

HEALTH OVERVIEW AND SCRUTINY COMMITTEE: 4th MARCH 2020

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

2019/20 QUALITY, INNOVATION, PRODUCTIVITY AND PREVENTION PROGRAMME UPDATE

Purpose of report

1. The purpose of this report is to provide an update on the 2019/20 Quality, Innovation, Productivity and Prevention (QIPP) programme for NHS West Leicestershire CCG (WL CCG) and NHS East Leicestershire and Rutland CCG (ELR CCG).

Background

2. A report was provided to the Health Overview and Scrutiny Committee (HOSC) in June 2019 outlining the planned 2019/20 QIPP programme for NHS West Leicestershire CCG (WL CCG) and NHS East Leicestershire and Rutland CCG (ELR CCG).
3. Locally WL CCG, ELR CCG and Leicester City CCG (LC CCG) had worked together collaboratively to agree the 2019/20 QIPP plan and Table 1 below summarises the QIPP (Net) savings requirements for each of the CCGs in order to deliver their financial targets.

Table 1: 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)

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 a number of transactional QIPP schemes expected to improve efficiency and value for money.
5. The QIPP targets for ELR CCG and WL CCG are 6.0% and 4.3% respectively, both of which present significant challenges. As shown above, ELR CCG and WL CCG started the financial year with an element of unidentified QIPP within their financial plans amounting to £6.289m and £4.949m respectively.

2019/20 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 (SROs) 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.
7. 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.
8. As at month 10, the QIPP delivery as reported by SROs indicated achievement of £25.362m year to date and forecast £30.725m by the end of the year against plans of £40.558m and £49.020m respectively:

Table 2: Summary Performance by CCG:

	YTD Plan (£'000)	YTD Actuals (£'000)	YTD Variance (£'000)	Annual Plan (£'000)	Forecast Out-turn (£'000)	Annual Variance (£'000)	Annual Variance (%)
ELR CCG	(£22,089)	(£14,316)	£7,773	(£26,642)	(£17,302)	£9,340	35%
WL CCG	(£18,469)	(£11,046)	£7,423	(£22,378)	(£13,423)	£8,955	40%
Grand Total	(£40,557)	(£25,362)	£15,196	(£49,020)	(£30,725)	£18,295	37%

Table 3: Forecast Out-turn Summary Performance by Workstream:

Workstream	M10 FOT (£'000)											
	East CCG				West CCG				LLR			
	Plan	Deliveries	Variance	Monthly Movement	Plan	Deliveries	Variance	Monthly Movement	Plan	Deliveries	Variance	Monthly Movement
CHC	(£2,347)	(£3,414)	(£1,067)	£0	(£2,296)	(£2,661)	(£365)	£0	(£4,643)	(£6,076)	(£1,433)	£0
Children's	(£233)	(£9)	£224	£0	(£257)	(£5)	£252	£0	(£490)	(£15)	£475	£0
Community Health	(£2,800)	(£2,035)	£765	(£55)	(£3,225)	(£2,164)	£1,061	(£37)	(£6,025)	(£4,199)	£1,826	(£92)
Contracting	(£1,660)	(£1,658)	£2	£0	(£1,555)	(£1,532)	£24	£0	(£3,216)	(£3,190)	£26	£0
Corporate	(£916)	(£589)	£327	£9	(£74)	(£74)	£0	£0	(£990)	(£663)	£327	£9
Integrated Teams	(£755)	(£179)	£577	(£8)	(£651)	(£185)	£466	(£4)	(£1,406)	(£363)	£1,043	(£12)
Medicines Management	(£4,956)	(£4,944)	£11	(£151)	(£4,811)	(£4,616)	£195	(£625)	(£9,767)	(£9,561)	£206	(£777)
Mental Health	(£326)	(£294)	£32	£17	(£180)	(£153)	£26	£19	(£506)	(£447)	£59	£36
Planned Care	(£2,633)	(£1,060)	£1,574	£158	(£2,558)	(£1,023)	£1,535	£55	(£5,191)	(£2,082)	£3,109	£213
Primary Care	(£3,023)	(£3,040)	(£17)	£0	(£977)	(£627)	£350	£10	(£4,000)	(£3,667)	£333	£10
Unidentified	(£6,166)	£0	£6,166	£0	(£4,823)	£0	£4,823	£0	(£10,989)	£0	£10,989	£0
Urgent Care	(£827)	(£81)	£746	(£12)	(£970)	(£381)	£588	(£16)	(£1,797)	(£462)	£1,335	(£28)
FOT	(£26,642)	(£17,302)	£9,340	(£42)	(£22,378)	(£13,423)	£8,955	(£598)	(£49,020)	(£30,725)	£18,295	(£641)

9. As can be seen from above, the main contributor to the forecast under delivery of £18.295m is the level of unidentified QIPP which stands at £6.166m for ELR CCG and £4.823m for WL CCG.
10. There are also other areas of significant under delivery as outlined below:

11. **Planned Care (£3.109m under delivery):**

This under delivery is due to a number of schemes within the Planned Care workstream.

- **System Pathway Opportunities (Gastroenterology & Cardiology)** – These schemes are reporting an under delivery of £0.667m. A piece of work undertaken on the Gastro work stream confirmed that all opportunities are being explored in other work streams and therefore resulted in the scheme being approved for closure by the QIPP Assurance Group (QAG). The Cardiology component of System Pathway Opportunities has been assimilated into the main Long-Term Conditions programme and is being driven forward by the Planned Care and LTCs teams.
- **Diagnostics** – This scheme is reporting an under delivery of £0.612m due to sickness absence of the project manager and amendment to the % activity reduction assumptions originally made which have been deemed unrealistic.
- **Audiology** – The original plan of £0.289m based on a re-procurement of the service has been deferred as a decision has been made to explore an Integrated Care System type model.
- **Referral Support Services** – The implementation of the Ophthalmology and General Surgery specialities has been delayed, resulting in a forecast under delivery of £0.491m.
- **Pathology** – An under delivery of £0.428m has resulted due to two critical tests being removed from scope following clinical advice because they are critical tests including full blood count and white cell count.
- **Follow Up Outpatients** – This scheme is reporting an under delivery of £0.452m due to the fact that UHL have backfilled the reduction in activity achieved as a result of actions from the planned care programme. There are currently no contract levers that commissioners can use to remedy this with the provider.

12. **Community Health (£1.826m under delivery):**

This under delivery is due to the following schemes:

- **Community Services Redesign (CSR) (£0.800m)** - A stretch element was assigned to the work stream at the start of the financial year against which no mitigating schemes were identified (£0.325m). In addition, the level of rehab activity removed from the University Hospitals Derby and Burton contract was only realised at 75% of the original plan, resulting in further under delivery against plan of £0.414m. The remaining element of the under delivery is due to the level of investment in the Home First service being greater than the decommissioned value of the ICS service.
- **Leicestershire Partnership Trust (LPT) Short Term Cost Reduction Mental Health & Community Health Services** – these schemes relate to a risk share agreement with the provider to deliver savings across LLR by working collaboratively. The mental health element relates to the implementation of progress beds to improve flow and facilitate faster discharge, while the community element relates to the utilisation of excess capacity in community hospital beds as an alternative to care home placement or spot purchase of beds. To date the schemes identified result in savings of £0.187m, leaving a shortfall of £0.906m against the county wide target of £1.093m.

13. **Urgent Care (£1.335m under delivery):** The under delivery is due to the following schemes:

- **Same Day Emergency Care (SDEC) – (£0.936m)** Anticipated savings in relation to reduced costs at the ED front door have not materialised (£0.627m). There have been delays for ELR CCG in shifting activity to Urgent Care Centres meaning benefits will not be realised in 19/20 (£0.210m). Anticipated savings associated with moving direct access diagnostics to community diagnostic hubs have not been realised due to delays (£0.141m).
- **Integrated Urgent Care – (£0.399m)** Delays in the expansion of the clinical navigation hub have meant that the expected service changes (a reduction in EMAS activity), have not yet become business as usual. Therefore, the associated savings anticipated from a reduction in the EMAS contract will not be realised this financial year. Commissioners will now seek to negotiate the activity reduction with EMAS in 2020/21.

14. **Integrated Teams (£1.043m under delivery):**

This under delivery is mainly due to the following schemes, both of which have clear qualitative benefits:

- **Falls (£0.609m)** –The year to date non-elective activity relating to the cohort of patients expected to be impacted by the Steady Steps programme has shown an overall increase in activity in relation to the baseline, rather than a decrease. Having reviewed the data set further, it has been confirmed that this element of the scheme cannot demonstrate any delivery of QIPP, resulting in an under delivery of £0.609m.
- **Long Term Conditions (£0.415m)** - While significant work is taking place, this programme is transformational and multi-year in duration. The programme has been impacted by the uncertainty of the role of Primary Care in the delivery of key components of the programme, coupled with moderate provider engagement and unforeseeable high activity in UHL.

15. ELR CCG and WL CCG are forecasting an under delivery against the QIPP plan for 2019/20 of £18.3m, the main contributor to which is the level of unidentified QIPP which stands at £6.166m and £4.823m respectively.
16. The LLR PMO has undertaken a “lessons learnt” review in order to understand and explain the themes and underlying reasons for underperformance against the QIPP savings plan in 2019/20. These lessons learnt will be used to inform planning and implementation approaches in future years to support improved financial delivery.
17. This shortfall in QIPP delivery has had a detrimental impact on the CCG’s ability to achieve their financial targets within 2019/20. In response to this and other financial pressures within the Leicester, Leicestershire and Rutland (LLR) health economy, a system wide Financial Recovery Plan (FRP) was developed and implemented with the aim of ensuring overall financial balance.
18. Despite expected delivery of approximately £27.848m of financial recovery savings (across the three Leicestershire CCGs), the two county CCGs are currently predicted to fail to achieve their financial targets in 2019/20 by £9.7m (East) and £10.9m (West) respectively.

Impact on Patients & Groups with Protected Characteristics

19. The CCGs follow a rigorous process in relation to the delivery of QIPP plans from initial planning stages through to eventual implementation. Processes have strong clinical leadership and involve quality assurance, impact and sustainability assessments, evaluation and consideration of service user feedback.
20. Project Initiation Documents (PIDs) and Business Cases are subject to a formal confirm and challenge process both financially and clinically. Where required, all QIPP schemes have an identified, dedicated Clinical Lead.
21. At the planning stage, QIPP schemes undergo an Equality Impact Assessment (EIA) and Quality Impact Assessment (QIA) as appropriate.
22. The general equality duty that is set out in the Equality Act 2010 requires public authorities, in the exercise of their functions, to have due regard to the need to:
 - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
23. The purpose of the EIA tool is to identify if the proposal being considered will affect people who share relevant protected equalities characteristics in different ways to people who do not share them.
24. The QIA tool identifies whether the proposal being considered poses any risks to patient safety, clinical effectiveness or patient experience and requires formal sign off by the Chief Nurse and Quality Lead for the CCG.
25. Within the QIA, the following information is provided for review:
 - Impact to vulnerable patients;
 - Impact on the Safeguarding of Adults or Children;
 - Compromises made to patient safety;
 - Impact on processes for preventing Healthcare Associated Infections or other related harm (e.g. MRSA, Falls etc);
 - Whether the scheme result in shorter lengths of hospital stays;
 - Whether the scheme improves patients' clinical outcomes;
 - Whether the scheme results in a higher likelihood of recovery;
 - Whether the scheme provides better access to wider care pathways;
 - Whether the scheme results in a more positive experience for patients;
 - Whether the scheme results in better access to services for patients;
 - Whether the scheme requires any public and/or patient engagement;
 - Whether the scheme requires patients or their carers to travel further to access services;
 - Impact on cleanliness and general environmental standards.

26. All of the elements above are reviewed and a risk attributed to each area in terms of consequence and likelihood. Unless these are deemed appropriate clinically, the QIA will not be authorised and the project unable to progress.

Conclusions

27. As part of the planning process, QIPP schemes undergo an Equality Impact Assessment (EIA) and Quality Impact Assessment (PIA) as appropriate.
28. The purpose of the EIA tool is to identify if the proposal being considered will affect people who share relevant protected characteristics in different ways to people who do not share them.
29. The QIA tool identifies whether the proposal being considered poses any risks to patient safety, clinical effectiveness or patient experience and requires formal sign off by the Chief Nurse and Quality Lead for the CCG.
30. ELR CCG and WL CCG are forecasting an under delivery against the QIPP plan for 2019/20 of £18.3m, the main contributor to which is the level of unidentified QIPP which stands at £6.166m and £4.823m respectively – it has not been possible during the year to identify additional QIPP schemes to deliver savings to offset this shortfall.
31. This shortfall in QIPP delivery has had a detrimental impact on the CCG's ability to achieve their financial targets within 2019/20.
32. Despite expected delivery of approximately £27.848m of financial recovery savings (across the three Leicestershire CCGs), the two county CCGs are currently predicted to fail to achieve their financial targets in 2019/20 by £9.7m (East) and £10.9m (West) respectively.

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