

HILLINGDON CCG FINANCIAL RECOVERY PLAN UPDATE REPORT

Relevant Board Member(s)	Dr Ian Goodman
Organisation	Hillingdon Clinical Commissioning Group
Report author	John Halsted, Interim QIPP Director
Papers with report	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 2013/2014 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>Current expectations are for the CCG to deliver the majority of its Recovery Plan targets by March 2014. However, there is a risk of underperformance of c £1.8 million (17% 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 underperformance and it is noted that data at this point in the year is subject to a number of caveats on accuracy.</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 being refreshed for 2014/2015 to reflect these changes. These include for example the proposed integration funding transfer.
Relevant Policy Overview & Scrutiny Committee	N/A
Ward(s) affected	All

2. RECOMMENDATION

That the Board notes the update.

3. INFORMATION

Supporting Information

3.1 CCG Recovery Plan 2013/14

The CCG set its budget for 2013/2014 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 2013/2014.

The Recovery Plan – or QIPP Programme (Quality, Innovation, Productivity and Prevention) – contains 5 main programmes, with the savings target in 2013/2014 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 that CCGs receive in the following year if certain targets are achieved). Delivery is tracked weekly through our Programme Management Office, 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 the Council, Central & North West London NHS Foundation Trust (CNWL) and THH.

A number of our planned care schemes have taken longer than expected to get underway, although good progress is being made with THH in developing these as a

variation to our existing contract. The mitigations put in place have resulted with two schemes expected to implement 1 and 2 months earlier than anticipated.

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 Health and Wellbeing Board meeting on 11 July 2013 received details of the CCG's financial plan and QIPP Programme, alongside a statement of the foreseeable risks and risk mitigation plans.

The CCG continues to work in partnership with the other CCGs in the Outer North West London Federation to monitor delivery of its financial, commissioning and strategic plans, in particular with relation to 'Shaping a Healthier Future', designed to improve access for the local population of Hillingdon to high quality community, primary care and hospital services.

4. FINANCIAL IMPLICATIONS

The Operating Plan 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.