

**Item Number: 8**

**Name of Presenter: Rachel Potts**

**Meeting of the Governing Body**

**3 November 2016**



**Vale of York**

**Clinical Commissioning Group**

**QIPP Report Month 6**

**Purpose of Report  
For Information**

### **Rationale**

#### NHS Vale of York 2016/17 QIPP Programme

The CCG currently has schemes identified across six clinically-led areas (Urgent Care, Planned Care, Integration and Community, Primary Care, Mental Health and CHC, and Prescribing). In addition schemes are in progress in relation to running costs. In order to achieve the planned financial position, the CCG is required to deliver efficiencies of £12.2m in 2016/17 across these areas.

#### Position to Month 6

Of the required £12.2m, £5.4m is currently unidentified for delivery. Upon applying a risk adjusted assessment based upon financial RAG ratings, the CCG has currently identified a risk to achievement of £9.5m with currently identified schemes contributing 33.6% of the savings requirement.

Against planned savings to month 6 of £2.9m the CCG has delivered £596K, which indicates a high level of risk to overall delivery within the financial year 2016/17.

#### Overall Risks to Delivery and Mitigations

As identified above, a total net risk to the CCG against planned delivery is forecast at £9.5m. Of this figure, £4.0m relates to unidentified schemes with York Teaching Hospital NHS Foundation Trust, £1.9m is considered a recurrent pressure and £3.6m is identified as a non-recurrent cost pressure for 2016/17.

#### Progress of Current QIPP Schemes

Annex 1 attached, highlights the current progress of each scheme. Project leads have identified specific risks to delivery and the mitigation actions being taken for each individual scheme. The Quality and Finance Committee undertook a detailed review at its meeting on 20 October.

### **Schemes now in Delivery**

25 schemes are currently at the delivery stage. Of those, 8 schemes are rated as Red, and 2 rated Amber against the planned savings. The risk adjusted figures are given against each of those schemes.

A further 15 schemes have now been rated as Green or Green/Amber reflecting their progress in delivering savings.

### **Schemes not yet in Delivery**

13 schemes (and groups of schemes) have not yet reached their delivery stage planned for 2016/17. Of those, 1 scheme is rated as Green for progress, with a further rated as Amber, indicating some slippage which is being addressed.

The remainder of schemes not yet in delivery, planned for 2016/17 remain challenging and are being addressed. A further 2 groups of schemes identified within the “additional YTHFT schemes’ and ‘unidentified QIPP schemes’ are further described in the sections below.

As previously reported, further work is in progress at pace to address the current significant ‘gap’ and potential risk of under-delivery of the QIPP target. This work includes:

- Consideration of new schemes drawn from a number of evidence bases, including successful implementation by other CCGs, extension of pilot schemes and in depth review of numerous aspects of current contracting, coding and tariff issues.
- PricewaterhouseCoopers (PWC) supported the development of the Financial Recovery Plan (FRP) and built on work undertaken on the Sustainability and Transformation (STP) footprint. The FRP submission contained a reviewed schedule of current schemes and additional areas of QIPP – referred to as ‘Pipeline schemes’ which will assist in contributing to closing the gap.
- A short list of high value schemes within the FRP was prepared by the Programme Management Office (PMO) to bring forward for 2017/18 and work is now in progress across the CCG to scope the key parameters.
- NHS Vale of York CCG is also working with partner North Yorkshire CCGs to identify joint areas of efficiencies and/or sharing learning or ideas. To date there have been two meetings held and a commitment to align and scale up plans where possible.
- The CCG received a positive response from NHS England on 20 October relating to a number of schemes incorporating clinical thresholds for elective surgery. Development of implementation plans for these is now underway.

### **QIPP 2017/18 and going forward**

The schemes identified for development and delivery in 2017/18 are described further below.

**Current 2016/17 schemes ‘rolling’ forward to 2017/18:** A number of schemes currently identified, quantified and in progress in 2016/17 are expected to deliver recurrent efficiencies which will contribute to closing the underlying recurrent gap in 2016/17. 2017/18 planning will reflect the full year effect of schemes in delivery for part year in 2016/17. These are detailed below:

- Review knee replacement coding and tariff
- Community Podiatry
- GP IT – NYNET
- Embed contract saving

Of these, 'Review Knee replacement coding and tariff' has already been realised through a change planned to the relevant Health Resource Group (HRG) codes and PbR Tariff in 2017/18.

#### **Pilot schemes for potential expansion**

The following pilot schemes are currently being monitored during 2016/17 and would be considered for expansion during 2017/18 subject to realisation of savings:

- Continence and stoma care
- Dressings
- ED Front Door

**Identified schemes for delivery in 2017/18:** A further number of schemes, recently reported to Governing Body, have been identified and preparatory work and quantification is ongoing to ensure delivery in 2017/18. As reported above, the immediate priorities have been identified as the highest value schemes:

- Local tariff for regular day attenders
- Contracting differently for outpatients
- A review of SpR funding arrangements
- Opportunity schemes - previously referred to as Out of Hospital Strategy opportunity costs (a number of schemes are under consideration in this category)
- Prescribing schemes (a number of schemes are under consideration in this category)
- Benchmarking complex care - Continuing Healthcare (CHC) and funded nursing care packages
- Recommissioning of mental health out of contract expenditure

The remaining schemes have been referred to in the FRP as 2017/18 identified and 'in pipeline' schemes. Although significant progress has been made, full scoping and quantification of these schemes has not yet been completed for all schemes.

- Commissioning for Value Statements (formerly known as procedures of limited clinical value)
- Arthroscopies
- RightCare - Trauma and Injuries, Respiratory, COPD and Gastro
- Consultant Connect
- Further acute biosimilar drugs savings
- Review of community bed base provision in light of the out of hospital strategy and move to care closer to home
- A setting and transfer of indicative budgets to providers to support transformation and out of hospital care
- Gluten Free Further Restrictions
- Patient transport re-procurement
- Staff vacancy control

**Transformational at scale schemes for scoping and exploration during 2017/18:** These schemes are in addition to or an extension of those schemes identified above. Work will be required in the remainder of 2016/17 and through 2017/18 to deliver significant efficiencies over the medium term. These schemes include:

- Benchmarking day case rates
- One stop clinics
- Reduce internal referrals for diagnostics
- Diagnostics – using benchmarking information and other tools
- Lead provider contract for palliative care
- Review of pathology local costs
- Reduce ophthalmology spend
- Review of pharmacy, diagnostics and estates
- Acute contract mechanisms to manage variance
- Review of the minor injury service
- Paediatric and long term conditions 'passport'
- Care Home review (a number of schemes are under consideration in this category)
- Personal Health Budgets
- Provide GP practice packs to support more informed decision making, and benchmarking
- Prescribing incentive scheme(s)
- Medicines management scheme(s)
- Social Prescribing
- Targeted rehabilitation for out of area placements
- Older people's domestic mental health liaison
- Rationalisation of back office function across the STP footprint
- Strategic STP level commissioning schemes

#### QIPP Management and Reporting Developments

The CCG is currently working through the enhancement and development of QIPP management and reporting. These developments include:

- **RAG Ratings:** Within this report and in previous reports, RAG ratings have been applied to each scheme independently by the Innovation and Improvement Team, in relation to progress to operational delivery of schemes and also by the Finance and Contracting Team, in relation to the potential to deliver the anticipated financial value of savings.
- The RAG ratings in this report (Annex 1) have been reviewed again and represent a greater level of assurance, which will be further improved.
- **Gateways:** The CCG is also building on learning from developing the FRP with PwC around an improved process for ideas to move through a series of consistent gateways (equivalent to key milestones) from scoping to design, through to implementation and delivery.  
At the ideas stage, this creates a safe space for possible financial savings to be suggested but doesn't hold individuals to account for these until a specific process has been undertaken, evidence for the saving has been prepared and 'gateways' have been passed through.  
The CCG's PMO has developed a series of key documents to support better QIPP management, and a standard process to implement across all areas where ideas are being developed towards viable QIPP schemes.

- Reporting framework:** The PMO has developed further levels of reporting to inform the strategic, executive, senior management and operational groups. The ambition is to reduce duplication of information requests and maximize the use of a central information management system (Covalent) for projects and risk assurance from which to build reports. The core information set within in each report is drawn from operational project management data and month end finance data. New QIPP schemes for 2017/18 and ‘Pipeline’ schemes have been incorporated in to the same system, mapped to existing schemes where applicable and recognizable as within certain gateway points (stages). Reporting on these schemes will enable their progress to be understood as it develops, as well as their relationships to current schemes. This will improve the overall coordination of project management within the CCG.
 

A further development will be the reporting of closed schemes, following completion and evaluation – to include lessons learnt.

Additional support from PWC will further strengthen the reporting framework beyond its current position.

### Strategic Priority Links

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Primary Care/ Integrated Care   | <input checked="" type="checkbox"/> Planned Care/ Cancer     |
| <input checked="" type="checkbox"/> Urgent Care                     | <input checked="" type="checkbox"/> Prescribing              |
| <input checked="" type="checkbox"/> Effective Organisation          | <input checked="" type="checkbox"/> Financial Sustainability |
| <input checked="" type="checkbox"/> Mental Health/Vulnerable People |  |

### Local Authority Area

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> CCG Footprint | <input type="checkbox"/> East Riding of Yorkshire Council |
| <input type="checkbox"/> City of York Council     | <input type="checkbox"/> North Yorkshire County Council   |

### Impacts/ Key Risks

- Financial
- Legal
- Primary Care
- Equalities

### Covalent Risk Reference

**F17.9 OP** – Failure to deliver the required QIPP savings

### Recommendations

The CCG should continue to focus effort and resource in the expansion/delivery of the QIPP programme alongside all of the actions outlined within this paper and attached Annex 1. This is required to off-set in-year financial risk and support the development of a sustainable financial position for the CCG in the medium-term.

<b>Responsible Chief Officer and Title</b>	<b>Report Author and Title</b>
Rachel Potts, Chief Operating Officer Tracey Preece, Chief Finance Officer	Neil Lester, Senior Finance Manager Becky Case, I&I Manager Natalie Fletcher, Head of Finance Christina Walters, Interim Head of PMO

## **Annex**

QIPP Report Month 6