and E; further options were being considered. MC additionally noted that Yorkshire Ambulance Service was ranked at a high level of performance for survival to discharge.

MC referred to the redesigned 'Emergency Department Front Door' model which had been implemented from 1 July 2016. She advised that early results were positive and that performance on the York Hospital site had been at least 95% each day since its start. MC noted that discussion had taken place of potential impact on primary care which would be included in evaluation of this pilot. MA-M additionally highlighted that the model had been implemented on schedule and commended the joint working that had taken place to achieve this. MC noted that a two week 'No delays' project was currently taking place with all partners on site to look at flow issues. Becky Case, Senior Innovation and Improvement Manager, was representing the CCG.

Performance in diagnostics was at 99.2% against the 99% target for tests that took place within six weeks.

In respect of 18 week referral to treatment performance MC advised that York Teaching Hospital NHS Foundation Trust had achieved 92.64% against the 92% trajectory for the Sustainability and Transformation Fund. Three specialties had not met the 92% standard: General Surgery (90.75%), Urology (87.68%) and Maxillofacial (85.49%). She noted that the latter, which was the responsibility of NHS England, was becoming a national issue but discussion was also taking place at the Sub Contract Management Board.

Members discussed the Sustainability and Transformation Fund noting the different targets agreed nationally for York Teaching Hospital NHS Foundation Trust to those being monitored by the CCG.

MC reported that Gynaecology patients were being outsourced to Spire in Hull to reduce the growing admitted backlog.

All cancer targets had been met except two patients who had breached the 31 day target for Subsequent Treatment – Surgery. The 14 day breach was mainly due to patient choice but staffing and capacity issues in dermatology on the East Coast had also contributed.

In respect of Healthcare Associated Infections MC reported that the CCG was now gaining greater assurance from being fully involved in review processes. She also noted that she would bring to the Committee, when available, the report from a multi agency review of the norovirus outbreaks on the Scarborough Hospital site earlier in the year.

MC advised that a lessons learnt report from a system wide serious incident investigation into operational difficulties on the Scarborough Hospital site at the beginning of April 2016 was currently being finalised. She would bring this to the Committee.

MC noted that since the Committee report had been written there had been another Never Event but that it had not harmed the patient. This had been a wrong medication route incident in palliative care medicine. MC emphasised that discussions were taking place with the Medical Director about the need for culture change and embedding the learning.

In respect of Improving Access to Psychological Therapies (IAPT) LB reported that she was discussing with Tees, Esk and Wear Valleys NHS Foundation Trust waiting times for high intensity therapies, noting that the delays were in part due to recruitment issues. LB also noted that IAPT targets were mandated in the Sustainability and Transformation Fund and that GP referrals were not the issue. MC advised that an IAPT action plan had been developed.

MC reported Gill Rogers, who had joined the CCG as Patient Experience Officer, was working on developing the patient experience aspect of the report to include assurance from both providers and patients. She was also working with the Referral Support Service in this regard.

MC noted that a Partnership Commissioning Unit retrospective funding complaint had been upheld by the Health Service Ombudsman and an action plan was being developed in response. MC also noted the need for discussion regarding resources particularly in view of the potential for further retrospective assessments for Continuing Healthcare.

The Committee

Noted the Quality and Performance Report.

LA joined the meeting

7. Prescribing Policies

LA referred to discussion with the Council of Representatives regarding the CCG's financial position noting their support for the policies presented for the purpose of urgent implementation to expedite the financial impact. Ratification by the Governing Body would be sought at its meeting on 1 September.

7.1 Repeat Ordering Schemes (Managed Repeats) for GP Practices Policy

LA explained that the CCG had identified a number of areas to help address the issue of waste medicines in the NHS and to help control the cost growth which was placing considerable strain on local prescribing budgets. 'Managed repeats'/ repeat ordering schemes operated by Community Pharmacies, in which the Community Pharmacy ordered repeat prescriptions on behalf of patients, had been identified as an area which could be creating unnecessary medication waste and hence adopting this best practice policy would help to minimise this waste and contribute to ensuring best use of NHS resources. LA explained that the policy applied to all 70 Community Pharmacies within the CCG's boundaries and that it enforced the right of GP Practices to refuse 'managed repeats' if the protocols had not been followed.

7.2 Prescribing Policy for Primary Care Providers

In presenting the Prescribing Policy for Primary Care Providers LA noted that the policy, which outlined how the CCG commissioned medicines, was based on national guidance. It underpinned three policies, currently being finalised, which would support the Prescribing QIPP.

In response to clarification sought by members regarding implementation of the Optimise Rx computerised clinical decision support software, LA explained that the CCG could not enforce its use. She noted that two Practices were not currently using this: one due to a technical issue, the other through choice.

The Committee

1. Approved the Repeat Ordering Schemes (Managed Repeats) for GP Practices Policy.
2. Approved the Prescribing Policy for Primary Care Providers.
3. Noted that the policies would be ratified at the Governing Body meeting in 1 September 2016.

LA left the meeting

9. Corporate Risk Report

This item was deferred and would be considered at the Governing Body Workshop on 4 August 2016.

10. Key Messages to the Governing Body

- Commitment to achieve the £13.3m forecast deficit position through QIPP savings and other policies and initiatives
- Recommendation for ratification by Governing Body of Prescribing Policies
- Recommendation for ratification by the Governing Body of Award Recommendation Report for Integrated Community Equipment and Community Wheelchair Services

The Committee:

Agreed the above would be highlighted by the Committee Chairman to the Governing Body.

11. Next meeting

9am on 18 August 2016

NHS VALE OF YORK CLINICAL COMMISSIONING GROUP QUALITY AND FINANCE COMMITTEE

SCHEDULE OF MATTERS ARISING/DECISIONS TAKEN ON 21 JULY 2016 AND CARRIED FORWARD FROM PREVIOUS MEETINGS

Reference	Meeting Date	Item	Description	Responsible Officer	Action Completed/ Due to be Completed by (as applicable)
QF54	19 May 2016	Matters Arising	• Governing Body committees review and revised Quality and Finance Committee Terms of Reference to be presented at the next meeting.	RP	23 June 2016 4 August 2016 – Governing Body
QF54	23 June 2016	Turnaround Plan – Other	• CCG's action plan developed in response to the PwC report to be reviewed with a view to updating	RP	Ongoing
QF55	21 July 2016	Turnaround Plan – QIPP: HealthNavigator	• Report including highlighting potential savings for consideration at August meeting prior to discussion at the Governing Body meeting on 1 September 2016. • Initial information from the HealthNavigator pilot to be circulated	MA-M MA-M	18 August 2016 Completed - 22 July 2016