

**2018/19 Quality Innovation Productivity and Prevention (QIPP)
 Programme Update Report**

Governing Body meeting

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1 November 2018

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Purpose of Paper	
<p>NHS Sheffield Clinical Commissioning Group (SCCG) has an agreed QIPP target of £18.5m for 2018/19. This paper provides the Governing Body with an overview of the position as at month 6 and an update on the progress of delivery by year end.</p>	
Key Issues	
<p>At month 6 there is a year to date non delivery against plan of £853k reflecting various issues as described in the paper. This is however an improvement of £59k from the variance position at month 5.</p> <p>The current forecast for year end is reported at £15.6m against the £18.5m target. This has been forecasted following a review of all QIPP programmes and a risk rating exercise, which resulted in eighteen projects rated as RED for financial delivery. Including the unidentified gap of £752k, this gives a total shortfall of £2.9m. This is included in the CCG's financial position at Month 6.</p> <p>Following completion of the work by Deloitte with us under the auspices of the national QIPP programme, we have assessed all suggested programmes of work. In September Governing Body approved a number of additional projects to be included in this year's QIPP plan. For the remainder of proposals, we have assessed these present opportunities in 2019/20 and do not believe they will deliver savings in the current year due to implementation time frames.</p> <p>The QIPP team and Portfolios will continue to look at stretching targets and quick win projects that can bridge the current unidentified gap of £752k, but it is envisaged that this cannot be achieved by year end. Capacity is currently focusing on the achievement of the existing and recently implemented programmes to ensure delivery and mitigate existing risks. This is why the £752k gap has been built into the reported financial position at M6.</p>	
Is your report for Approval / Consideration / Noting	
Consideration	

Recommendations / Action Required by Governing Body
The Governing Body is asked to consider the reported month 6 QIPP position and the year end forecast position.
Governing Body Assurance Framework
<i>Which of the CCG's objectives does this paper support?</i>
To ensure there is a sustainable, affordable healthcare system in Sheffield.
Are there any Resource Implications (including Financial, Staffing etc)?
Yes as discussed in the report, a focus of clinical and managerial time on priority projects.
Have you carried out an Equality Impact Assessment and is it attached?
<i>Please attach if completed. Please explain if not, why not</i>
Not required. Individual programmes and projects will undertake assessment as part of their implementation process as appropriate.
<i>Have you involved patients, carers and the public in the preparation of the report?</i>
Increased clinical engagement and listening to our members has been agreed as a priority. Therefore, the Governing Body 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.

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1. Introduction

- 1.1. The NHS Sheffield CCG (SCCG) QIPP programme for 2018/19 has a gross savings target of £18.5m as part of delivering the CCG's overall commissioning and financial plans for the current year. This paper provides the Governing Body with an overview of the position as at month 6 and an update on the progress of delivery by year end.

2. Current Position

- 2.1. Table 1 below provides an overall summary of the 2018/19 QIPP Programme by area of spend as at month 6. It continues to show a plan of £17.8m against the £18.5m target. Therefore the unidentified shortfall remains at £752k as previously presented.
- 2.2. In terms of the year to date position, we are reporting a net shortfall against plan of £853k at month 6. This is an improvement of £59k from the variance position at month 5. There are four areas in particular, running costs, prescribing, CHC and excess bed nights where savings are in advance of profile. These are offset by £592k shortfall which relates to eighteen programmes that are rated as RED (programme is significantly delayed or savings are now assessed as £nil). These programmes are highlighted on Appendix 1. The largest of these schemes has a total value for the year of £750k for 2018/19. It has not proved possible to have a contractual risk share with STH regarding the assessment unit. It is however being picked up as part of the ongoing work on a wider financial risk and incentive share on elements of urgent care.
- 2.3. There are also twelve programmes that are rated as AMBER due to a number of programmes not commencing on time. These programmes currently equate to a total shortfall of £623k against plan at month 6. We still anticipate that these programmes will commence shortly and work is taking place to expedite a start as quickly as possible.
- 2.4. At month 6 we are forecasting the delivery of £15.6m against the £18.5m target by year end. As discussed in section 2.2 above, for the eighteen programmes that are risk rated RED for financial delivery at month 6 we have forecast £nil delivery of savings. Including the unidentified gap of £752k this gives a total shortfall of £2.9m. This is included in the CCG's financial position at Month 6.

Table 1: 2018/19 QIPP Plan by area of spend

Area of Spend	Annual Gross Savings Plan (£'000)	Annual Gross Savings Forecast (£'000)	Annual Gross Savings Forecast Variance (£'000)	Year to Date Gross Savings Plan (£'000)	Year to Date Gross Savings Actual (£'000)	Year to Date Gross Savings Variance (£'000)
Children's services incl. Children's CHC	(400)	(400)	0	(220)	(220)	0
Community – Adults	(1,350)	(1,100)	250	(627)	(252)	375
Continuing Care	(2,542)	(2,875)	(333)	(1,396)	(1,563)	(167)
Continuing Care - via MH Portfolio	(1,073)	(740)	333	(330)	(200)	130
Elective Care	(2,708)	(2,177)	532	(549)	(276)	273
Excess Bed Days	(750)	(1,246)	(496)	(178)	(520)	(342)
GP Prescribing	(3,095)	(3,076)	19	(1,542)	(1,624)	(82)
High Cost Drugs	(1,304)	(727)	577	(618)	(364)	254
Individual Funding Requests	(42)	(77)	(35)	(15)	(26)	(11)
Local Authority	438	128	(310)	257	78	(179)
Primary Care & Community Services	(24)	(24)	0	0	0	0
Running Costs	(400)	(600)	(200)	(198)	(300)	(102)
Urgent Care	(4,126)	(2,312)	1,814	(1,567)	(796)	771
Other Commissioning	(168)	(168)	0	0	(68)	(68)
Learning Disabilities	(200)	(200)	0	0	0	0
Unidentified	(752)	0	752	0	0	0
Total (£'000)	(18,496)	(15,594)	2,902	(6,983)	(6,130)	853

- 2.5. In addition we have made a risk assessment on potential further slippage re the AMBER rated schemes and this is included in the overall financial risk assessment discussed in the Director of Finance's report.
- 2.6. The work undertaken by Deloitte over the past few months has now come to an end and this has resulted in a number of additional programmes commencing at pace, along with a list of opportunities for the CCG to review in 2019/20. The additional programmes that have been included into the 2018/19 QIPP plan are the GP variation programme; the South Yorkshire and Bassetlaw wide implementation of an integrated lower Gastro – intestinal pathway; and the expanded new to follow up ratio programme. These additional programmes have reduced the unidentified gap to its present position.
- 2.7. One area of good practice that was identified by Deloitte was the adoption of the Aspyre programme management software by Sheffield CCG and how this has been tailored to the needs of the organisation. The software has been recommended to be adopted by the ICS to enable effective monitoring and management of programmes across South Yorkshire and Bassetlaw. Sheffield CCG's Programme Management Office is currently sharing governance structures and software design with the ICS as per the Deloitte recommendations.

3. 2019/20 Proposed Programmes

3.1. Deloitte have now completed their work with SCCG and have provided us with a detailed review of all possible areas where efficiency savings could be achieved. The areas that were identified as priority areas for efficiency gains are:

- Consultant to consultant referrals – Review of consultant to consultant referrals to identify savings potential in reducing unnecessary referrals
- Excluded Drug Spend – Review Sheffield CCG's drug spend to establish whether/to what degree savings exist
- Pathology Direct Access – Review Pathology Direct Access activity variation across GP practices to identify high referrers with the opportunity to reduce unwarranted activity

These are included within the planning of the 2019/20 QIPP plan and where appropriate part of the proposed contract negotiations with our Provider organisations.

3.2. Deloitte also suggested other areas of efficiency following a workshop with various members of the CCG looking at 'pipeline' ideas. These areas are currently being looked at within the appropriate portfolio as part of the development of our Commissioning Intentions for 2019/20.

3.3. It is considered that even though the QIPP team and Portfolios will continue to look at stretching targets and quick win projects that can bridge the current unidentified gap of £752k, it is envisaged that this cannot be achieved by year end. Capacity is currently focusing on the achievement of the existing and recently implemented programmes to ensure delivery and mitigate existing risks.

4. Recommendations

The Governing Body is asked to consider the reported month 6 QIPP position and the revised year end forecast position.

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

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