

HILLINGDON CCG FINANCIAL RECOVERY PLAN UPDATE REPORT

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Organisation	Hillingdon Clinical Commissioning Group
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Papers with report	Appendix - Summary of Progress Against Plan

1. HEADLINE INFORMATION

Summary	<p>This report provides an update on Hillingdon CCG's progress with its Financial Recovery Plan for 2013-2016. The CCG's Financial Recovery Plan forms an integral part of its 2013/14 Operating Plan, as agreed by the Health and Wellbeing Board (HWBB) at its February 2013 meeting and as approved by the Hillingdon CCG Governing Body at its May 2013 meeting. It also aligns closely with the Hillingdon CCG Out of Hospital Strategy.</p> <p>The Financial Recovery Plan forms a subset of total CCG budgets and it should be noted that, whilst delivery of this Plan contributes to the financial position, it does not represent the final overall position. Overall, HCCG is projecting a smaller deficit than set at the beginning of the financial year.</p> <p>Current expectations are for the CCG to deliver the majority of its £11m Recovery Plan targets by March 2014. However, there is a risk of underperformance of c £2.5 million (22% of the overall Plan) based on current activity figures. A number of remedial actions have been put in place to seek to reduce this forecast under-performance.</p>
Contribution to plans and strategies	Joint Health & Wellbeing Strategy
Financial Cost	The Financial Recovery Plan reflects the position of Hillingdon CCG at the time of writing. Changes to funding streams and national policy impact on assumptions within the Financial Recovery Plan and the Plan has been refreshed for 2014/15 to reflect these changes.
Relevant Policy Overview & Scrutiny Committee	N/A
Ward(s) affected	All

2. RECOMMENDATION

The Board is asked to note this update.

3. INFORMATION

Supporting Information

3.1 CCG Recovery Plan 2013/14

The CCG set its budget for 2013/14 on the basis of achieving a series of financial savings targets between April 2013 and March 2016. The target for this year is £11 million, rising to £14.5 million in each of the two following years, or £40 million over the combined three years. A deficit budget of £12.15m was set for 2013/14.

The Recovery Plan – or QIPP Programme (Quality, Innovation, Productivity and Prevention) – contains 5 main programmes, with the savings target in 2013/14 shown against each:

1. Unscheduled Care (£3 million)
2. Planned Care (£3.7 million)
3. Long Term Conditions (£0.4 million)
4. Prescribing (£2.4 million)
5. Mental Health & Community Services (£1.7 million)

Each programme contains a number of separate schemes, with the overall objective of achieving faster access to care in an emergency, and improved pathways of care for all users of services, and bringing access to high-quality care in line with best practice in London and nationally. In addition to the schemes above, the CSU (Commissioning Support Unit) is responsible for ensuring contractual requirements are rigorously applied and challenges made appropriately.

The four underlying principles behind the CCG's financial planning, and the Governing Body's approach to integrated commissioning, are for the Financial Recovery Plan to deliver local financial and service stability over the next 3 years, and to be:

1. Clinically led and supported by GP commissioners
2. Informed by engagement with the public, patients and local authority
3. Robust and transparent in its process, and underpinned by a sound clinical evidence base
4. Consistent with current and prospective patient choice

Achievement of our commissioning priorities is linked to achievement of the Quality Premium (a payment CCGs receive in the following year if certain targets are achieved). Delivery is tracked weekly through our Programme Management Office (PMO), and monitored through monthly assurance meetings by NHS England.

3.2 Progress to date

Several of our schemes are already in place, and delivering the expected level of savings, for example: the successful implementation of the Urgent Care Centre at Hillingdon Hospitals (THH); negotiation and successful contract variation for a new musculo-skeletal care pathway and a new gynaecology pathway with THH; and

continuation of the successful Rapid Response and Admissions Avoidance care-pathways, in partnership with LBH, CNWL and THH.

A number of our planned care schemes have taken longer than expected to get underway, with ENT commencing on March 2014. Good progress is being made with THH in developing other late schemes as a variation to our existing contract.

Besides weekly monitoring within the CCG PMO and regular reviews at the Governing Body and CCG Committees, progress with the overall Recovery Plan has been discussed with the whole economy Recovery Programme Board and NHS England.

3.3 Hillingdon CCG Budgets and Financial Plan

The Financial Recovery Plan adopted in November 2012 has been updated to reflect latest policy guidance and more detailed plans for the delivery of QIPP savings in 2014/15. The updated Plan is with NHS England for comment and approval.

The CCG has commenced detailed budget setting based on the updated Recovery Plan and stated Commissioning Intentions.

4. FINANCIAL IMPLICATIONS

The Operating Plan 2013/14 for Hillingdon CCG is based on a deficit budget of £12.25m with a QIPP (Quality, Innovation, Productivity and Prevention) of £11m identified. Achievement of this control total is monitored through monthly assurance meetings with NHS England-Local Area Team.

5. LEGAL IMPLICATIONS

Hillingdon CCG is required to produce an Operating Plan annually.
All CCGs are required to comply with the NHS Mandate.

6. BACKGROUND PAPERS

None.