

Meeting: Oxfordshire CCG Board

Date of Meeting	16 March 2021
Title of Paper	Finance Committee minutes 23 October, 19 November 2020
Lead Director	Gareth Kenworthy, Director of Finance
Author(s)	Duncan Smith, Lay Member, Chair OCCG Finance Committee
Paper Type	For information
Action Required	The detailed work of the Finance Committee provides further assurance to the Board that OCCG is managing its finances effectively and in accordance with the financial plans and budgets approved by this Board. Board members are asked to consider if they are receiving enough information in the Board's finance report and through the minutes of Committee meetings to assure themselves in relation to OCCG's financial performance.

Executive Summary

OCCG is operating under the NHSE temporary financial regime. Further assurance is required by the Finance Committee in relation to the management of the underlying financial position carried forward into 2021/22.

The Committee draws to the attention of Board members, the following:

23 October 2020

Northgate Development Estates Proposals: The Committee reached a consensus to support the plan and proposals, provided a number of specific conditions were met.

11 November 2020

2021 Month 7 – 12 Financial Plan: OCCG submitted to NHS England (NHSE) a financial plan with a c.£6.5m underlying deficit. The deficit is driven by the independent sector budget adjustments, pressures on the Continuing Health Care (CHC) budget and pressures within the prescribing budget.

Hospital Discharge and Reablement: It has been recently agreed that Oxfordshire County Council can go to market with the new model for reablement services. The Committee

welcome the action to retender the reablement service contract and looked forward to receiving further progress reports.

Joint Commissioning: The Committee received a progress report on moving forward with joint governance arrangements. A joint commissioning plan is required to establish a set of shared priorities and workplan. The Section 75 arrangements will be reviewed as part of this work.

Comparators for Primary Care COVID-19: The Committee received that OCCG is not an outlier in term of COVID-19 spend in comparison to Buckinghamshire and Berkshire West CCG's.

New capital funding: There is an opportunity to bid for new hospitals funding. declared interest in bidding. Oxford Health and Oxford University Hospitals have declared an interest in respect of the Horton and Warneford sites.

Minutes

Oxfordshire CCG Additional Finance Committee Meeting (in private)
23rd October 2020, 16:00 – 17:00
Microsoft Teams

Members			
Name	Role and Organisation	Initials	Attendance
<i>Duncan Smith</i>	<i>OCCG Lay Member for Finance and Finance Committee Chair</i>	<i>DS</i>	<i>Present</i>
<i>Roger Dickinson</i>	<i>OCCG Lay Vice Chair</i>	<i>RD</i>	<i>Present</i>
<i>Gareth Kenworthy</i>	<i>OCCG Director of Finance</i>	<i>GK</i>	<i>Present</i>
<i>Jenny Simpson</i>	<i>OCCG Deputy Director of Finance</i>	<i>JS</i>	<i>Present</i>
<i>Diane Hedges</i>	<i>OCCG Chief Operating Officer and Deputy Chief Executive</i>	<i>DH</i>	<i>Present</i>
<i>Ed Capo-Bianco</i>	<i>South East Oxfordshire Locality Clinical Director</i>	<i>ECB</i>	<i>Apologies</i>
Others: (Standing Invitees or In attendance)			
<i>Julie Dandridge</i>	<i>OCCG Deputy Director and Head of Primary Care</i>	<i>JD</i>	<i>Present</i>
<i>Peter Redman</i>	<i>OCCG Estates and Development Manager</i>	<i>PR</i>	<i>Present</i>
Standing Agenda Items			
1	Welcome and Introductions The Chair welcomed everyone to the meeting.		
2	Apologies for Absence Noted as above.		
3	Declaration of Interest The Chair reminded Committee meeting members of their obligation to declare any interest they may have on any issue arising at Governing Body meetings that might conflict with the business of Oxfordshire CCG. None declared. Declaration of Gifts & Hospitality The Chair reminded Committee meeting members of their obligation to declare any offer of gifts and hospitality whether accepted or declined and the reason for accepting or declining such offers. Members present confirmed the status of their current declarations using the 'chat' facility within Teams.		
4	Northgate Development Estates Proposals		

PR and JD presented the paper for this item. The paper is presented to the Committee for approval of the plans as set out in the papers and is the final step to allow for the practices to sign up to a contractually binding agreement for the new lease.

PR provided an update on events in relation to this item since it was last presented on the 23rd of July Finance Committee meeting. A full business case was received from the practices, which described a revised design and cost estimate, including clarification on the proposed procurement method. A revised District Valuer (DV) report was also received covering:

- The revised cost estimates
- The report on the green credentials of the building provided by Pick Everard, which included a brief overview of the fit-out specifications.
- The revised formula for reimbursing the fit-out costs.

Planning consent has been granted by Oxfordshire City Council (OCC) to change the use of the building to use for medical purposes.

PR explained a provisional agreement has also been reached with Jesus College for a lease for three car parking spaces to replace the spaces lost by 27 and 28 Beaumont Street practices.

PR fed back that the DV has confirmed in the report that the proposal provides value for money. There are some minor outstanding queries within the DV report around the Valuation Office questionnaire not having been satisfactorily completed, however, work is taking place to ensure this is fully completed by Jesus College, as the developer. PR fed back that the DV report noted some minor issues around inclusion of chattel costs in the cost plan, where these costs should be met by the GP's.

The DV report acknowledges that complete adherence to a "BREEAM Excellent" building has not been achieved, partly due to the brown field site, the inability to put solar panels on the roof and a fully prepared travel plan was not available. Three out of the four energy efficiency points have been achieved towards the 'excellent' rating.

RD commented that the planners had raised an issue around the drop-off point for the premises and the placement of a bollard. PR explained that OCC are in discussions with Jesus College to seek to ensure the bollard is located to the far-side of the premises entrance, so that it does not have to be lowered and raised to provide drop off access.

PR noted the risk around ventilation. PR reported he will be in contact with Osman Tricks, the GPs consultants, to review this and the amount of ventilation clearance will be clarified.

RD raised the issue that the practices have a joint lease, and there is collective liability on them if there are issues with the premises later. PR assured the Committee that the solicitors for both practices have made them aware of this.

GK asked PR to set out if there have been any changes to costs since this item was last presented to the Committee. PR reported that the previous costs on the last specification were c.£3.0m. An additional c.£100k has since been added in relation to reinstatement at the end of the lease. The landlord for the premises has required tenants to pay for the fit-out costs and at the end of the lease, provided the landlord has not required the premises to be reinstated, a payment would not be required. PR reported there has been a non-material upwards movement in annual rental and business rates estimates from c.£500k to c.£535k per annum.

PR reported that, provided the Committee agreed the proposal as set out in the papers, the premises would be operational by November 2021.

DH queried if it would be possible to agree with the tenant practices, incorporated into the lease, that OCCG may also make use of the premises to deliver the best use for local population, if they were not fully utilised. JD suggested a Memorandum of Understanding could be drafted and sent to GP's to request access at weekends and after General Medical Services (GMS) hours. GK suggested the agreement of the Committee should be conditional on this arrangement being accepted by the practices.

The Committee reached a consensus to support the plan and proposals as set out in the papers, provided the below conditions are met:

- 1) OCCG agrees to reimburse the rent plus VAT for the "shell and core" of the premises for the duration of the lease (to include the proposed lease renewal), together with the additional rent to cover the fit out costs incurred, to a maximum amount of £10,700 pa (including VAT) or £8,917 plus VAT beyond the current estimate of fit out rent of £204,000 plus VAT. Therefore, should the fit out rent exceed a total of £212,917 pa plus VAT, this excess would not be funded by OCCG and would have to be covered by the practices, until such time (if any) that NHSE capital became available to reduce or even nullify the fit out rent. In addition, OCCG will reimburse to the practices business rates and clinical waste charges, in the normal manner.
- 2) OCCG reserves the right to have access to parts of OCCG funded premises that are not being used by the practices for GMS/PCN purposes, for delivery of services and or use by

	<p>alternative providers that are deemed appropriate, subject to agreement with the practices.</p> <p>GK fed back that any agreement made at this Committee is based on the costs as set out in the paper. Any change of costs should be notified back to the Committee. While OCCG agree to fund the fit-out costs, those costs should be mitigated by maximising the capital reimbursement through NHS England.</p>	
5	<p>Any Other Business</p> <p>GK reported the financial plan submission to NHS England has been made this week. The details of this plan will be circulated to the Committee members. The underlying position is in line with the financial envelope previously reported, with no further deterioration. Some uncertainty remains on the total financial envelope.</p>	
<p>Date of Next Meeting: 19th November 2020, 14:00 – 16:30, via MS Teams</p>		
<p>Meeting Closed: 17:00</p>		

Minutes

Oxfordshire CCG Finance Committee Meeting (in private)
19th November 2020, 14:00 – 16:30
Microsoft Teams

Members			
Name	Role and Organisation	Initials	Attendance
<i>Duncan Smith</i>	<i>OCCG Lay Member for Finance and Finance Committee Chair</i>	<i>DS</i>	<i>Present</i>
<i>Roger Dickinson</i>	<i>OCCG Lay Vice Chair</i>	<i>RD</i>	<i>Present</i>
<i>Gareth Kenworthy</i>	<i>OCCG Director of Finance</i>	<i>GK</i>	<i>Present</i>
<i>Jenny Simpson</i>	<i>OCCG Deputy Director of Finance</i>	<i>JS</i>	<i>Present</i>
<i>Diane Hedges</i>	<i>OCCG Chief Operating Officer and Deputy Chief Executive</i>	<i>DH</i>	<i>Present</i>
<i>Julia Boyce</i>	<i>OCCG Assistant Director of Finance</i>	<i>JB</i>	<i>Present</i>
<i>Ed Capo-Bianco</i>	<i>South East Oxfordshire Locality Clinical Director</i>	<i>ECB</i>	<i>Present</i>
Others: (Standing Invitees or In attendance)			
<i>Stephen Chandler</i>	<i>OCCG Deputy Director and Head of Primary Care Corporate Director of Adult and Housing Services</i>	<i>SC</i>	<i>Present</i>
Standing Agenda Items			
1	Welcome and Introductions The Chair welcomed attendees to the meeting.		
2	Apologies for Absence Noted as above.		
3	<p>Declarations of Interest</p> <p>The Chair reminded Committee meeting members of their obligation to declare any interest they may have on any issue arising at Governing Body meetings that might conflict with the business of Oxfordshire CCG.</p> <p>GK declared that he is seconded into the BOB Integrated Care System (ICS) as the Finance Lead. ECB declared a potential conflict of interest in his role as South East Oxfordshire Locality Clinical Director and Urgent Care Lead.</p> <p>The conflicts were noted; however, the Chair having consulted with other members of the Committee agreed that the conflicted parties can participate in discussion and decision.</p> <p>Declaration of Gifts & Hospitality</p>		

	The Chair reminded Committee meeting members of their obligation to declare any offer of gifts and hospitality whether accepted or declined and the reason for accepting or declining such offers.	
4	<p>Minutes of the meeting held on 15 September and 5 October 2020</p> <p>The Chair presented the drafted minutes of the Finance Committee from the 15th of September and 5th October meetings, with tracked change amendments. The Committee approved the minutes subject to the suggested amendments being made.</p>	
5	<p>Oxfordshire CCG Action Log</p> <p>The action log was reviewed and updated.</p>	
Annual Operational Plan & Budget		
6	<p>2021 Month 7 – 12 Financial Plan</p> <p>GK reported a financial plan was submitted to NHS England (NHSE) with a c.£6.5m underlying deficit for OCCG. The deficit is driven by three key elements; independent sector budget adjustments, pressures on the Continuing Health Care (CHC) budget and pressures within the prescribing budget.</p> <p>GK reported NHSE have calculated a financial envelope for all NHS organisations covering Months 7–12 of this financial year. Adjustments have been made to the envelopes in relation to actions NHSE are taking as part of the COVID-19 response. Independent sector contracting adjustments were made as NHSE moved over to block contracts. GK reported OCCG is flagging issues to NHSE around the national independent sector provider adjustment and the amounts deducted from the budget for providers, who are not part of the national contract framework. OCCG have also flagged issues with the financial planning assumptions in terms of their viability at a local level, particularly around the prescribing budget and growth assumptions for CHC.</p> <p>GK reported OCCG has received assurance from NHSE that the issues with the independent sector costs valued at c.£2.0m will be reimbursed retrospectively, and a revised plan had been submitted to reflect this resulting in an underlying deficit financial position of £4.5m.</p> <p>The committee noted the report.</p>	
7	<p>Monthly Finance Report – M7</p> <p>JS presented the shorter Board version of the Month 7 report, as due to Committee scheduling, the full paper is not yet available. Month 7 is the first month of the second financial regime set by NHSE. JS explained OCCG now has a full year allocation and this was reflected in the budget. The budget reflects the October plan submission completed by OCCG.</p>	

	<p>The underlying OCCG position is £6.5m, more than what NHSE calculated would be required for the second six months of the financial year.</p> <p>JS reported the variances in the report are for Month 7 but also include Month 6, because of the delayed reimbursement of the retrospective top up for Month 6 and COVID-19. Reimbursement is not anticipated until Month 8, because of additional checks by NHSE.</p> <p>JS reported that OCCG is holding more cash than expected at this stage in the financial year. This is related to uncertainty around how NHSE expected OCCG would facilitate provider top ups and ICS funding distribution. JS anticipated this should be clarified by Month 9 and reported that it will take some time for cash levels to move back down to normal limits.</p> <p>Committee members discussed some changes to the wording and presentation of the Board report. The Committee noted the report.</p>	
Pooled Budgets		
8	<p>Section 75 Performance – Dashboard Review Q2</p> <p>JB reported that OCCG have now made a proposal to Oxfordshire County Council (OCC) for OCCG's share of the pooled budget. The proposal will be discussed at the Joint Management Group meeting on the 24th of November, together with the risk share formula. The risk share proposal is a continuation of the arrangements from last year.</p> <p>CHC assessments have been restarted as of the 1st of September, which will have an impact on the Better Care Fund (BCF) pooled budget. JB highlighted the increase in spend within the Adults with Care and Support Needs Pooled Budget for Acquired Brain Injury (ABI), as this is an area concern. JB reported around 50% of the clients within this cohort do not currently fit the criteria and alternative arrangements are being sought to address this issue. There are 2 additional clients who are being reviewed for admission to the ABI cohort, which could materially increase spend over the next few months.</p> <p>JB fed back there has been an increase in abated adult social care numbers with 4 new high cost client admissions since the beginning of this year. There is currently an overspend of c£600k. The risk share agreement with OCC will require OCC to pay for the first £200k and any spend above will be split equally between OCC and OCCG.</p> <p>JB explained the fall in Asperger's referral numbers is related to the COVID-19 pandemic and the numbers are now gradually increasing again.</p> <p>In relation to the Better Care Fund pooled budget, the Home Assessment Reablement Team (HART) service is flagged as underperforming, and</p>	

	<p>underspend has increased by c.£10k in Month 7. There are still 2 months of data not yet received. The outstanding data is due to be presented in the next report at the January Finance Committee.</p> <p>Action: JB and GK to look into the delay for release of the outstanding HART service figures and data.</p> <p>JB reported the CHC nursing caseload costs are increasing as more clients are being assessed as eligible. JB also flagged that the costs of equipment issued across OCC and OCCG is also beginning to increase.</p> <p>Action: DH to speak with Mary Applegate and look into the high cost equipment being included in the increasing costs for equipment.</p> <p>Action: WJ to invite Mary Applegate to the May Finance Committee to provide an update on equipment costs.</p>	<p>(20.44) JB / GK</p> <p>(20.45) DH</p> <p>(20.46) WJ</p>
Oxfordshire County Council		
9	<p>Hospital Discharge and Reablement</p> <p>SC joined the Finance Committee at 15:00 to participate in discussions for agenda items 9 and 10.</p> <p>SC reported there have been some concerns raised around the performance on the current reablement contract. The Oxford Health sub-contract ended in October 2020 and the main contract will end in September 2021. A piece of work began at the beginning of 2020 to give notice on the reablement contracts and to retender, with an updated contract specification.</p> <p>It has been recently agreed that OCC can go to market with the new model for reablement services. The new model is consistent with national models for best practice but also nuanced for Oxford's local requirements. OCC will be inviting expressions of interest in the week commencing 23rd November.</p> <p>Action: The Committee welcome the action to retender the reablement service contract and looked forward to receiving further progress reports.</p> <p>WJ to invite SC to a future Finance Committee meeting to provide an update on the tendering process for the reablement contract.</p>	<p>(20.47) WJ</p>
10	<p>Financial Outlook for Oxfordshire County Council</p> <p>SC reported that OCC has carried out an in-year emergency reset of the budget in response to an increase in costs and reductions in income. SC fed back to the Committee, the position within the Adults with Social Care Needs budget is stable and has benefitted from the Hospital Discharge</p>	

	<p>Programme and the reduction in demand for services because of the pandemic.</p> <p>SC explained that OCC's overall financial situation will become clearer once the outline settlement is received from the central government during the week commencing 23rd November. There is currently a c.£20m budget shortfall and SC will share the areas contributing to the shortfall with GK and DH.</p> <p>The Committee noted the update and thanked SC for attending the Committee.</p>	
11	<p>Joint Commissioning</p> <p>DH reported progress on moving forward with joint governance arrangements has been delayed due to the COVID-19 pandemic. A joint commissioning plan is required to establish a set of shared priorities and workplan. The Section 75 arrangements will be reviewed as part of this work.</p> <p>DH reported she anticipated the scope, objectives, and planned outcomes for the revised Section 75 agreements would be delivered for April 2021 onwards. DH flagged it will be important to undertake a risk assessment around the new governance arrangements and ensure the systems of control were still adequate and could be operated effectively.</p> <p>DH reported that she proposed to brief the Committee further, as the new Section 75 arrangements were developed.</p> <p>GK highlighted the need to identify a suitable lead Committee to take an initial view on behalf of the overall Board for the revised joint governance arrangements. DS suggested an update could be presented to the Governing Body meetings via a workshop.</p> <p>Action: DS/DH/GK to consider, on behalf of the Board, which Committee, would be suitable to take an initial view of the new joint commissioning arrangements between OCC and OCCG. RD suggested this discussion could take place within a Board workshop meeting.</p>	<p>(20.48) DS / DH / GK</p>
COVID-19		
12	<p>Comparators for Primary Care COVID-19</p> <p>GK presented the paper for this item and highlighted the assurance provided in the paper that OCCG is not an outlier in term of COVID-19 spend in comparison to Buckinghamshire and Berkshire West CCG's. The Committee noted the report.</p>	

Estates		
13	<p>Primary Care Estates Prioritisation and Investment Framework</p> <p>ECB reported the paper for this item was also presented at the locality meetings and was received with broad acceptance. The OCCG GP members have informally fed back that it is a useful framework to have in place.</p> <p>The Committee noted the contents of the paper for information.</p>	
Integrated Care System (ICS)		
14	<p>Financial Oversight Group Meeting Update</p> <p>The Committee noted the contents of the Financial Oversight Group meeting minutes for information.</p>	
Financial Risk & Mitigation		
15	<p>Assurance – Risk Register</p> <p>The Committee noted the contents of the OCCG Finance Committee Risk Register. GK reported an updated version of this report will come to the January Finance Committee to consider the latest developments for pooled budgets, and controls and mitigations around financial performance.</p>	
Effectiveness of the Finance Committee		
16	<p>Work Plan Review</p> <p>The Committee reviewed and agreed the work plan.</p>	
AOB and For Information		
17	<p>Any Other Business</p> <p>DH reported there is an opportunity to bid for new hospitals and the Horton and Warneford sites have both declared interest in bidding. The Governing Body will ask Oxford Health and Oxford University Hospitals colleagues to speak to their ambitions and proposals for both sites.</p>	
COVID-19		
Date of Next Meeting: 21 st January 2021, 14:00 – 16:30, via MS Teams		
Meeting Closed: 17:00		