

## Strategic Finance Committee

Minutes of the meeting held on Tuesday 31<sup>st</sup> July 2018, 14:00-16:00  
CCG Conference Room, South Plaza

### Minutes

| Present                 |   |     |
|-------------------------|---|-----|
| <b>Peter Marriner</b>   | Strategic Finance Committee <b>Chair</b>                | PM  |
| <b>Sarah Truelove</b>   | BNSSG Chief Financial Officer                           | ST  |
| <b>Julia Ross</b>       | BNSSG Chief Executive Officer                           | JRo |
| <b>Lisa Manson</b>      | BNSSG Director of Commissioning                         | LM  |
| Apologies               |   |     |
| <b>Jon Hayes</b>        | BNSSG CCG Chair   |     |
| <b>John Rushforth</b>   | Independent Lay Member – Audit, Governance and Risk     |     |
| <b>Deborah El-Sayed</b> | BNSSG Transformation Director                           |     |
| <b>Mike Vaughton</b>    | BNSSG Deputy Chief Financial Officer                    |     |
| <b>John Rushforth</b>   | Independent Lay Member – Audit, Governance and Risk     |     |
| In attendance           |   |     |
| <b>Steve Rea</b>        | BNSSG Associate Director of Programme Delivery          | SR  |
| <b>Richard Lyle</b>     | Associate Director of Service Redesign (Transformation) | RL  |
| <b>Carole Slater</b>    | Head of Mental Health (Transformation)                  | CS  |
| <b>Glyn Howells</b>     | External Consultant                                     | GH  |
| <b>Sabrina Smithson</b> | Executive PA to Deputy CEO & CFO                        | SS  |

|    | Item   | Action |
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| 02 | <p><b>Declarations of Interest</b></p> <p>Sarah Truelove declared interest for the Mental Health part of the Agenda in particular any content related to AWP. This was noted by both the presenters and the Chair and it was agreed that Sarah Truelove would not participate in any decision making process in regard to terms relating to AWP.</p> |        |
| 03 | <p><b>Minutes</b></p> <p>The minutes were confirmed to be accurate and a true reflection of the previous meeting.</p> <p><b>Action Log</b></p> <p>The Action log was reviewed. It was acknowledged that a number of actions had since been closed and a refreshed log would be shared with the meeting minutes.</p>                                  |        |
| 04 | <p><b>Month 3 Financial Report</b></p> <p>Sarah Truelove commenced the presentation by advising there is a planned deficit of £10m in 2018-19 to achieve the control total set by NHS England. If</p>  |        |

|    | Item   | Action |
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|    | <p>this is achieved Commissioner Sustainability Funding is earned of £10m bringing the overall in-year position to breakeven.</p> <p>The only significant year to date (YTD) variances are in relation to acute contracts and reserves. At month 3 we are reporting a year to date variance of £3.9m for acute hospital services; this is largely offset by a positive variance of £3.4m in the reserves position. There are some significant data quality issues with the acute data at North Bristol Trust which are still to be fully resolved before clarity on the position is achieved.</p> <p>The CCG savings programme position has improved in month. There is currently YTD slippage of £0.2m although for some areas of savings we are reporting cautious, risk adjusted figures due to lack of data for this reporting cycle e.g. prescribing and delays in getting actual data through. Focused work continues with the Control Centres to identify further actions to improve the forecast position.</p> <p>JRo queried timescales for review of Emergency Admissions to enable analysis of the pressure. LM confirmed a clinical audit is in the process of being arranged led by the CCG's urgent care clinical lead.</p> <p>PM queried the acute unfavourable variances of £3.9million at month 3 and asked whether it will continue at that level, particularly within Critical Care. ST confirmed a decrease should be reflected in future reports.</p> |        |
| 05 | <p><b>System Financial Recovery Plan to include deep dive into Mental Health</b></p> <p>SR summarised the report. Year to date actual delivery is very close to plan and SR explained the main reasons behind this. Risk Assessed forecast outturn at month 3 is £26.7m. Therefore, there has been a net £3.0m improvement from month 2 to 3. Analysis has been undertaken to show where there have been material positive and negative movements compared to the previous month 2 position. Part of the improvement is through the improved forecasting methodology introduced this month which required Control Centres to record their accurate risk assessed forecasts rather than applying a generalised percentage reduction (as done at month 2). Next month's report will record the reasons behind any material, favourable or unfavourable variances when compared to the previous month.</p> <p>SR reported a series of Control Centre review meetings have now been completed resulting in actions that will both support the in-year and next year position. Control Centres have particularly been challenged on activities to firm up the forecast savings position of existing projects; the results of which are now showing in the month 3 position.</p> <p>Following discussion at last Strategic Finance Committee stretch targets had been proposed and introduced to the Control Centres. However, following</p>                                     |        |

|    | Item   | Action                       |
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|    | <p>significant feedback from Control Centres SR noted the PMO had carried out a desktop review of the effectiveness of introducing stretch targets part way through the year via applying blanket percentage increases across all Control Centres. The evidence suggests this approach would be counterproductive and maintaining the targets to reach the required £37m overall was preferable. This was proposed to the Meeting and accepted by the group but it was noted that absolute focus needs to be maintained across all Control Centres to deliver their projects and mitigating actions must be identified where unfavourable variances are shown.</p> <p>The opportunity and slippage around Discharge to Assess was noted and out of a total £17m spend we should expect to deliver the planned savings. In addition, JRo queried the slippage in planned savings for the Referral Management plan. SR advised that this plan is made up of two elements; firstly, reducing variation in GP referred outpatients and secondly, by checking referrals against criteria based access policies. Although the CBA aspect seems to be delivering well, further work is needed to understand the unfavourable variance showing for GP referred first outpatients year to date. ACTION - Steve Rea to provide further details of the referral management plan and the current position to SFC.</p> <p>Mental Health Deep Dive:<br/>CS addressed the committee by advising that the disaggregation of system leadership saving achieved £450K.</p> <p>Progress has been made in terms of stabilising delivery of the Section 117 programme and a robust governance structure to include weekly reviews and checks and challenge systems are now in place.</p> <p>CS further advised delayed transfers of care (DTC) continues to positively affect the efficiency of discharges and impact on out of area placement, while reducing costs.</p> <p>JRo noted the £300k gap caused by late start in S117 programme of work and said the Control Centre must be clear on the further actions to take to address this and other forecast under-delivery.</p> <p>ACTION - CS &amp; RL are to look into new projects/expansion of projects to meet this gap and provide an update in the next SFRP Highlight Report.</p> | <p>SR</p> <p>CS &amp; RL</p> |
| 06 | <p><b>BNSSG system financial report</b><br/>Item deferred until Q2.</p>  |                              |
| 07 | <p><b>Procurement – Pipeline and current initiatives</b><br/>Detail on this item will be reviewed in the Governing Body Closed Session due to Commercially sensitive information contained.</p>  |                              |

|    | <b>Item</b>   | <b>Action</b> |
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| 08 | <p><b>Review forward work programme</b><br/>ST presented the forward planner and confirmed all changes from the previous meeting had been made. Further detail on the schedule of transformation updates is to be included from Deborah El-Sayed.</p>   |               |
| 09 | <p><b>Plan and progress update to work towards single budget</b><br/>This paper was presented for information only.</p>   |               |
| 10 | <p><b>Transformation update</b><br/>RL summarised projects taking place in Transformation currently include:</p> <ul style="list-style-type: none"> <li>- Implementation of urgent care strategy and working with STP and key partners.</li> <li>- MH Strategy and improving response to crisis and estate based services.</li> </ul>                                     |               |
| 11 | <p><b>Review of Key Messages for Governing Body</b></p> <ul style="list-style-type: none"> <li>• Results – financial performance</li> <li>• Savings plan and ongoing work within Control Centres</li> <li>• Comprehensive work schedule of items that will feature at SFC meetings</li> <li>• Scheduling of budgets</li> <li>• Strategy</li> <li>• Procurement</li> </ul> |               |
| 12 | <p><b>AOB</b></p> <ul style="list-style-type: none"> <li>• Governing Body Assurance Framework (Paper only for approval)</li> <li>• It was raised the membership and attendance to the Committee should be reviewed to ensure quoracy for each meeting held – ACTION</li> </ul>  | SS            |