

NHS LIVERPOOL CLINICAL COMMISSIONING GROUP

GOVERNING BODY

Minutes of meeting held on TUESDAY 13TH JUNE 2017 2.30pm
BOARDROOM, LIVERPOOL CCG, THE DEPARTMENT

PRESENT:

VOTING MEMBERS:

Dr Nadim Fazlani	Chair/GP
Katherine Sheerin	Chief Officer
Dr Simon Bowers	GP/Clinical Vice Chair
Dr Fiona Ogden-Forde	GP
Tom Jackson	Chief Finance Officer
Dave Antrobus	Lay Member – Patient Engagement/Interim Deputy Chair
Sally Houghton	Lay Member for Audit/Financial Management
Dr Fiona Lemmens	GP
Dr Monica Khuraijam	GP
Dr Maurice Smith	GP
Dr Shamim Rose	GP
Jane Lunt	Head of Quality/Chief Nurse
Dr Janet Bliss	GP
Dr Donal O'Donoghue	Secondary Care Doctor
Dr Rosie Kaur	GP

NON VOTING MEMBERS:

Tina Atkins	Practice Manager Member
Dr Paula Finnerty	GP – North Locality Chair
Dr Rob Barnett	LMC Secretary

IN ATTENDANCE:

Ian Davies	Chief Operating Officer
Tony Woods	Healthy Liverpool Programme Director - Community Services & Digital Care
Carole Hill	Healthy Liverpool Integrated Programme Director
Cheryl Mould	Primary Care Programme Director

Stephen Hendry

Senior Operations & Governance
Manager

Lynn Collins
Rachel Gosling

Chair of Healthwatch
Consultant in Public Health,
Liverpool City Council
(representing Sandra Davies)
Committee Secretary/Minutes

Paula Jones

APOLOGIES:

Moira Cain
Dr Jamie Hampson
Mark Bakewell
Sandra Davies
Paul Brant

Practice Nurse
GP Matchworks Locality
Deputy Chief Finance Officer
Director of Public Health
Cabinet Member for Health &
Adult Social Care, Liverpool City
Council

Dyanne Aspinall

Interim Director of Adult Services
& Health, Liverpool City Council

Public: 12

PART 1: INTRODUCTIONS & APOLOGIES

The Chair welcomed everyone to the meeting and introductions were made around the table. It was agreed that item 5.1 Remuneration Review would be taken after item 1.1 and before item 1.2.

1.1 DECLARATIONS OF INTEREST

There were no declarations of interest made specific to the agenda.

1.2 MINUTES & ACTION POINTS FROM THE LAST MEETING

The minutes of the previous meeting on 9th May 2017 were confirmed as an accurate record of the discussions which had taken place subject to the following amendments:

- Section 5.1 Corporate Risk Register – typographical errors on page 25 second paragraph to reference “Lay Member For Patient Engagement” and ...a meeting held with NHS England”.
- Section 3.2 Corporate Performance Report - last bullet referring to Liverpool patients’ approach to Alder Hey needed to be re-worded.

1.3 MATTERS ARISING from previous meeting not already on the agenda:

- 1.3.1 Action Point One – it was noted that the Workplan for Healthcare Public Health support for Liverpool CCG was on the agenda.
- 1.3.2 Action Point Two – it was noted by the Chair of Healthwatch that relevant patient feedback from the Healthwatch A&E listening event was being provided at sub-group level.
- 1.3.3 Action Point Three – it was noted that the Performance Report including the outcome of the Royal demand management comprehensive review was to be on the agenda for the June 2017 meeting. The Chief Officer updated that the demand management report had not been received yet from the Royal so would be included in the Performance report provided to a future Governing Body meeting when available.
- 1.3.4 It was noted that the next presentation of the Corporate Risk Register was to the July 2017 meeting.

PART 2: UPDATES

2.1 Feedback from Committees – GB 42-17

- HR Committee 16th May 2017 – the Chief Officer fed back to the Governing Body:
 - ✓ Potential organisational change had delayed the operational review of policies.

- ✓ Staff survey results – action plan being produced.

- Finance Procurement & Contracting Committee 30th May 2017 – the Chief Finance Officer fed back to the Governing Body:
 - ✓ Cash Releasing Efficiency Savings ('CRES') – residual gap identified.
 - ✓ Better Care Fund – arrangements for 2017/18 reviewed, it was Health & Wellbeing Board which would approve the Better Care Fund.
 - ✓ Procurement of Translation Services - procurement waiver approved in view of the small contract value.
 - ✓ Improved Access to Psychological Therapies – current contract was extended to March 2019.

- Audit Risk & Scrutiny Committee 30th May 2017 – the Lay Member for Audit/Financial Manager fed back to the Governing Body:
 - ✓ Approved the 2016/17 Annual Report and Accounts as per the delegated authority in the Constitution to the Audit Risk & Scrutiny Committee to do so on behalf of the Governing Body.
 - ✓ External Audit Findings report received from Grant Thornton – thanks was given to the Chief Finance Officer and Finance Team.
 - ✓ Safeguarding Update given on the Liverpool Safeguarding Children and Liverpool Safeguarding Adults Boards 2015/16 Annual Report with the 2016/17 Annual Report to be received shortly.
 - ✓ Response to Cyber Attack – Liverpool CCG had been better placed than other NHS organisations and had

been able to take preventative action to protect its systems from infection. Since then firewalls had been strengthened and lessons learnt.

- Healthy Liverpool Programme Board 31st May 2017 – the Lay Member for Patient Engagement/Interim Deputy Chair fed back to the Governing Body:
 - ✓ Risk Register – actions identified going forward – to be a standing agenda item.
 - ✓ Healthy Liverpool Programme to end March 2018 at which point the programmes would become long term workstreams.
 - ✓ Governance Audit - the Governing Body needed to have a clear action plan around long term assessment of programmes.
- Quality Safety & Outcomes Committee 6th June – the Lay Member for Patient Engagement/Committee Chair fed back to the Governing Body:
 - ✓ Looked After Children – inability to meet the required mandatory timescales for the delivery of the Looked After Children statutory health assessments was identified due to late notification by Local Authority. This had been raised in writing with the Assistant Director for Children’s Services at Liverpool City Council.
 - ✓ Guidance from the National Quality Board set out a framework for the review and investigation of deaths by Trusts with implications for commissioners.
 - ✓ Healthcare Acquired Infections – the Clinical Quality & Performance Groups would continue to challenge and support providers and give assurance.
 - ✓ Staff movements within the Quality Team - there would be delays in filling vacant posts as staff moved

on to new positions elsewhere and it would be challenging to deliver statutory duties during the three month notice period given the increasing workload in addition to staff shortages.

At this point the Urgent Care Clinical Lead endorsed the feedback by commenting how stretched the Quality Team was compared to other CCGs re workload and numbers and the Governing Body needed to consider how the team could be supported. The Chief Officer acknowledged this and referred to the recruitment of two new Lay Members going forward and the need to assess the priorities for the CCG which would be done at the Governing Body Strategic Development Session taking place the following week.

The NHS Liverpool CCG Governing Body:

- **Considered the reports and recommendations from the Committees.**

2.2 Chief Officer's Update

The Chief Officer updated the Governing Body:

- A joint meeting of the Governing Bodies of Liverpool, South Sefton and Southport & Formby CCGs had taken place to discuss joint working and the merger application deadline of end of July 2017. Between the date of the last Governing Body and the Joint Governing Body meeting a great deal of work had been carried out and although Liverpool City Council supported the proposed merger application, Sefton Council had raised questions wanting to understand the benefits. Concerns had also been expressed by Liverpool GPs and the future landscape for commissioning was becoming less clear. At the Joint Governing Body meeting on 6th June 2017 a pause in the merger application had been agreed and the application would not be submitted in July 2017. However, it was clear that more formal collaboration was required in order to continue the

transformation of hospital services with formal arrangements in place.

The NHS Liverpool CCG Governing Body:

- **Noted the Chief Officer's update**

2.3 Public Health Update - Verbal

The representative of the Director of Public Health updated the Governing Body:

- ✓ Pharmacy Needs Assessment – consultation had been launched and a draft would be submitted to the July 2017 Health & Wellbeing Board. If approved formal consultation with patients/public would begin from September 2017.
- ✓ “ Save Our Kids from Sugar” as part of the Sugar Campaign had been launched highlighting the hidden sugar in breakfast cereals.

The NHS Liverpool CCG Governing Body:

- **Noted the Verbal Update.**

PART 3: PERFORMANCE

3.1 Finance Update May 2017 – Month 2 – Verbal

The Chief Finance Officer presented a verbal update of the CCG's financial performance for May 2017 (Month 2) to the Governing Body.

He highlighted:

- This was early on in the financial year so the update was verbal.
- Under “Acting As One” the key risk of Secondary Care costs had been reduced.

- The key remaining risk was the ability to deliver the Cash Releasing Efficiency Savings; so far as at month two these were on track. More information would be available next month to give a better understanding of progress.
- In response to a query from a Governing Body GP Member the Chief Officer noted that data on activity from the Acting As One contracts would still be monitored even though this was not subject to Payment By Results.

The following comments were made:

- The Secondary Care Clinician referred to coding issues and linking coding to outcomes and the role the CCG could have in this. The Chief Finance Officer responded that we were very supportive of that approach and linking finance to outcomes rather than demand. It was noted that this was what happened for diabetes.

The NHS Liverpool CCG Governing Body:

- **Noted the verbal update.**

3.2 CCG Corporate Performance Report June 2017 – Report No GB 43-17

The Senior Operations & Governance Manager presented the Corporate Performance Report to the Governing Body on the areas of the CCG's performance in terms of its delivery of key NHS Constitutional measures, quality standards/performance and financial targets for March 2017 and April 2017.

He highlighted:

- Diagnostic Waiting times – performance was red and had been for some time due to issues with the Royal Liverpool Hospital Endoscopy capacity. A great deal of work had been carried out to find a long term solution with pathway redesign. The CCG required assurance from the provider of when recovery would take place.

- Referral To Treatment – the target had narrowly been missed. Waiting lists were reducing but the 18 weeks waiting list was not changing and assurance was needed from trusts re recoveries, internal capacity and demand modelling. The results of the demand management comprehensive review carried out at the Royal had not yet been received and when available would be included in the Performance Report for a future meeting.
- Cancer Waiting Times – the majority of constitutional indicators were Green.
- Ambulance Response Times – performance had moved from red to Amber.
- A&E Waits – the new financial year had started with the target missed, however by receipt of full quarter one data we should see outcomes from and assess the success of the plans and remedial actions which had been taken.
- Mental Health – diagnosis of dementia in over 65s showed performance as Green but with a recent slight dip in performance.
- Early Intervention in Psychosis proportion of people experience first episode waiting two weeks or less to start recommended treatment – performance was Green with an upward trend.
- Improved Access to Psychological Therapies ('IAPT') – performance as per national data for patients receiving first appointment within six weeks and first treatment within 18 weeks was Green with an upward trend. However access targets for Liverpool CCG were Red with a downward trend. The Intensive Support Team continued to monitor progress and were using the work in Liverpool as a national exemplar of improvement work.
- Mixed Sex Accommodation – there were zero breaches in month.

- Healthcare Acquired Infections – there were no MRSA cases in month. E-Coli was now being monitored, performance here was Green with an upward trend. C Difficile performance was Red with a downward trend influenced by appealed cases at the Royal Liverpool Hospital waiting to be heard. The CCG was encouraging the trust to appeal not only to ensure a more accurate picture of the numbers but also to benefit from the learning and dissemination of lessons learnt resulting from the Root Cause Analyses.
- Quality Premium – NHS England had not yet issued formal guidelines for measuring 2016/17 achievement against locally revised NHS Constitution targets. However, failure to achieve the four national indicators would influence local performance. Only one of the four national indicators was being achieved and Liverpool CCG was failing two out of the three local indicators.
- Care Quality Commission Inspections – one GP Practice had been rated as “Good”, two re-inspections results were received, rating the practices as “Good” for Safety. One practice had been rated as “Requiring Improvement” however the practice had been rated as “Outstanding” for its promotion of physical activity. It was not clear why concerns had been raised regarding minor surgery as the practice fulfilled all the criteria to deliver the minor surgery enhanced service and clarification was being sought from the Practice Manager. The Primary Care Team were now working closely with the practice.

The Governing Body members commented as follows:

- The Chief Officer noted that this had been discussed at Senior Management Team on a monthly basis. The Senior Management Team had requested that for the next Governing Body there should be a focus on Healthcare Acquired Infections with patient stories, learning from the Root Cause Analyses, themes etc.

- A Governing Body Member referred to diagnostic waits and asked if they had been discussed at the Royal Liverpool Hospital Clinical Quality & Performance Group triangulated with Serious Incidents. The Head of Quality/Chief Nurse responded that there had been verbal reports from the Trust and the focus would be on this area for the next couple of meetings.
- A Governing Body Member referred to Improving Access to Psychological Therapies ('IAPT') performance and commented that improved performance was around first appointment but was concerned about waiting times for second appointments. The Healthy Liverpool Programme Director - Community Services & Digital Care responded that this would be looked at and brought back.

The NHS Liverpool CCG Governing Body:

- **Noted the performance of the CCG in the delivery of key national performance indicators and the recovery actions taken to improve performance;**
- **Determined the level of assurances given in terms of mitigating actions where risks to CCG strategic objectives are highlighted.**

PART 4: STRATEGY & COMMISSIONING

4.1 Workplan for Healthcare Public Health Support for Liverpool Clinical Commissioning Group – Report No GB 44-17

The Consultant in Public Health, Liverpool City Council, presented an update to the Governing Body regarding the workplan for the healthcare public health advice and support to Liverpool CCG. The paper contained two reports: the Progress Report against the 2016/17 Healthcare Public Health Workplan

and the Workplan for June 2017 to March 2018. She highlighted:

2016/17:

- Self-care was embedded in clinical pathways for community and secondary care.
- The intelligence had produced an up to date Joint Strategic Needs Assessment in respiratory and hypertension.
- Neighbourhood profiles had been updated and co-produced with the CCG.
- Cancer prevention strategy implemented, a great deal of work had been carried around early detection, recovery awareness, breast cancer screening, healthy lung and linking in with the Healthy Liverpool Programme.
- CVD prevention programme – action plan around blood pressure.

The Physical Activity Clinical Lead noted it was good to have Public Health support for the Physical Activity and Self-Care agendas.

The NHS Liverpool CCG Governing Body:

- **Noted and approved the healthcare public health Work Plan.**

PART 5: GOVERNANCE

5.1 Remuneration of Governing Body Members – Report No GB 45-17

The Chair introduced a paper to the Governing Body which set out the NHS Liverpool CCG's response to the initial findings of a review by NHS England into decision making with regard to Governing Body remuneration.

The Chief Officer continued with the presentation of the paper:

- The paper was in the public domain and had been published on the CCG's website. It set out the response from Liverpool CCG to the review which had come about following an MP enquiry. The draft report highlighted several weaknesses for the CCG re governance arrangements, decision making and the management of conflicts of interest, particularly in the first year of operation:
 - ✓ The Remuneration Committee had been acting outside its terms of reference by making decisions in relation to Governing Body remuneration rather than making recommendations to the Governing Body for approval.
 - ✓ Conflicts of interest were not managed robustly, with no independent scrutiny of decisions relating to the remuneration of Governing Body members.
 - ✓ Expert advice was not being sought in relation to setting appropriate levels of Governing Body remuneration.
 - ✓ NHS England guidance was not being followed, with the CCG not adequately justifying its rationale for veering away from the guidance.
- The CCG accepted the findings and the actions proposed were:
 - ✓ Review the CCG Constitution to ensure that it was fully consistent across the main body, committee terms of reference, Scheme of Reservation and Delegation and all other aspects to ensure that governance and decision making arrangements were fully understood.
 - ✓ Commission an independent review of the Constitution to ensure that this was the case.
 - ✓ Make any changes required as per the formal process.

- ✓ Ensure training was undertaken by all Governing Body members to ensure they were fully aware of and comply with the terms of constitution and all aspects of good governance
- ✓ Ensure that the Constitution was consistently reflected in the Terms of Reference of committees / sub-committees, specifically that the Remuneration Committee was established so that it has an advisory role only.
- ✓ Update the Remuneration Committee terms of reference to require it to seek independent advice when making recommendations on the remuneration of Governing Body members and to clearly define that no member should be involved in deciding his or her own remuneration.
- ✓ Appoint a new chair of the Remuneration Committee.
- ✓ Secure high level independent HR expertise to advise on the implementation of any relevant actions.
- ✓ Appoint independent remuneration consultants to review the remuneration of Governing Body members from 2013/14 and for the future, in conjunction with NHSE England's guidance and the prevailing approach at similar CCGs.
- ✓ Ensure appropriate training for members of the Remuneration Committee such that members had the skills to provide effective scrutiny and challenge to proposals to change Governing Body remuneration.
- ✓ The review recommendations to be considered and remuneration rates amended accordingly.
- ✓ In addition to appointing a new chair, to update the Remuneration Committee Terms of Reference to require the Committee to invite independent

representatives to scrutinise decision-making where the removal of members with a conflict of interest would make the meeting no longer quorate.

- ✓ Record in the Remuneration Committee minutes the steps taken to manage any identified conflicts of interest in accordance with the requirements of the Constitution.
- ✓ In addition to the above, a 4th Lay Member would be appointed to take responsibility for CCG Governance. This would require changes to the CCG Constitution. In the interim, the Lay Member for Patient Engagement had agreed to take responsibility for Governance / Deputy Chair. When the appointment of the 4th Lay Member had been made, the responsibilities across all Lay Members would be reviewed and re-assigned.
- ✓ Finally, a review of CCG Governing Body Remuneration arrangements would be included within the MIAA 18/19 work plan; the report would be shared with NHS England and published on the CCG website.

The Governing Body members commented as follows:

- A GP member asked if the remuneration review would apply to non Governing Body Clinical Leads. The Chief Officer responded that the Governance review would look at the Constitution and the role of all committees. The Remuneration review was looking at Governing Body remuneration, subsequently we need to consider whether this needed to be broader and include clinical leads/senior management team.
- The Clinical Vice Chair noted the effort required in changing the Constitution and getting this signed off by NHS England and consulting with practice members for their approval.
- A GP Member asked what the feedback on the action plan had been from NHS England. The Chief Officer

responded NHS England were positive about the actions as they stood.

- The Chair noted that changes in the Constitution required practice consultation.
- A GP member asked if the decisions taken by the Remuneration Committee historically needed to be revisited. The Chief Officer responded that this was what the Review would look at.
- The Chair reminded the Governing Body that it had a collective responsibility in this matter. Liverpool CCG had done nothing illegal but had not adhered to the guidance.

The NHS Liverpool CCG Governing Body:

- **Confirmed the actions proposed to address areas of weakness in governance, decision making and management of conflicts of interest as highlighted by the review into Governing Body remuneration.**

6. QUESTIONS FROM THE PUBLIC

6.1 A question had been received from Mr S Semoff and a response was distributed:

1) Is Liverpool CCG involved in the setting up of an Accountable Care System ('ACS')/Accountable Care Organisation ('ACO')?

Response:

In line with the direction of travel set out in the *Next Steps on the NHS Five Year Forward View*, published by NHS England, partners across North Mersey have started to think about whether the principles of accountable care could benefit patients locally.

Accountable Care Systems ('ACSs') are locally integrated health systems, where NHS organisations (both commissioners and providers), often in partnership with local authorities, choose to take on clear collective responsibility for resources and population health to provide joined up, better coordinated care. ACSs would have more control over the operation of the local health system in their area. They could:

- Agree an accountable performance contract with NHS England and NHS Improvement that could accelerate improvements;
- Manage funding for the population, with shared performance goals and a financial system 'control total';
- Have local decision making and governance, aligning individual statutory accountabilities;
- Operate both on a horizontally and vertically integrated basis, partnering across hospital and community providers;
- Focus on prevention and supported self- management for long term conditions;

ACSs would be introduced in a phased approach nationally. North Mersey partners are at a very early stage in this process. Our focus is to create the right partnership environment to deliver excellent services and ensure long term sustainability, rather than concentrating on developing new structures. We are focusing on developing an integrated system rather than an accountable care organisation.

2) If the above answer is "yes" (specify ACS or ACO), please specify who are the other partners?

Response:

The partners engaged in early stage discussions are North Mersey partners, including Liverpool, South Sefton, Southport and Formby and Knowsley CCGs, Liverpool, Sefton and Knowsley local authorities along with all NHS providers within this footprint.

3) What services are envisioned as being provided through the ACS/ACO?

The guidance for ACS development in the **Next Steps** provides the context for fully integrated arrangements for a defined population.

Response:

The May 2017 update to the Liverpool CCG governing body on the North Mersey Local Delivery System Plan introduced the concept of an ACS. The paper stated:

“The objective for the establishment of an ACS would be to embed the new model of care around integrated neighbourhood services, bringing together multi-disciplinary teams - primary and community services, children’s services, social care, mental health, intermediate care, care homes, education, housing and the voluntary sector.

“A North Mersey Accountable Care System could provide a range of benefits, including aligned incentives; demand management and cost control. An ACS could be the means to align the system to be jointly accountable for shared and ambitious outcomes; to manage whole pathways of care across provider and commissioner boundaries and to shape services to meet the particular needs of our population, particularly those with the greatest needs and risks, and to deliver this through strong clinical leadership.

“North Mersey local authorities and NHS partners are joining together to explore the possibility of developing an accountable care system. A roadmap has been agreed for the first stages of this process; to define the strategy and conduct early stakeholder and system engagement. The development of an ACS would be through a staged process , through system co-production and public involvement, which would take up to two years.”

4) Will there be any opportunities for public consultation on the changes in services that might result from the setting up of the ACS/ACO. If no, why not?

Response:

The local system would seek to engage with patients on public throughout the process to develop a local ACS.

6.2 Mr William Shortall asked for assurance now that the hydrotherapy pool at the Royal Liverpool Hospital was closed that this service would continue to be available at Aintree Hospital given its mandate from the National Institute for Health & Care Excellence ('NICE').

The Chair agreed to come back to Mr Shortall with a response to his question.

6.3 A member of the public asked about the withdrawal of funding for various voluntary sector organisations, with an explanation being given that there were other sources of service provision in place. The Clinical Vice Chair thanked the member of the public for raising a very valid point and noted that the CCG was now having to make very difficult decisions to find efficiency savings whilst maintaining statutory NHS services. The CCG would have liked to maintain the services in question but these were also available from existing providers in addition to what was provided by the voluntary sector under non-recurrent funding.

6.4 A member of the public referred to the Royal Hospital new build being twelve months behind plan and what could the CCG do to rectify this. The Chair responded that this was a matter between the Royal Liverpool Hospital and its contractors.

6.5 Dr Stephen Sutcliffe, a CCG Neighbourhood Lead, referred to the lack of governance in the CCG highlighted

by the recent NHS England review. He raised the question of should all the CCG's commissioning decisions be revisited to assess the robustness of the decision making process. The Chair and Chief Officer responded by clarifying, as already discussed earlier on in the meeting under item 5.1 which had been taken first on the agenda, and for which Dr Sutcliffe had not been present, that the review in question had been solely around Remuneration Committee and its decisions around Governing Body Remuneration and terms and conditions.

7. ANY OTHER BUSINESS

No items

8. DATE AND TIME OF NEXT MEETING

Tuesday 11th July 2017 Hall 1 LACE, Sefton Park (immediately after Annual General Meeting).