

HEALTH OVERVIEW AND SCRUTINY COMMITTEE: 5th JUNE 2019

REPORT OF NHS WEST LEICESTERSHIRE CCG AND NHS EAST LEICESTERSHIRE AND RUTLAND CCG

QUALITY, INNOVATION, PRODUCTIVITY AND PREVENTION PROGRAMME 2018/19 AND 2019/20 PLAN

Purpose of report

1. The purpose of this report is to:
 - a. Provide an update on the 2018/19 Quality, Innovation, Productivity and Prevention (QIPP) programme for NHS West Leicestershire CCG (WL CCG) and NHS East Leicestershire and Rutland CCG (ELR CCG).
 - b. Outline the planned 2019/20 QIPP programme for NHS West Leicestershire CCG (WL CCG) and NHS East Leicestershire and Rutland CCG (ELR CCG).

Background

2. Nationally the NHS has a QIPP programme which is a response to national efficiency savings that are required as demand for healthcare services continues to grow. QIPP programmes are used to continually review and evaluate the quality, efficiency and effectiveness of healthcare services while identifying unnecessary expenditure
3. The CCGs have significant ambitions and aims for service transformation to meet increase population and healthcare needs and ensure delivery on national priorities. There is also significant growth in the activity levels of healthcare commissioned due to increased patient demand. In order to ensure these planned investments and growth areas are adequately resourced, the CCGs are faced with significant QIPP challenges of £40.145m in 2018/19 and £49.020m in 2019/20.
4. Many of the QIPP schemes involve service transformation such as new models of care, service reconfiguration and re-designed clinical pathways. There are also transactional QIPP schemes expected to improve efficiency and value for money.
5. A report was provided to the HOSC in September providing an update on progress made in regard to CCG QIPP savings schemes in 2018/19 and the expected financial outturn. Information was also provided in relation to the quality processes in place for all QIPP schemes to ensure CCGs effectively comply with statutory duties.

2018/19 QIPP Delivery

6. QIPP is monitored internally within the CCGs with the support of a Leicester, Leicestershire and Rutland, (LLR) wide Project Management Office, (PMO). Senior Responsible Officers are in place for each QIPP scheme who are responsible for the development and implementation of plans alongside clinical leads supported by

finance, contracting and other support staff. Monitoring and escalation takes place at the QIPP Assurance Group (QAG), which is an executive level LLR meeting which meets twice monthly. Formally the outcome of PMO and QAG processes is reported into the Collaborative Commissioning Board and also individual CCG formal committees on a monthly basis.

7. The final month 12 position has confirmed QIPP achievement for both Leicestershire County CCGs of £39.184m against the annual plan of £40.145m as shown in tables 1 and 2 below:

TABLE 1 - Summary Performance by CCG

CCG	YTD Plan (£'000)	YTD Actuals (£'000)	YTD Variance (£'000)	Annual Plan (£'000)	Forecast Outturn (£'000)	Annual Variance (£'000)	Annual variance %
ELR	(19,647)	(19,709)	(62)	(19,647)	(19,709)	(62)	0%
WL	(20,498)	(19,475)	1,023	(20,498)	(19,475)	1,023	-5%
Grand Total	(40,145)	(39,184)	961	(40,145)	(39,184)	961	-2%

TABLE 2 - Summary Performance by Programme Area

Programme Area	YTD Plan (£'000)	YTD Actuals (£'000)	YTD Variance (£'000)	Annual Plan (£'000)	Forecast Outturn (£'000)	Annual Variance (£'000)	Annual variance %
CHC	(4,337)	(6,138)	(1,801)	(4,337)	(6,138)	(1,801)	42%
Community	(3,154)	(1,107)	2,047	(3,154)	(1,107)	2,047	-65%
Community Services Redesign	(885)	(112)	773	(885)	(112)	773	-87%
Contracting	(3,442)	(1,697)	1,745	(3,442)	(1,697)	1,745	-51%
Corporate	(2,158)	(1,380)	778	(2,158)	(1,380)	778	-36%
Finance	(3,094)	(8,487)	(5,393)	(3,094)	(8,487)	(5,393)	174%
Integrated Teams workstream	(1,304)	395	1,699	(1,304)	395	1,699	-130%
Medicine Management	(7,243)	(8,643)	(1,400)	(7,243)	(8,643)	(1,400)	19%
Mental Health/LD	(3,813)	(3,539)	274	(3,813)	(3,539)	274	-7%
Planned Care Workstream	(4,283)	(1,398)	2,885	(4,283)	(1,398)	2,885	-67%
Primary Care	(4,597)	(5,285)	(688)	(4,597)	(5,285)	(688)	15%
Urgent Care Workstream	(1,835)	(1,792)	43	(1,835)	(1,792)	43	-2%
Grand Total	(40,145)	(39,184)	961	(40,145)	(39,184)	961	-2%

8. As can be seen above, ELR CCG over achieved their annual plan by £0.062m while WL CCG under delivered by £1.023m. The main reason for the difference in delivery was due to ELR CCG delivering £3.5m QIPP savings in relation to a prescribing target of £3m, while WL CCG delivered £2.5m of prescribing savings.
9. At an overall LLR system level (including Leicester City CCG), £58.652m QIPP savings were delivered during 2018/19, exceeding the overall QIPP target of £58.200m by £0.452m.
10. A Lessons Learned exercise has been undertaken by the LLR PMO and the findings presented to the CCGs' Joint Management Team. This exercise analysed delivery of QIPP over the course of the year versus planned delivery, identified trends in delivery and non-delivery and undertook some Root Cause Analysis in order to understand the factors that impact on delivery.

11. The key findings of this exercise were:
- a. Although the forecast QIPP delivery varied during the financial year, the PMO assured value was consistent and accurate, demonstrating itself to be a powerful indicatory tool of delivery and risk.
 - b. QIPP delivery was heavily reliant on financial/budgetary schemes. Transformational schemes failed to deliver due to unrealistic profiling and unrealistic scope of projects.
 - c. There was a lack of consistent finance support across schemes.
12. In response to these findings, the following actions have/will be been undertaken to support delivery of QIPP in 2019/20:
- a. Specific finance support has been allocated to each QIPP scheme.
 - b. Decision making needs to be stronger in relation to projects which are 'off track' and remedial actions put in place sooner.
 - c. The PMO assured value has proven to be a powerful indicatory tool which can be used by Senior Management effectively to aid decisions.
 - d. The PMO to provide additional project management support to project teams as required.

2019/20 QIPP Plan

13. Locally, WL CCG, ELR CCG and Leicester City CCG (LC CCG) have worked together collaboratively to agree the 2019/20 QIPP plan to ensure no duplication and alignment with CCG strategic priorities and operational plans.
14. Project Initiation Documents (PIDs) and business cases were completed as part of the 2019/20 planning round which were subject to a formal confirm and challenge process both financially and clinically. Each scheme has an identified SRO (executive lead), Clinical Lead, Project Lead and dedicated Finance Support.
15. Tables 3 and 4 below summarises the QIPP (Net) requirements for each of the CCGs during 2019/20.

Table 3: Summary of Net QIPP Requirements

	ELR CCG	WL CCG	COUNTY TOTAL
	£'000	£'000	£'000
Identified QIPP	(20,354)	(17,428)	(37,782)
Unidentified QIPP	(6,289)	(4,949)	(11,238)
Total QIPP Requirement	(26,642)	(22,378)	(49,020)

Table 4: QIPP Schemes by Area of Spend

Area of Spend	ELR CCG (£'000)	WL CCG (£'000)
Commissioning System Admin	(938)	(20)
Community Healthcare	(1,294)	(904)
Continuing Healthcare Strategic Improvement Programme	(2,514)	(2,462)
Discharge Programme	(414)	(538)
Elective Care	(2,641)	(2,569)
Emergency Care	(3,647)	(4,023)
Mental Health	(978)	(1,062)
Optimising the Use of Medicines	(5,130)	(5,137)
Primary Care	(2,799)	(713)
Unidentified	(6,289)	(4,949)
Grand Total	(26,642)	(22,378)

16. Many of the QIPP schemes will involve service transformation such as new models of care, service reconfiguration and re-designed clinical pathways. There are also a number of transactional QIPP schemes expected to improved efficiency and value for money.

2019/20 WL and ELR CCG QIPP Challenge

17. The QIPP targets for ELR CCG and WL CCG are 6.0% and 4.3% respectively, both of which present significant challenges.
18. The 2019/20 QIPP plans are designed to address inefficiencies across the system to ensure that CCGs meet constitutional requirements and deliver on activity and finance plans whilst supporting system transformation and pathway redesign across LLR in line with our strategic priorities.
19. The CCGs follow a rigorous process in delivery of our QIPP plans from initial planning stages through to eventual implementation. Our processes have strong clinical leadership and involved quality assurance, impact and sustainability assessments, evaluation and consideration of service user feedback.
20. Successful delivery of the QIPP targets present significant challenges. As shown above, ELR CCG and WL CCG currently have an element of unidentified QIPP within their financial plans amounting to £6.289m and £4.949m respectively. Work is being undertaken to identify further schemes/stretch existing schemes in order to mitigate risk and ensure delivery.
21. A System Sustainability Group (SSG) has been developed which is chaired by the Director of Finance at LPT and includes both Providers and CCGs. The purpose of this group is to maximise delivery of existing schemes and develop new efficiency opportunities.
22. Cross organisation working within the planning and PMO functions will be undertaken to consider additional options for efficiency savings. This will require the co-ordination of input from and to the STP work streams, LPT directorates and UHL CMGS.

Conclusions

23. The CCGs are facing significant financial challenges and must ensure that every pound we spend brings maximum benefit and quality care to our patients while local services continue to meet required needs.
24. The CCGs have rigorous processes in place to ensure we are spending money wisely and to ensure we continue to delivery high quality care in a cost effective way, now and in the future.
25. QIPP schemes amounting to £37.782m have been identified at both County and CCG level which vary in terms of development. There remains an element of unidentified QIPP in relation to ELR CCG (£6.289m) and WL CCG (£4.949m).
26. The delivery of QIPP targets will be challenging and to mitigate risk, further QIPP schemes will be developed and implemented during the financial year to ensure delivery.

Background papers

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