

## Clinical Commissioning Group

### Merton Clinical Commissioning Group Finance Committee

Tuesday 18<sup>th</sup> February 2014

Meeting Room 6.1, 120 the Broadway, Wimbledon SW19

**Chair: Peter Derrick**

Members	Peter Derrick (PD) Cynthia Cardozo (CC) Dr Howard Freeman (HF) Eleanor Brown (EB) Carrie Chill (CSC) Clare Gummatt (CG)	Lay Member (Chair) MCCG Chief Finance Officer Clinical Chair Chief Officer Governing Body GP Member Lay Member PPI
In attendance	Sion Gibby (SG) Faiza Waheed (FW) Neil McDowell Yvonne Hylton (YH)	GP – Raynes Park Locality Lead Head of Finance and Business - SLCSU Assistant Director of Finance Acute SLCSU Committee Secretary – SLCSU

1.	<u>Welcome, introductions and apologies</u> The Chair welcomed all in attendance to the meeting. Apologies were noted for Adam Doyle and Andrew Murray.	
2	<u>Declarations of Interest</u> A register of interests for the Committee members is held by SLCSU and available upon request. No additional interests were declared in relation to items on the agenda.	
3.	<u>Minutes of meeting held on 23 January 2014</u> The minutes were approved with the following amendment:- <ul style="list-style-type: none"> <li>- Page 4, 2<sup>nd</sup> Paragraph, final sentence to be amended to read  <i>“The aim would be that all existing services are continued and no funding will be taken away from carers. EB will discuss this with Simon Williams (LBM) mindful of the need for renewal of voluntary sector contracts.”</i></li> </ul> Matters arising:- <ul style="list-style-type: none"> <li>• <u>Sutton CCG payment request</u>            CC advised the Committee that as the matter remains outstanding Andrew Eyres, Chief Officer at Lambeth CCG has agreed to arbitrate, papers have been sent to him and a response has been requested by the 26<sup>th</sup> February 2014.</li> </ul>	
4.	<u>Financial Plan 2014-19</u> Following approval in January 2014, the draft financial plan was submitted to NHS England on the 14 <sup>th</sup> February 2014.  Further work will be undertaken with the final plan presented to the Finance Committee in March prior to final submission in April 2014.  CC delivered the report and the key points were noted:-  CCG is confident that the capital plans relating to the Nelson Local Care	

	<p>Centre will be approved;</p> <p>Acute overspend – CCG are looking to introduce a tool which will support Practice Managers to review all referrals and identify emerging trends. The tool has been developed by the CSU and is working well in Croydon CCG.</p> <p>QIPP – New Schemes have been developed in conjunction with and signed off by Clinical Leads. For existing schemes it is proposed to hold back non-demographic growth to 2013/14 delivery levels.</p> <p>Financial Year-End Agreements with SGH and ESH have not been agreed. NMCD advised that SCCG are leading negotiations with ESH and CSU are progressing with SGH.</p> <p>Baseline allocations which are subject to change have not been reflected in the expenditure and include:-</p> <p style="padding-left: 40px;">Specialised commissioning adjustment £720k; Top-Slice estimated at £300k to fund overseas visitors; Legacy payments mainly covering continuing care provision. All CCGs will contribute to a ring fenced risk pool held by NHSE. Merton CCG's share is £810k non-recurrent.</p> <p><u>Comments</u></p> <p>PD asked about the rise in community services expenditure in 2015/16. CC said this related to BCF investment and would be funded by the expected reduction in Acute activity.</p> <p>Service development/investments detailed in Table 6 will be reviewed and prioritised by EMT and presented to Finance Committee in March. Transformation Schemes will be reliant on BCF.</p> <p>HF asked about IVF investment to ESH and referred to clearance of the backlog and revised service specification agreed by SMPCT. NMCD responded that the backlog had been cleared and as part of the contract negotiation no further investment had been made. At the request of the Committee NMCD agreed to check the baseline contract and report back to the Committee.</p> <p><u>Timetable</u></p> <p>Finance Committee – 19.3.14 Governing Body – 27.3.14 Final Submission to NHSE 4.4.14</p> <p><u>Recommendation</u></p> <p>The Committee is requested to note the report and timetable to final submission.</p> <p><b>Noted</b></p>	
5	<p><u>Better Care Fund 2014-19</u></p> <p>A paper was presented to update the Committee on the Better Care Fund, including the conditions, investment, monitoring metrics and outcomes and a summary of the integrated work streams.</p> <p>BCF will be funded via a transfer of resources from acute hospitals to</p>	

	<p>community services and social care. Where the pooled fund sits is to be decided locally.</p> <p>In response to a question from PD regarding the channelling of funds, CC responded that the final report will be brought back to the Finance Committee on March 19<sup>th</sup>.</p> <p>A list of integrated work streams was developed with the overall aim to prevent emergency admissions in the acute sector by investing in community services for example CPAT. It was noted that all schemes have been reviewed and agreed with the Clinical Reference Group.</p> <p>New and existing spend for 2015/16 was talked through. CC advised that it is proposed to agree the top 3 or 4 schemes to start at the beginning of the year and to hold back £1.6m (divided 50/50 with Local Authority) for risk share and contingency. Performance monies will be received in-year and discussion will then need to take place to consider how funding will be used.</p> <p>Specifics for Merton including outcomes and metrics and the Integration Project Structure were noted. Performance monitoring will be via the Health &amp; Wellbeing Board supported by a number of sub-groups including the Finance and Performance Group, Chaired by CC and Patient &amp; Public Involvement Group which HealthWatch will be asked to Chair. Merton is represented at the H&amp;WBB by EB/HF/AD and Geoff Hollier.</p> <p><u>Recommendation</u> The Committee received and noted the BCF update.</p> <p><b>Noted</b></p>	
6	<p><u>Finance Report Month 10</u></p> <p>The CCG is reporting on plan at Month 10 and forecasting to meet its planned surplus of £2.1m at year end.</p> <p>Acute commissioning is forecasting to over-perform by £5.4m at year-end. This position has improved slightly from Month 9 due to a reduction in electives and outpatient activity.</p> <p>Non-Acute commissioning is forecast to under-perform by £0.8m. This is mainly due to the in-year QIPP scheme on Mental Health Placements.</p> <p>Key risks at Month 10 include:-</p> <ul style="list-style-type: none"> <li>- NHS Property Services double billing</li> <li>- Budget disputes with Sutton CCG</li> <li>- Year-end agreements not reached with ESH and SGH.</li> </ul> <p><u>Recommendation</u> The Finance Committee <b>approved</b> the finance report.</p>	
7	<p><u>QIPP Report Month 10</u></p> <p>At Month 10 QIPP is reporting under-achievement of £1m and forecasting a full year under achievement of £0.8m.</p> <p>The under-achievement is mainly due to the unplanned cessation of the Urgent Care at Home Service and delayed savings from the Prevention of Admissions project. In year schemes on Mental Health placements and London Ambulance alternative care pathways have helped to offset some of the in year under achievement.</p> <p>The position has improved slightly from the Month 9 position due to</p>	

	<p>increased savings on KPI challenges with acute providers.</p> <p><u>Recommendation</u> The Finance Committee <b>approved</b> the QIPP report.</p>	
8	<p><u>Procurement Process – Nelson Local Care Centre</u> The Chair welcomed Pam Coen (Project Support for Nelson LCC) and Sue Howson (Project Manager, Nelson LCC) to the meeting.</p> <p>The Nelson LCC is opening in April 2015 and a number of key actions have been underway within the project for the past year. As part of this the clinical procurements and design of service has been undertaken by the Clinical Procurement Working Group.</p> <p>As part of the procurement process the project is now in a critical phase and there are three formal approvals required from the Finance Committee. These are:-</p> <ol style="list-style-type: none"> <li>1. Prior to PQQ (10.3.14) – approval required to publish both the OJEU notice and PQQ documents</li> <li>2. Prior to ITT (13.5.14) – approval required to accept recommendations for up to 6 shortlisted bidders and to proceed to ITT</li> <li>3. Prior to preferred bidder appointment (11.8.14) approval to appoint the preferred bidder</li> </ol> <p>As the procurement timetable does not align with the Finance Committee, is it requested that the Finance Committee consider delegating the responsibility for the first two approvals to the Nelson LCC Project Board. The decision regarding approval of the preferred bidder would remain with the Governing Body.</p> <p>Following detailed discussion the following comments were noted:-</p> <ul style="list-style-type: none"> <li>- Delegating short-listing of bidders was questioned;</li> <li>- Further detail to demonstrate transparent clinical engagement into procurement of services;</li> <li>- Clarification on delegated powers of the FC to other committees specifically to the Nelson Project Board</li> <li>- Assurance that a traditional sub-contracting model will not apply to this procurement e.g. where an appointed bidder further sub contracts and brings in new providers at a later date to provide services under this contract.</li> </ul> <p><u>Next Steps</u> EB to take forward with SH.</p>	
9	<p><u>Any Other Business</u> The date of the next meeting : 19.03.14, 12-1, 120 The Broadway, SW19</p>	

Agreed as an accurate account of the meeting held on 18.2.14

Peter Derrick: Chair

Date: 19.3.14