

Minutes

Oxfordshire CCG Finance Committee Meeting (in private)
18th March 2021, 13:30 – 16:00
Microsoft Teams

Members			
Name	Role and Organisation	Initials	Attendance
Duncan Smith	OCCG Lay Member for Finance and Finance Committee Chair	DS	Present
Roger Dickinson	OCCG Lay Vice Chair	RD	Present
Gareth Kenworthy	OCCG Director of Finance	GK	Present
Jenny Simpson	OCCG Deputy Director of Finance	JS	Present
Diane Hedges	OCCG Deputy Chief Executive	DH	Present
Ed Capo-Bianco	South East Oxfordshire Locality Clinical Director	ECB	Present
Julia Boyce	OCCG Assistant Director of Finance	JB	Apologies
Others: (Standing Invitees or in attendance)			
Will Johnsen	OCCG Executive Assistant	WJ	Present
Standing Agenda Items			
1	Welcome and Introductions The Chair welcomed attendees to the meeting.		
2	Apologies for Absence Noted as above.		
3	Declarations of Interest The Chair reminded Committee members of their obligation to declare any interest they may have on any issue arising at Finance Committee meetings that might conflict with the business of Oxfordshire CCG. GK declared that he is seconded into the BOB Integrated Care System (ICS) as the Finance Lead. The conflict was noted; however, the Chair having consulted with other members of the Committee agreed that the conflicted parties can participate in discussion and decision.		
4	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.		
5	Minutes of the Meeting held on 21st January 2021 The minutes were agreed as an accurate record of the meeting that took place.		

6	OCCG Action Tracker The action tracker was reviewed and updated.	
Annual Operational Plan & Budget		
7	Monthly Finance Report – M11 <p>JS explained that the CCG has reported a small Year to Date (YtD) deficit at M11, moving to a small surplus to year end. At the time of reporting, OCCG is holding c£9m of funds for the Integrated Care System (ICS). It has been agreed to distribute £4m to RBFT, therefore by year end, the ICS held funds will reduce to c£5m. The latest forecast is that OCCG will report a small surplus (£0.5m), in addition to the c£5m held on behalf of the ICS.</p> <p>The overall financial position for OCCG remains subject to any allocation changes in Month 12. NHSE are currently reviewing allocations, particularly in the areas of prescribing and Primary Care. JS confirmed she is not aware of any current changes that will affect the Oxfordshire forecast surplus position. The main area of pressure within the financial position is prescribing costs, which will be discussed in a later item on the agenda.</p> <p>For the first time this year, the financial report shows a forecast overspend for delegated co-commissioning. This reflects the increasing pressure on the delegated budget.</p> <p>JS highlighted that the historic surplus of c£23.4m held by NHSE has been returned to OCCG. There have also been numerous additional non-recurrent allocations for the CCG in M10 and 11, with more anticipated in M12. JS flagged this as an area of risk, particularly if further allocations are received in month 12. The largest allocations are for digitising Lloyd George records (c£1.5m), Digital First funds (c£1.4m) and TV Cancer Alliance funds (c£600,000).</p> <p>GK reported the financial planning guidance for next financial year is expected to be received on the 25th March.</p>	
8	Financial Planning for 2021/22 Financial Planning GK reported negotiations are taking place between NHSE, the Treasury and the Department of Health (DoH) around the financial arrangements for next year. It is anticipated that the current financial regime will be rolled forward for six months, before there is a return to a Business as Usual (BAU) finance regime.	
9	Section 75 Performance – Dashboard Review Q3 The Committee noted the contents of the paper.	
10	Prescribing Budget Update SW presented a paper for this item that sets out the drivers of the pressures within the prescribing budget. The main drivers are: <ul style="list-style-type: none"> • Increase in GP prescribing in December 2020 • Category M drug price increases 	

	<ul style="list-style-type: none"> • No Cheaper Stock Obtainable (NCSO) price concessions • Former NCSO drugs prices recalculations within the Drug Tariff • Continued growth of more expensive Direct Oral Anti-Coagulant (DOACs) prescribing <p>There has been a widespread increase in items prescribed across almost all sections of the British National Formulary, which has led to an increase in the associated costs in prescribing. This issue has also been seen in neighbouring CCGs.</p> <p>The total costs of the pressures at Month 9 represents c£3.4m.</p> <p>Whilst it remains challenging for the Medicines Optimisation Team to gain engagement from practices because of the focus on COVID-19 vaccination plans, there has been a concerted effort to provide practices with support for quality-based areas of work rather than cost saving projects. Further details of the mitigations for the cost pressures were set out within the paper.</p> <p>ECB confirmed that the pressures highlighted by SW have been recognised within Oxfordshire GP practices. The increase in spend may be related to the conjunction of several factors such as COVID lockdown, the Christmas period and concerns about supply as a consequence of Brexit. The levels of prescribing reported in December may reduce during the final months of this financial year.</p> <p>The Committee thanked SW for the update and look forward to a further report on the prescribing budget when the next round of figures is available.</p> <p>Action: WJ to invite a member of the Prescribing Team to provide an update at the next Finance Committee meeting.</p>	(21.07) WJ
Integrated Care System		
11	<p>Financial Oversight Group (FOG) Meeting Update</p> <p>The Committee noted the minutes of the Financial Oversight Group (FOG) meetings.</p>	
12	<p>Joint Commissioning Update</p> <p>DH presented the paper for this item. The papers are currently in draft and are supporting the formation of the Health, Education and Social Care (HESC) Joint Commissioning Executive (JCE). The staffing consultation process has now been completed and appointments have been made. The papers include a chart of the current posts filled within the JCE.</p> <p>DH noted one amendment that will be made in the first-year plan paper – delivery of the Long Term Plan (LTP) targets for maternity will be removed from the OCCG section of the commissioning activity table (page 2).</p>	

The Committee reviewed the papers for this item related to the Joint Commissioning Executive (JCE) structure and made the following comments and recommendations:

Extension of the Existing Agreements

- Agreement to continue with existing Section 75 arrangements until the new arrangements are agreed. At that point the previous Section 75 arrangements will terminate.

Future of Section 75 NHS Act 2006 from April 2021

- Under the 'Role of Pool Manager', DS queried the use of the word 'significant' in terms of variances to forecast spend. This should be amended to 'material' once a definition of what could be considered 'material' is agreed.
- The risk share is as per the current agreement until such time as a new risk share is agreed.
- In the 'form of agreement' section 18, it was agreed that an exchange of letters approved by Directors from the partners in line with their respective organisational standing instructions would not be acceptable for OCCG and should instead be reviewed and agreed by the OCCG Executive Committee.

JCE Terms of Reference (ToR)

- There are no changes to the current scheme of delegation in relation to the Joint Commissioning Executive arrangements. If any changes are to be made, it will be subject to review and negotiations which will be reported to the Audit Committee and Board.
- The Committee requested that the JCE ToR confirms reporting to the Board, with a scheme of delegation and greater clarity on decision making.
- DS queried whether inclusion of representation for non-statutory organisations, service users and providers should now be considered.
- Recommendation that a diagram is included to show the governance and reporting lines of the JCE.
- The diagram should make it clear that the HESC is considered as a programme of work and the Joint Commissioning Executive is the Board overseeing the management team delivering the agreed objectives.
- Presentation of a JCE annual budget report and workplan should be provided to OCCG Board and the Oxfordshire County Council Cabinet for approval.
- The hosting arrangements for the JCE remain subject to negotiation.

Financial Performance Dashboard Reporting

- The Committee requested that the current financial performance reporting (S75 Dashboard) is retained to identify the drivers for variances, which are included in the monthly finance report.

	<ul style="list-style-type: none"> The draft budget has been reviewed and the final draft will be signed off at OCCG Board, subject to further negotiations around contributions. The Committee endorses the approach for a single set of financial reports for OCCG and OCC. The Committee looks forward to details of the savings schemes to be put forward by the JCE. <p>Action: GK and DH to feedback the above summarised points regarding the JCE to the OCCG Executive Committee on the 23rd March.</p>	(21.08) GK/DH
Financial Risk and Mitigation		
13	<p>Risk Register</p> <p>DS noted that there are several risks relating to Information Management and Technology (IM&T) included on the Finance Committee Risk Register, despite review of this area not being included within the Finance Committee Terms of Reference. RD suggested that the Audit Committee would be the most reasonable place for IM&T risks to be presented in the future. DS fed back that if a report on IM&T and associated risks is presented to the Audit Committee, it should be included on the work plan and signed off in the same fashion as an annual report.</p> <p>Action: WJ to add IM&T and Risk Report to the Audit Committee work plan.</p> <p>RD noted in relation to risk item 762, there have been no actions reported since July 2020 and requested this be updated.</p> <p>In relation to risk item 813, RD requested an update on the actions.</p> <p>In relation to risk item 815, RD queried if there was an update on the system arrangements for IT and cybersecurity. GK fed back that delays have been experienced due resources being tied up in the COVID response. The Oxfordshire Digital Strategy Group (ODSG) continues to build maturity around system working and is being driven by GK and Cecile Coignet, Head of Business Intelligence and Digital Transformation. Work is taking place to ensure providers and the CCG collaborate and share responsibilities in an equitable manner.</p> <p>In relation to risk item 815 GK reported that the wording should be amended to reflect that the work to mitigate existing issues around staff laptops has been completed.</p> <p>In relation to risk item 816 GK fed back that the gap in assurance section should be amended to 'Lack of CCN in place between Cerner and OUH', to make is clear that the CCN is not yet in place.</p> <p>DS requested an update for what outstanding actions are driving the risk score of '12' in relation to risk item 813.</p>	(21.09) WJ

	Action: Risk owners to update their risks based on the feedback provided from the March Finance Committee meeting.	(21.10) JB/GK/CCo
Effectiveness of the Finance Committee		
14	Review of the Work Plan The Committee reviewed and agreed the current version of the work plan. DS fed back the workplan will be reviewed again once the Finance Committees are 'meeting in common'.	
15	Review of the Terms of Reference Action: DS requested WJ to check with the OCCG Governance Director how the sub-Committees are handling reporting on wider performance and whether contract monitoring targets no longer presented at the Quality Committee (revised terms of reference) should be part of the Finance Committee or Executive Committee terms of reference. Action: DS agreed to produce a first draft of the Annual Finance Committee report by the 26 th March. The draft is to be considered at the next Finance Committee on the 20 th May for presentation at the OCCG Board meeting. Action: WJ to add 'review of the draft annual Finance Committee report' to the 20 th May Finance Committee agenda. ECB suggested that the title 'Locality Clinical Director' should be amended to 'Clinical Director' in the membership section of the ToR. All members agreed this change. RD suggested that the frequency of the Chief Executives attendance of the Finance Committee should be flagged as a query during the review of Committees meeting in common.	(21.11) WJ (21.12) DS (21.13) WJ
AOB & For Information		
16	Any Other Business None discussed.	
Date of Next Meeting: 20 th May 2021, 14:00 – 16:30 via MS Teams		
Meeting Closed: 15:35		