

## 2017/18 Quality, Innovation, Productivity and Prevention Programme

### Governing Body meeting

Item 1

5 November 2017

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| <b>Author(s)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Abby Tebbs, Deputy Director of Strategic Commissioning and Planning<br>Julia Newton, Director of Finance |
| <b>Sponsor Director</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Brian Hughes, Director of Commissioning and Performance                                                  |
| <b>Purpose of Paper</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                          |
| <p>Governing Body signed off a Quality, Innovation, Productivity and Performance (QIPP) target of £21.6m in December 2016. This target was set in order to deliver NHS Sheffield Clinical Commissioning Group (CCG) commissioning intentions for 2017/18 and to meet our share of the 5 South Yorkshire and Bassetlaw CCGs single financial control total agreed with NHS England. This paper is an update on the position against the QIPP target and agreed QIPP plan at month 7.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                          |
| <b>Key Issues</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                          |
| <p>At the end of October 2017 (month 7) the QIPP plan continues to stand at £19.4m net against the original target of £21.6m. and therefore £1.9 of unidentified QIPP continues to contribute to the overall financial pressures of the CCG.</p> <p>At month 7 a further detailed assessment of likely delivery against all schemes has taken place. This reflects that we had a number of schemes which were due to come “on stream” at month 7 and because of the significant activity pressures we have experienced in month as detailed in the Director of Finance’s report. It is very disappointing to report that we have now assessed that we should only assume delivery of £10.2m of savings which is a deterioration of £2.7m against the position t month 6.</p> <p>Mitigating actions for key programmes are the primary focus of ongoing work with additional management resource being played into this work including from the national QIPP team as previously agreed with NHS England. Through the Accountable Care Partnership there is a focus on schemes which provide savings for both the CCG and our partners, so that we do not create financial instability in the local health and care system.</p> |                                                                                                          |
| <b>Is your report for Approval / Consideration / Noting</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                          |
| Noting                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                          |
| <b>Recommendations / Action Required by Governing Body</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                          |
| <p>The Governing Body is asked to note the year to date and forecast out turn positions for 2017/18 QIPP and identified risks and mitigation. Further discussion on recovery actions will take place in the private development session of Governing Body on 7 December.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                          |

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| <b>Governing Body Assurance Framework</b>                                                                                                                                                                                                                                                                                                                                                 |
| <p><b><i>Which of the CCG's objectives does this paper support?</i></b><br/> To ensure there is a sustainable, affordable healthcare system in Sheffield.</p>                                                                                                                                                                                                                             |
| <b>Are there any Resource Implications (including Financial, Staffing etc)?</b>                                                                                                                                                                                                                                                                                                           |
| <p>Yes as discussed in section 4 of the report, a focus of clinical and managerial time on priority projects.</p>                                                                                                                                                                                                                                                                         |
| <b>Have you carried out an Equality Impact Assessment and is it attached?</b>                                                                                                                                                                                                                                                                                                             |
| <p><b><i>Please attach if completed. Please explain if not, why not</i></b><br/> Not required as this is an update paper, individual programmes and projects will undertake assessment as part of their implementation process.</p>                                                                                                                                                       |
| <b><i>Have you involved patients, carers and the public in the preparation of the report?</i></b>                                                                                                                                                                                                                                                                                         |
| <p>Increased clinical engagement and listening to our members has been agreed as a priority. Therefore, the Members Council meetings should include not just communication and information on the QIPP plan, but an opportunity for members to voice their ideas and experiences of where system improvements could bring about improved patient care within a reduced cash envelope.</p> |

## 2017/18 Quality Innovation Productivity and Prevention (QIPP) Programme Performance Report

**Governing Body meeting**

**7 December 2017**

### 1. Purpose

As part of the 2017-19 Operational and Financial Plan, NHS Sheffield Clinical Commissioning Group (SCCG) identified a gross savings target of £21.6m. Governing Body receive a monthly report on the development, implementation and delivery of the QIPP programme developed to secure delivery off this target in 2017/18. This paper presents performance at month October 2017.

### 2. Implementation and Delivery Against 2017/18 QIPP Plan

There have been no new schemes added to the plan since the Governing Body meeting on 7 September 2017 as the proposal to suspend prescribing gluten free products to adults, as approved at the November meeting, will be part of contributing to the already challenging £3m QIPP target for prescribing spend. Thus the gross QIPP plan continues to stand at £19.7m and so there remains a shortfall of £1.9m against the QIPP target required.

Projects and programmes are assessed each month to determine if they are meeting stated milestones for implementation and also whether they are delivering the savings and other changes anticipated. At month 7 a detailed assessment of likely delivery against all schemes has taken place. This reflects that we had a number of schemes which were due to come “on stream” at month 7 and because of the significant activity pressures we have experienced in month as detailed in the Director of Finance’s report. It is very disappointing to report that we have now assessed that we should only assume delivery of £10.2m of savings or 56% of the QIPP plan, which is a deterioration of £2.7m against the position t month 6.

Table 1 below summarises the position.

*Table 1: 2017/18 QIPP Plan – Performance at Month 7*

| Delivery         | Plan £'000 | Actual £'000 | Variance £'000 | % Variance | RAG | Confidence Rating - RAG Thresholds for Delivery |             |       |       |
|------------------|------------|--------------|----------------|------------|-----|-------------------------------------------------|-------------|-------|-------|
|                  |            |              |                |            |     | Green                                           | Green/Amber | Amber | Red   |
| Year to Date     | (6,881)    | (5,729)      | 1,152          | -17%       | A   | Green                                           | Green/Amber | Amber | Red   |
| Forecast Outturn | (19,718)   | (10,184)     | 11,038         | -56%       | R   | 100%                                            | ≥ 90%       | ≥ 80% | < 80% |

Table 2 below provides a breakdown of the financial savings by area of spend at Month 7 and an assessment of the likely forecast out-turn position.

Table 2: QIPP position by area of spend at month 7 2017/18

| Area of Spend                     | Gross Savings Plan<br>£'000 | Year to Date (Net) |                 |                                   | Year End (Net)               |                                   |
|-----------------------------------|-----------------------------|--------------------|-----------------|-----------------------------------|------------------------------|-----------------------------------|
|                                   |                             | Plan<br>£'000      | Actual<br>£'000 | (Over)/Under<br>Delivery<br>£'000 | Savings<br>Forecast<br>£'000 | (Over)/Under<br>Delivery<br>£'000 |
| Child Health                      | (1,136)                     | (400)              | (309)           | 91                                | (566)                        | 427                               |
| Continuing Healthcare             | (2,769)                     | (1,138)            | (1,143)         | (5)                               | (2,753)                      | 16                                |
| Estates                           | (300)                       | (50)               | 0               | 50                                | 0                            | 300                               |
| Individual Funding Requests       | (500)                       | (294)              | (523)           | (229)                             | (774)                        | (274)                             |
| Local Authority                   | 2,107                       | 306                | (93)            | (399)                             | 2,107                        | 0                                 |
| Medicines Management              | (3,265)                     | (1,691)            | (1,747)         | (55)                              | (2,975)                      | 290                               |
| Mental Health                     | (1,240)                     | (207)              | 0               | 207                               | (340)                        | 900                               |
| Planned Care                      | (5,083)                     | (1,554)            | (654)           | 899                               | (1,582)                      | 3,502                             |
| Primary Care & Community Services | (600)                       | (188)              | 0               | 188                               | (200)                        | 400                               |
| Running Costs                     | (250)                       | (125)              | (187)           | (62)                              | (320)                        | (70)                              |
| Urgent Care                       | (6,682)                     | (1,540)            | (1,072)         | 467                               | (2,781)                      | 3,687                             |
| <b>QIPP Plan</b>                  | <b>(19,718)</b>             | <b>(6,881)</b>     | <b>(5,729)</b>  | <b>1,152</b>                      | <b>(10,184)</b>              | <b>9,177</b>                      |
| Unidentified                      | (1,861)                     | 0                  | 0               | 0                                 | 0                            | 1,861                             |
| <b>QIPP Target</b>                | <b>(21,579)</b>             | <b>(6,881)</b>     | <b>(5,729)</b>  | <b>1,152</b>                      | <b>(10,184)</b>              | <b>11,038</b>                     |

Note 1: The CCG and Sheffield City Council (SCC) have a joint programme to transform mental health services in the city. This should allow us to jointly make efficiency savings not just from more effective services for people with mental health problems but also make savings from other areas of care e.g. hospital admissions by providing more effective treatment for example in community settings. The joint programme for 2017/18 is to make £4m of such efficiency savings with £1.5m attributable to the CCG and £2.5m to SCC. As most of the savings are planned to come from health as opposed to social care through the formal risk share arrangements which form part of the Section 75 Better Care Fund Agreement (approved by Governing Body), if we are fully successful in our plans the CCG will transfer £2.5m of resources to SCC by the end of the year. If no savings are made the CCG's risk and hence transfer of funds is capped at £0.8m. The CCG's QIPP plan encapsulates the total gross savings to be made from health services as part of this agreement and hence also includes the £2.5m as a positive figure to allow payment across to SCC. The figure shown in the table above is slightly less because we have other areas of our QIPP plan – mainly CHC where if we make the efficiencies planned the level of funding which will flow to SCC will be reduced.

## 2.1 Year to Date Position – Performance at Month 7

At month 7, year to date net QIPP delivery is £5,729k (83% of year to date net plan) or £1,152k under the agreed plan.

## 2.2 Forecast Out-Turn

Based on latest data and “soft intelligence” from the work stream leads, QIPP is now forecast to under deliver against plan by £11,038k net of which we have “crystallised” £4.4m into the out-turn financial year end position and left £6.6m within our financial risk assessment until we conclude an urgent piece of work to understand what recovery actions can be taken to address this slippage and because there is a reasonable degree of uncertainty as to final savings where schemes have only just commenced. (As previously reported, the QIPP profile for 2017/18 is back loaded and, at month 7, only 35% of the total plan is profiled for delivery year to date.)

The £2.7m deterioration in the forecast delivery of QIPP has been driven by a number of factors including:

- The forecast position for Active Support and Recovery programmes has been reduced by £1m in month with a re-assessment of the start date of schemes such as community IV treatment and reconfiguration of intermediate care beds, as well as latest position from the virtual ward initiative.
- Elective Care Programmes have also been reviewed and the forecast reduced by £750k. This reflects under delivery on plans for whole pathway service reviews, a reduction in the expected impact of clinical variation reviews in year and potentially fewer areas to re-profile activity plans with Sheffield Teaching Hospitals while still maintaining delivery of the 18 week referral to treatment requirement.
- Mental Health forecast savings have been reduced by £200k to reflect the current position of the Primary Care Mental Health project.

### **3. Mitigation and Additional QIPP**

Last month this report provided detail on actions being taken to mitigate under delivery in key work streams and these continue to be developed and implemented. There will be an oral update to Members of Governing Body in the private development session on 7 December.

We have agreed a plan of work for immediate implementation with the national QIPP team to support, in the first instance, elective care developments on unwarranted variation and urgent and emergency care actions, together with support on contract analysis.

### **4. Development of 2018/19 QIPP plan**

Work continues on the development of plans for 2018/19 in the light of current position in 2017/18 and any new national requirements. Accountable Care Partnership leads have identified their three priorities for 2018/9 which must include the release of savings. These will be aligned, during the planning process, to the SCCG identified priorities.

### **5. Recommendation**

The Governing Body is asked to note the year to date and forecast out turn positions for 2017/18 QIPP and identified risks and mitigation. Further discussion on recovery actions will take place in the private development session of Governing Body on 7 December.

Paper prepared by: Abby Tebbs, Deputy Director of Strategic Commissioning and Planning  
Julia Newton, Director of Finance

On behalf of: Brian Hughes, Director of Commissioning and Performance

28 November 2017

SCCG QIPP Risk Ratings

| RAG Ratings |            |                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                          |
|-------------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| RAG         | Confidence | Implementation                                                                                                                                                                                                                                                                                                          | Delivery                                                                                                                                                 |
| G           | 100%       | Strong delivery plan. Clear timescales and milestones for implementation. Full responsibility and ownership                                                                                                                                                                                                             | In delivery or delivered<br>Expect to deliver 100% of planned savings or savings fully achieved                                                          |
| GA          | ≥ 90%      | Delivery plan good. KPIs and metrics agreed. All major and most minor risks mitigated.                                                                                                                                                                                                                                  | In delivery or delivered<br>Expect to deliver at least 90% of planned savings                                                                            |
| A           | ≥ 80%      | Plan in place but not considered strong, responsibility accepted, work has started<br>Implementation progressing, no formal plans or minor risks highlighted. Work not due to start yet or some elements have minor slippage<br>Some unmitigated risk to delivery                                                       | In delivery<br>Expect to deliver at least 80%                                                                                                            |
| R           | <80%       | No plan, no identified metrics, no accepted responsibility.<br>Not commenced or commenced and significantly behind several milestones (4 weeks or more).<br>Planned activities are at high risk of not delivering to timescale. Mitigating actions have not been implemented. Significant unmitigated risk to delivery. | Delivery not commenced or delivery commenced but achieved savings less than 80% of YTD plan.<br>Forecast savings will not deliver more than 80% of plan. |