

## Minutes

Finance Committees In Common Meeting (in private)

29<sup>th</sup> April 2021, 13:00-15:00

**Microsoft Teams**

### **BOB CCGs**

<b>Members</b>			
<b>Name</b>	<b>Role and Organisation</b>		<b>Attendance</b>
Dr James Kent	Chief (Accountable) Officer	<b>JK</b>	Present (for part)
<b>Others: (Standing Invitees or In attendance)</b>			
Russell Carpenter	Board Secretary, Buckinghamshire CCG (notes)	<b>RC</b>	Present

### **Buckinghamshire CCG**

<b>Members</b>			
<b>Name</b>	<b>Role and Organisation</b>		<b>Attendance</b>
Tony Dixon	Lay Member / Chair of Finance Committee	<b>TD</b>	Present
Kate Holmes	Interim Chief Finance Officer	<b>KH</b>	Present
Robert Majilton	Deputy Chief Officer	<b>RM</b>	Present
Robert Parkes	Lay Vice Chair / Chair of Audit Committee	<b>RP</b>	Present
Graham Smith	Lay Member, Chair of Primary Care Committee	<b>GS</b>	Present
Alan Cadman	Deputy Chief Finance Officer	<b>AC</b>	Present

### **Oxfordshire CCG**

<b>Members – voting</b>			
<b>Name</b>	<b>Role and Organisation</b>		<b>Attendance</b>
Roger Dickinson	Lay Vice Chair	<b>RD</b>	Present
Gareth Kenworthy	Director of Finance	<b>GK</b>	Present
Duncan Smith	Lay Member / Chair	<b>DS</b>	Present
Ed Capo-Bianco	Urgent Care Portfolio Clinical Director	<b>EC</b>	Present
Diane Hedges	Deputy Chief Executive	<b>DH</b>	Present

<b>Members – standing invitees</b>			
<b>Name</b>	<b>Role and Organisation</b>		<b>Attendance</b>
Julia Boyce	Assistant Finance Director	<b>JB</b>	Apologies
Jenny Simpson	Deputy Director of Finance	<b>JS</b>	Present

### **Berkshire West CCG**

<b>Members – voting</b>			
<b>Name</b>	<b>Role and Organisation</b>		<b>Attendance</b>
Dr Abid Irfan	CCG Chair and GP Clinical Lead (Newbury & District)	<b>AI</b>	Present
Geoffrey Braham	Lay Member, Governance	<b>GB</b>	Present
Rebecca Clegg	Chief Finance Officer, Chair	<b>RCL</b>	Present
Dr Raju Reddy	Secondary Care Consultant	<b>RR</b>	Present

<b>Members – standing invitees</b>			
<b>Name</b>	<b>Role and Organisation</b>		<b>Attendance</b>
Saby Chetcuti	Lay Member, Governance	<b>SCh</b>	Apologies
Dr Kajal Patel	GP Locality Lead (Reading)	<b>KP</b>	Apologies
Edward Haxton	Deputy Chief Finance Officer	<b>EH</b>	Present

Standing Agenda Items		Action
1	<b>Welcome and introductions, Apologies for Absence</b> <ul style="list-style-type: none"> <li>The Convenor welcomed attendees to the meeting.</li> <li>RC confirmed the meeting was being recorded and no objections were received.</li> </ul>	
1.1	<b>Supporting Governance Arrangements</b> <ul style="list-style-type: none"> <li>The Committee understood how the 'meetings in common' were going to operate and no questions arose regarding their governance.</li> <li>GB raised that RC's paper included the wording 'the Convenor is not a voting member of any governing body represented', however, the meeting's Convenor, Duncan Smith, is on the Oxfordshire Governing Body.</li> <li>RC apologised and that the sentence should only be 'with a Convenor to oversee proceedings'.</li> <li><b>Action:</b> RC confirmed this would not cause an issue about a voting member and would update the paper accordingly.</li> <li>There were no further queries regarding the conduct of the meeting.</li> </ul> <b>Appointment of Convenor</b> <ul style="list-style-type: none"> <li>DS confirmed his role to convene the Finance Committee 'meetings in common' and it was agreed that DS would continue in the role of Convenor.</li> </ul> <b>Meeting Dates</b> <ul style="list-style-type: none"> <li><b>Action:</b> it was agreed the meetings would be confirmed until March 2022, due to not yet knowing what's needed in place beyond 31<sup>st</sup> March 2022.</li> </ul> <b>Terms of Reference &amp; Work Plan</b> <b>Quorum requirements (under existing terms of reference)</b> <ul style="list-style-type: none"> <li>Buckinghamshire: four members, at least two of whom should be Lay Members and one of whom should be a qualified accountant from the CCG Finance team.</li> <li>Oxfordshire: A quorum shall be three members of the Finance Committee including at least one Lay Board Member.</li> <li>Berkshire West: four CCG members of which two must be clinicians, the CO and CFO or their designated deputies.</li> <li>All three CCG finances committees were quorate to be able to take decisions as indicated.</li> </ul> <ul style="list-style-type: none"> <li><b>Action:</b> once the Terms of Reference has been agreed, RC will develop a more detailed workplan, to plan what is coming to each future Committee, to exercise control on the volume of papers.</li> <li><b>Action:</b> each Committee Chair to liaise with their Members to get the draft Terms of Reference agreed before May's meeting.</li> <li><b>Action:</b> it was agreed for RC to amend the wording in relation to the Governing Body receiving a quarterly Chair's report from the meeting, instead to state; 'The CCG Governing Body will receive a Chair's report at its next meeting.'</li> </ul> <p>It was agreed there would be one Chair's report from the 'meetings in common' drafted by the Convenor. RC explained the role of Convenor will only be relevant until such a time all the existing Lay Members are appointed to all three of the Governing Bodies. If this was completed by mid-summer, the role of Convenor would cease to be an issue.</p>	<p>RC</p> <p>RC</p> <p>RC</p> <p>Chairs</p> <p>RC</p>

	<ul style="list-style-type: none"> <li>▪ Covered by above. GB asked for clarification of the BOB ICS Finance Oversight Group (FOG). GK explained it was a meeting of Directors of Finance from all NHS organisations within the ICS. It was formed as part of the ICS governance, alongside the SL group.</li> <li>▪ GB would clarify his membership once seen feedback from the meetings.</li> <li>▪ DS confirmed that the Oxfordshire Finance Committee receives the minutes for information, as minutes are approved between meetings, to ensure they are made available to the governing body and other stakeholders as quickly as possible. He recommended the two other Committees followed similar practice.</li> </ul>	
2	<b>Apologies for Absence</b> <ul style="list-style-type: none"> <li>▪ Noted as above.</li> <li>▪ Catherine Mountford (CM) – RC explained CM had been inadvertently invited but she's not formally a member of the Oxfordshire Committee.</li> </ul>	
3	<b>Declarations of Interest</b> <ul style="list-style-type: none"> <li>▪ The Convenor reminded Committee members of their obligation to declare any interest they may have on any issue arising at Finance Committee In Common meetings that might conflict with the business of Berkshire West, Buckinghamshire and Oxfordshire CCGs.</li> <li>▪ GK declared he has been working as the ICS finance lead. The Convenor explained GK had been making the declaration at each of the Oxfordshire meetings and it was concluded there were no reasons to exclude GK from any meetings or discussions since taking up this role.</li> <li>▪ It was noted, as a point of governance, all three Committees are quorate.</li> </ul>	
4	<b>Minutes of the Previous Meetings</b> <ul style="list-style-type: none"> <li>• <b>Buckinghamshire CCG:</b> The minutes of the meeting held on the 24th March 2021 were agreed as a true record of that meeting.</li> <li>• <b>Oxfordshire CCG:</b> It was reported that Oxfordshire minutes had already been agreed by members as a true record of that meeting and were presented for information only.</li> <li>• <b>Berkshire West CCG:</b> The minutes of the meeting held on the 23<sup>rd</sup> March 2021 were agreed as a true record of that meeting.</li> </ul>	
5	<b>Action Logs</b>  <b>Buckinghamshire CCG:</b> The action tracker was reviewed and updated.  <b>Oxfordshire CCG:</b> The action tracker was reviewed and updated. <ul style="list-style-type: none"> <li>▪ <b>OX-19.30:</b> the action was previously suspended. The Committee agreed to close the action, as it applied to both Buckinghamshire and Berkshire West.</li> <li>▪ <b>OX-1942:</b> agreed to change wording and leave open for further discussion: <ul style="list-style-type: none"> <li>○ DS explained the action arose from discussions with Auditors, as their focus was on looking for examples where OCCG weren't delivering value for money. It was noted there were assurances during the year at Board Committees regarding value for money.</li> <li>○ <b>Action:</b> it was agreed to add the action to the work plan and for GK to discuss with FOG, the potential for the development of a financial framework and demonstrate value for money.</li> </ul> </li> <li>▪ <b>OX-20.45/46:</b> due to pressure arising with equipment budgets it was agreed for DH to circulate a short briefing note to all Committee members and include on future work plan. <b>Action.</b></li> </ul>	<p><b>GK</b></p> <p><b>DS</b></p>

	<ul style="list-style-type: none"> <li>▪ <b>OX-20.47:</b> agreed to remain open until the final outcome on the reablement service contract tendering.</li> <li>▪ <b>OX-21.04:</b> it was agreed to leave on work plan and ask Colin Hobbs to provide an overview, which will hopefully include NHSE response. <ul style="list-style-type: none"> <li>○ RM explained there have been active discussions in Buckinghamshire on the primary care development contributions and infrastructures along with other health settings.</li> <li>○ <b>Action:</b> it was agreed to follow up as part of the work plan on the infrastructure funding contributions that may be available to primary care, due to different approaches by councils relating to contributions.</li> </ul> </li> <li>▪ <b>OX-21.07:</b> due to the common significant increase in prescribing costs it was agreed for the three CCGs to update these costs in the close of year report and underlining position going in to the New Year. It was noted this would be closed on Oxfordshire's tracker. <b>Action.</b></li> <li>▪ <b>OX-21.09:</b> RC to add IM&amp;T assurance and risk reports to the work plan, to ensure there is consistency across the three CCGs. <b>Action.</b></li> <li>▪ <b>OX-21.11:</b> it was agreed to close the action and for RC to follow up which governing body committee would have oversight of contract performance (exclude quality) as part of the general review. <b>Action.</b></li> <li>▪ <b>OX-21.03:</b> DS made his apologies and will action the performance report. <b>Action.</b></li> </ul> <p><b>Berkshire West CCG:</b> The action tracker was reviewed and updated.</p> <ul style="list-style-type: none"> <li>▪ <b>BW-27:</b> agreed to revise the action for the three CFOs to update at May's meeting in relation to a draft paper on QIPP and savings plans.</li> <li>▪ <b>BW-28:</b> agreed the funding for hospital discharge and what happens after Q2 to be reworded as an action for all three CCGs. To remain on tracker.</li> </ul> <p><b>Action:</b> Due to the amount of outstanding tracking actions across the three CCGs, it was agreed for the CFOs to decide the priorities and timetable them on the workplan.</p>	<p><b>RC/CFOs</b></p> <p><b>GK</b></p> <p><b>RC</b></p> <p><b>CFOs</b></p> <p><b>DS</b></p> <p><b>RC - CFOs</b></p>
6	<b>Decisions and Recommendations</b>	
6a	<p><b>ICS Priorities and Operational Planning</b></p> <ul style="list-style-type: none"> <li>▪ GK presented a high-level summary of the draft ICS plan position. It remains work in progress, submission date is May 6<sup>th</sup>.</li> <li>▪ A collective deficit/variance against the control total of £6.2m.</li> <li>▪ Main driver is potentially the pressures of specific investment requirements for Berkshire West and Oxfordshire, which are new spends not within the new funding envelope.</li> <li>▪ The planning guidance included a requirement to have a contingent reserve and BCCG would be in a deficit position if it was included.</li> <li>▪ The CCGs position sits within an overall ICS deficit against the control total of over £27m.</li> <li>▪ The paper highlighted there is work to do in consistency of approach and presentation, both in terms of the CCGs and provider plans. The largest driver of deficit is the OUH position, who are raising issues that they are unable to manage within their financial envelope.</li> <li>▪ It was agreed a non-compliant plan could not be submitted, with JK confirming he has a meeting at Wellington House to discuss further.</li> <li>▪ There is a need to understand how the elective recovery fund may impact the deficit positions.</li> <li>▪ GK explained the Elective Recovery Fund (ERF) is an incentive mechanism in the financial regime, in the first half of the year. All systems asked to deliver baseline level of elective activity based on pre-</li> </ul>	



6b	<ul style="list-style-type: none"> <li>▪ Risks: £2.0m on prescribing, it was noted this was raised in the second half of 20/21, able to mitigate through other means, but will be a pressure again. £750k deficit pressure on delegated budget driven by population growth. It was noted there is no mitigation on this or contingency as if included it would add to the gap to envelope.</li> </ul> <p><b>Berkshire West CCG</b></p> <ul style="list-style-type: none"> <li>▪ RCL highlighted the planning assumptions were the same as BCCG.</li> <li>▪ Contingency: this was not included as the guidance was optional and needed to be affordable. Consistency of approach across the three CCGs, can be worked through the next iteration.</li> <li>▪ H1 deficit of £1.2m is linked directly to new investments cases: MSK and ADHD/ Autism Assessments and Waiting Lists.</li> <li>▪ Since submitting the first draft, further work on the ADHD/ Autism Assessments has reduced the investment figure to £200k for H1.</li> <li>▪ The deficit for H1 is now below £1.0m and a view is to be taken if this will be submitted due to being such a small deficit.</li> <li>▪ Risks around prescribing and tier 2 activity as smaller providers (eg physio) start to increase again through the recovery period.</li> <li>▪ It was noted the use of balance sheet flexibility; BWCCG has set a budget to breakeven, it doesn't take into account that they used non-recurrent funding to balance their position in H2 of 2020/21. Budget set for BWCCG gives them an underlying £4.0m issue in the first half of this year and covering this off with some balance sheet flexibility and an efficiency gain with projects in development.</li> <li>▪ BWCCG is in a position to breakeven in the first half year, doesn't help with underlying deficit, with most of their QIPP schemes having been on hold over the last year. If the regime pre- pandemic is reinstated in the second half of the year, BWCCG could be in the region of a £16.0m deficit for the second half of the year.</li> </ul> <p><b>In summary:</b></p> <ul style="list-style-type: none"> <li>▪ It was agreed for H1, there is limited scope to be able to recover the whole system's £70.0m ICS (CCG and provider) underlying deficit, there will also be a challenge in H2, particularly with the regime in place and block contracts.</li> <li>▪ It was noted, based on previous experience with NHSE&amp;I, their approach will be for the deficit gap to be closed.</li> <li>▪ It was noted that the challenge for CFO's at place, may not be this year but the first year of ICS, unless efficiencies are in place.</li> <li>▪ It was agreed the ICS/ CCG need to be clear of the requirements from NHSE&amp;I to support them; adding expertise, capacity and capability to drive forward. Resources need to be made available and not 'drip fed' with targets, to allow for flexibility on how investments are made.</li> </ul> <p>▪ <b>Action:</b> it was agreed, as a priority for May's meeting, a positioning statement, setting out where the CCGs are in relation to plans submitted with a refresh in terms of programmes that were originally in place including timescales, deliverables, benchmarking and what could potentially be realised this year.</p> <p><b>Approval of Business Cases</b></p> <ul style="list-style-type: none"> <li>▪ There were two business cases from Berkshire West requiring funding: <ol style="list-style-type: none"> <li>1. ADHD/Autism Assessments</li> <li>2. MSK</li> </ol> </li> </ul>	CFOs
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6c	<p>3. It was noted that these two business cases were only Berkshire West CCG's decision.</p> <p><b>ADHD/Autism Assessment &amp; Waiting Lists</b></p> <ul style="list-style-type: none"> <li>It was noted BWCCG have discussed the waiting lists in various different committees and smaller level investments have been made over a number of years. It has now got to a stage where waiting times are unacceptable, and the target is to reduce waiting time to 6 months but will take time to recruit/mobilise.</li> <li>£1.7m investment for 12 months and £1.9m to get down to 6 months, linking release of funding to recruitment.</li> <li>Financial impact in H1 is a lower figure, as it'll take time to mobilise workforce and deliver activity.</li> <li>The challenges in these services are seen nationally and OCCGs and BCCG will be undertaking reviews and may require additional investment. RCL recommended a joined-up BOB approach.</li> <li><b>Action:</b> The BWCCG members supported the business case and recommended approval by Governing Body.</li> </ul> <p><b>MSK</b></p> <ul style="list-style-type: none"> <li>Business case proposes to go forward with 2nd phase of the programme, going into other body parts and has been refined from learnings on 1<sup>st</sup> phase.</li> <li>It was noted waiting lists have increased, as the paper was written pre-pandemic. The CCG won't see the benefit of the reduced activity in the independent sector, however, will see the benefit of additional capacity created within the NHS and independent sector providers which allow that recovery work on the elective side.</li> <li><b>Action:</b> The BWCCG members supported the business case and recommended approval by Governing Body.</li> </ul> <p><b>Any Other Decisions and/or Recommendations</b></p> <p><b>Buckinghamshire: adjustment to financial thresholds.</b></p> <ul style="list-style-type: none"> <li>RC explained this paper focuses on financial thresholds associated with CHC packages of care, due to a commissioning arrangement with Buckinghamshire County Council</li> <li><b>Action:</b> Changes to threshold in paper 06c1a were endorsed by BCCG members for the period ending 30<sup>th</sup> September 2021, subject to emergency decision clause to ratify.</li> </ul>	<p>RCL</p> <p>RCL</p> <p>RC</p>
7	<p><b>Operational Performance</b></p>	
7.1	<p><b>Finance Reports – Presented for 'assurance'</b></p> <p><b>Buckinghamshire CCG</b></p> <ul style="list-style-type: none"> <li>Month 12 reported position deficit of £3.3m, represented by in year surplus supplement of £21k and an historic brought forward deficit of £3.1m, resulting in £3.0m historic deficit to carry forward.</li> <li>Achieved cash target: balance of £788k and £114k in the bank.</li> <li>Practice Payment Code 95% being paid in 30 days, in value terms achieved over 99% from NHS and non-NHS.</li> <li>Expenditure: £31.5m of COVID related costs, which is fully funded, majority is of hospital discharge programme which is 75% of the value.</li> <li>Planned outturn deficit of last 6 months of £5.0m represented by prescribing pressure of £2.8m which was crystallised in to the position</li> </ul>	

	<ul style="list-style-type: none"> <li>CHC pressures of £1.2m didn't come to fruition, resulted in some of the anticipated growth not happening and being offset with RIPs.</li> <li>£1.0m of IT expenditure not budgeted for due to COVID laptops being taken off their BAU capital allowance.</li> <li>No further comments from Buckinghamshire's Finance Committee.</li> </ul> <p><b>Oxfordshire CCG</b></p> <ul style="list-style-type: none"> <li>Achieved all financial targets.</li> <li>Planned for second six months of a £4.5m deficit, achieved a surplus of £0.2m, on an overall allocation of £1.0b..</li> <li>Carried forward £23.6m historic surplus.</li> <li>Some late changes to allocations, which were expected and went through on 23<sup>rd</sup> April.</li> <li>Included £26m of COVID expenditure.</li> <li>It was noted OCCG had previously discussed, at their Finance Committee meeting, the main reason for improvement to the position from plan deficit.</li> <li>No further comments from Oxfordshire Finance Committee.</li> </ul> <p><b>Berkshire West CCG</b></p> <ul style="list-style-type: none"> <li>Achieved targets, subject to audit. In-year surplus of £133k to add to b/f surplus of £480k, on an allocation of £770m.</li> <li>Started second half of year predicting a £7.7m deficit, which did not materialise, spending levels dropped off from those experienced in 2019/20 and cost pressures of H1 2020/21, during year received significant level of non-COVID related support of £8.0m in first half of year and received £23.0m of COVID related funding</li> <li>Achieved financial breakeven, operated within running cost allocation met Mental Health Investment Standard target for the year, achieved Better Payment Practice Code and operated within cash limit.</li> <li>No further comments from Berkshire West's Finance Committee.</li> </ul>	
8	<b>Risk Register</b>	
8.1	<ul style="list-style-type: none"> <li>It had been agreed RC would review the risk registers framework across the three organisations with a view to harmonise the format and start to look at the risks being raised, to understand where some of the differences are between the CCGs.</li> <li>This is an ongoing piece of work with PWC. RCL agreed terms of reference with PWC, given there were some additional audit days remaining in last year's internal audit programme, which could be utilised for this review.</li> <li><b>Action:</b> it was agreed RCL will provide the Committee with a copy of the PWC terms of reference, to include recommendations around format of the risk register.</li> <li>The Committees agreed there should also be some workshops and discussion relating to risk appetite and differences of approach between the CCGs. This would be overseen by the CCG audit committees. Noted.</li> </ul> <p><b>Buckinghamshire CCG</b></p> <ul style="list-style-type: none"> <li>In terms of escalation report, reviewed the individual scores and reduced the risks as outlined in the paper. Majority of risks remain consistent.</li> <li>Only one risk reduced to 12, this was GPIT, linking with NHSE around GP capital allocation, now resolved.</li> <li>Buckinghamshire members were assured with the information provided in the risk register.</li> </ul> <p><b>Oxfordshire CCG</b></p>	<b>RCL</b>



	<ul style="list-style-type: none"> <li>It was noted the report included IM&amp;T risks that have been agreed would transfer to the Audit Committee for monitoring and review.</li> <li>Risk relating to achieving control totals/financial envelopes – for all CCGs, delivering financial duties, the risk is increasing and we need to ensure that this is fully reflected in the risk register</li> <li>Oxfordshire members were assured with the information provided in the risk register.</li> </ul> <p><b>Berkshire West CCG</b></p> <ul style="list-style-type: none"> <li>Recommendation to increase the financial residual risk due to ability to hit control total in the context of what has already been discussed for the second half of this financial year, the underlying deficit and how this might manifest itself.</li> <li>Berkshire West members were assured with the information provided in the risk register.</li> </ul>	
9	<b>Effectiveness Review</b>	
9.1	<p><b>Finance Committee efficiency and performance self-assessment checklist</b></p> <ul style="list-style-type: none"> <li><b>Action:</b> it was agreed to add to the action log and review after the committee has been meeting in common for 6 months.</li> </ul>	<b>RC</b>
10 10.1	<p><b>AOB &amp; For Information</b></p> <ul style="list-style-type: none"> <li>It was noted that both the papers were for information only.</li> <li>There were no comments.</li> </ul>	
11	<p><b>Discussions and Decisions Reportable to Governing Body</b></p> <ul style="list-style-type: none"> <li>It was noted there were two business cases from BWCCG, which need to be reported into the Governing Body, as discussed under 6.2.</li> <li>It was also noted there is a need to be escalating some of the issues in relation to the financial plan/ financial position to the Governing Body.</li> <li>A paper will be available for the Governing Body meeting on 11<sup>th</sup> May for the agenda item: operational plan and BAU decisions.</li> </ul> <p>It was agreed items going to the governing body would have to be in public.</p>	
12	<b>AOB</b> None raised.	
13	<b>Date for Next Meeting</b> Tuesday 25 <sup>th</sup> May 2021 – TBC by RC	<b>RC</b>
	Meeting closed: 1500	