

**Board Meeting  
PART I  
MEETING ON 26<sup>th</sup> October 2016**

<b>Title of Report:</b>	<b>Thurrock CCG QIPP and Commissioning report</b>	
<b>Board Sponsor:</b>	Ade Olarinde, Chief Finance Officer	
<b>Prepared by :</b>	Abdul Ahad, Head of Strategic Finance Chris Stag, Head of Performance	
<b>Committees previous consulted:</b>	13th October 2016 - QIPP CORE Committee (QIPP Update) 19th October 2016 – Finance and Performance Committee (QIPP Update)	
<b>Executive Summary:</b>	<p>The aim of this report is to appraise the Board on:</p> <ul style="list-style-type: none"> <li>• Update on the 2016/17 QIPP plan and update on year to date performance.</li> <li>• Update on 2017/18 QIPP plans</li> </ul>	
<b>Financial / Resource Implications:</b>	<p>The QIPP plan forms part of the CCG's financial plan.</p> <p>Failure to deliver the full effect of the QIPP plans will result in pressure on the CCG's financial position.</p>	
<b>Fit with CCG strategy/objectives:</b>	Delivery of the QIPP plan forms part of the CCG operatign Plan.	
<b>Risks identified / Outcome / Link to BAF:</b>	N/A	<b>BAF Ref:</b>
<b>Actions Required:</b>	N/A	<b>When By:</b>
<b>Recommendation to the Committee:</b>	Board members are asked to note the report and progress being made within the commissioning portfolio.	

**2016/17 QIPP Financial Performance**

The current M6 QIPP position is showing an underperformance of £675k YTD with forecast expected to deliver £5,695k against a plan of £7,175k resulting in under performance of £853k. This would equate to QIPP delivery of 79% compared to an achievement of 80% in 2015/16. The table below shows financial performance by QIPP portfolio and areas that have under or over performance.

**Table showing QIPP Position against Plan**

BY PORTFOLIO	NET PERFORMANCE AGAINST THE PLAN - Sep-16									
	Planned Sep-16	Actual Sep-16	Variance	Planned YTD	Actual YTD	Variance	Full Year Target	FOT	Variance	RAG
Acute (Planned Care)	201,960	156,176	(45,783)	1,195,858	930,458	(265,400)	2,381,237	1,856,237	(525,000)	A
Acute (Unplanned Care)	35,300	-	(35,300)	104,300	-	(104,300)	300,179	-	(300,179)	R
CHC	74,350	-	(74,350)	433,800	313,078	(120,722)	859,604	660,128	(199,476)	A
Community	82,929	82,929	-	488,240	488,240	-	1,235,813	1,110,813	(125,000)	A
Medicines Management	56,550	-	(56,550)	305,700	424,671	118,971	873,500	1,055,573	182,073	G
Mental Health	47,384	13,316	(34,068)	280,405	94,495	(185,910)	558,411	194,719	(363,691)	R
Other	13,714	-	(13,714)	82,283	19,000	(63,283)	164,566	82,283	(82,283)	R
Paediatrics	65,713	56,685	(9,028)	407,837	353,672	(54,165)	802,115	735,580	(66,534)	A
<b>QIPP PROGRAMME TOTAL</b>	<b>577,899</b>	<b>309,107</b>	<b>(268,793)</b>	<b>3,298,424</b>	<b>2,623,614</b>	<b>(674,809)</b>	<b>7,175,425</b>	<b>5,695,334</b>	<b>(1,480,091)</b>	<b>A</b>

**Acute Planned / Unplanned Care**

There were a number of schemes for which it was agreed savings would come out in year during the mediation process.

- 1) MSK - BTUH
- 2) Referral Management - BTUH
- 3) Unplanned Care Schemes - BTUH
- 4) Ophthalmology - SUHFT

The CCG have attended QIPP sub group to have discussions with the Trust to provide details of the schemes. All details requested by the Trust have now been shared and the CCG will monitor the schemes. The Trust have not agreed to any savings coming out in year, however the CCG are actively pursuing this to ensure savings agreed as part of the mediation process are delivered. Once these savings have been agreed, the contract values with the Trust will be reduced in line with the QIPP values.

**Mental Health**

Underperformance relating to Mental Health portfolio relates to Sept Rebasing scheme. The CCG did not realise any savings in 2016/17 following decision by NHS England. This has had a significant impact on the CCG QIPP programme.

**Other Schemes**

This scheme is the use of Service Restriction Policy at BTUH. This is ensuring the Trust are treating patients in line with current policy and ensure prior approval is in place for procedures stipulated in SRP. There is an element of procedures which will require an audit to set a threshold before finance element can be calculated. Financial values for quarter 1 have been sent to the Trust where activity has been done without prior approval. An adjustment of £19k has been agreed for Q1 with forecast achievement expected of £82k.

### **Continuing Health Care (CHC)**

This area continues to be an area of concern with continued pressure on expenditure. Some of the under achievement on CHC Controls is offset by an over achievement on Acquired Brain Injury.

### **QIPP Planning 2017/18**

The CCG are currently working on financial plans which will inform the QIPP value to be delivered by the CCG. The current Provisional QIPP target for 2017/18 is £7.1, similar to previous years. This number is indicative at this stage and is subject to change with further financial modelling and once position on contracts is clear.

The CCG commenced work early in identifying projects in line with above QIPP target. To progress these projects the CCG is working closely with the CSU to ensure the required information is received showing detailed analysis. Regular work is now on going on a weekly basis in which projects are being fully scoped and progressed. It is expected that commissioners will identify additional projects to fully close the QIPP gap. They will need to review current expenditure trends and highlight areas where the CCG are an outlier.

There is the complexity in that Acute QIPP will be led by the Essex Success Regime (ESR) and the CCG QIPP will need to align to this. It is expected CCG QIPP value will be reduced by QIPP value being led by ESR although clarity around this is required in how this will operate in practice.