

14 June 2011	ITEM 4
Health and Well-being Overview and Scrutiny Committee	
NHS South West Essex	
Report of: South West Essex PCT QIPP Programme Report Andrew Pike, Chief Executive, NHS South East Essex and NHS South West Cluster	
This report is Public	
Purpose of Report: To outline progress against the PCT's delivery of Turnaround /QIPP schemes for 2010/11 and 2011/12.	

EXECUTIVE SUMMARY

The purpose of this report is to provide an update in relation to progress made against Turnaround / QIPP schemes during 2010/11 and 2011/12 to date (See **Appendix 1**) and provide an overview of the monitoring mechanisms in place across the South Essex system to ensure delivery of these schemes is achieved.

The total value of the savings identified for 2011/12 is £45.2m. The forecast achievement to date is £43.7m – a 97% YTD yield. The key variances between forecast and the target for Month 1 relate to:

- Referral Management Centre - £0.05m delivered vs plan of £0.1m.
- List Validation - £0m delivered vs a plan of £0.01m - although all milestones have been delivered the financial phasing needs to be reviewed as savings will not be realised until July. This will not impact on the year end savings target.
- Review of rent and rates - £0m delivered against a plan of £0.1m. This is due to ongoing negotiations with practices in relation to reimbursement of funds to the PCT.

1. RECOMMENDATIONS:

1.1 To note the content of this report.

2. INTRODUCTION AND BACKGROUND:

- 2.1 This System-Wide QIPP Plan sets out the financial challenge facing the NHS in SW Essex over the next four years and the opportunities to improve both quality and productivity, to secure high quality patient care and financial balance.

Over the next four years the health system faces a financial challenge of £167.5m. Productivity opportunities of £183.6m have been identified to meet this challenge, so that over the four year period the system can deliver a small surplus.

Summary of system wide financial challenge and productivity opportunities

	2011/12	2012/13	2013/14	2014/15	Total
Financial Challenge	98.29	30.40	22.32	16.53	167.54
Productivity Opportunity	98.52	34.73	25.79	24.59	183.62
Headroom/(Shortfall)	0.23	4.33	3.47	8.06	16.08

The financial challenge is much greater in 2011/12 as the health system seeks to unwind the challenges of the current year financial performance. As a system the financial challenge in 2011/12 is estimated as £98.3m. We have identified productivity opportunities of £98.5m to address this challenge. Appendix 1 attached to this report outlines progress to date in relation to delivery of Turnaround / QIPP schemes for south west Essex.

3. QIPP System-Wide Governance Structure

- 3.1 To ensure robust monitoring mechanisms are place in terms of delivery against QIPP schemes during 2011/12, the PCT has established a number of QIPP Delivery Boards for the four system QIPP Workstreams that require a whole system approach to their development and delivery. These are supplemented by a LD Joint Commissioning group, Primary Care Sub-Group, Public Health Sub-Group and a South Essex Infrastructure group, to provide a governance structure that can oversee the full range of QIPP delivery and joint commissioning activity. To free up management time and simplify accountability arrangements these Delivery Boards will replace the various existing groups in operation within the PCT and across partner organisations.

The Delivery Boards will oversee the development and implementation of the detailed proposals for productivity and quality improvements. They will be the key forum for system wide discussion of the delivery of QIPP, emerging challenges and the development of system owned solutions. The Delivery Boards for Mental Health and Children and Maternity have been established on a South Essex basis to reflect existing partnership arrangements and to embed the clustering process. Planned and Unplanned Care workstreams have been initially established as separate Boards for South West and South East Essex with joint weekly monitoring meetings taking place to share learning across south Essex.

The breakdown of saving schemes assigned to each of the QIPP Delivery Boards is noted below:

2011/12 QIPP Savings	South West Essex	(Gross) South East Essex	Total
Planned care	(25,389)	(7,698)	(33,087)
Primary Care	(2,901)	(163)	(3,064)
Unplanned Care	(7,545)	(13,025)	(20,570)
Mental Health and LD	(4,657)	(3,004)	(7,661)
Children and Maternity	(936)	(434)	(1,370)
Public Health	(278)	(500)	(778)
EOE Ambulance	(300)	(293)	(593)
EOE Specialist Commissioning	(2,600)	(1,101)	(3,701)
Infrastructure	(11,051)	(3,255)	(14,306)
Governance	0	0	0
Total	(55,657)	(29,473)	(85,130)

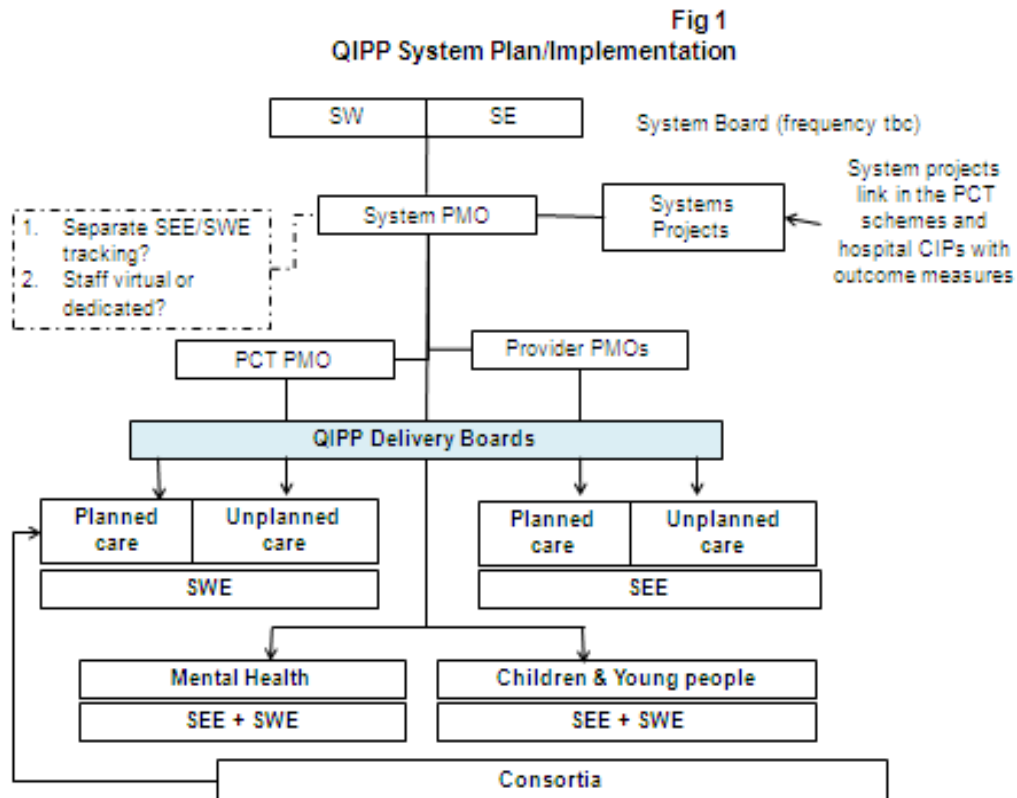
3.2 A South Essex PCT Programme Management Office (PMO) has been established to support project leads in the development, review and monitoring of their workschemes, adopting the principles established by the NHS South West Essex Turnaround programme.

3.3 The proposed reporting structure for QIPP and Joint Commissioning is set out in **Figure 1** below. The South Essex system has recently established a South Essex System Board to oversee the delivery of QIPP across South Essex and remove any potential barriers to delivery of schemes, driven by QIPP resources and two Clinical Executive Committees. The frequency of the System Board meetings is yet to be agreed by Chief Executives. The System Board is to be supported from June 2011, by a Joint System PMO comprising of the following key posts:

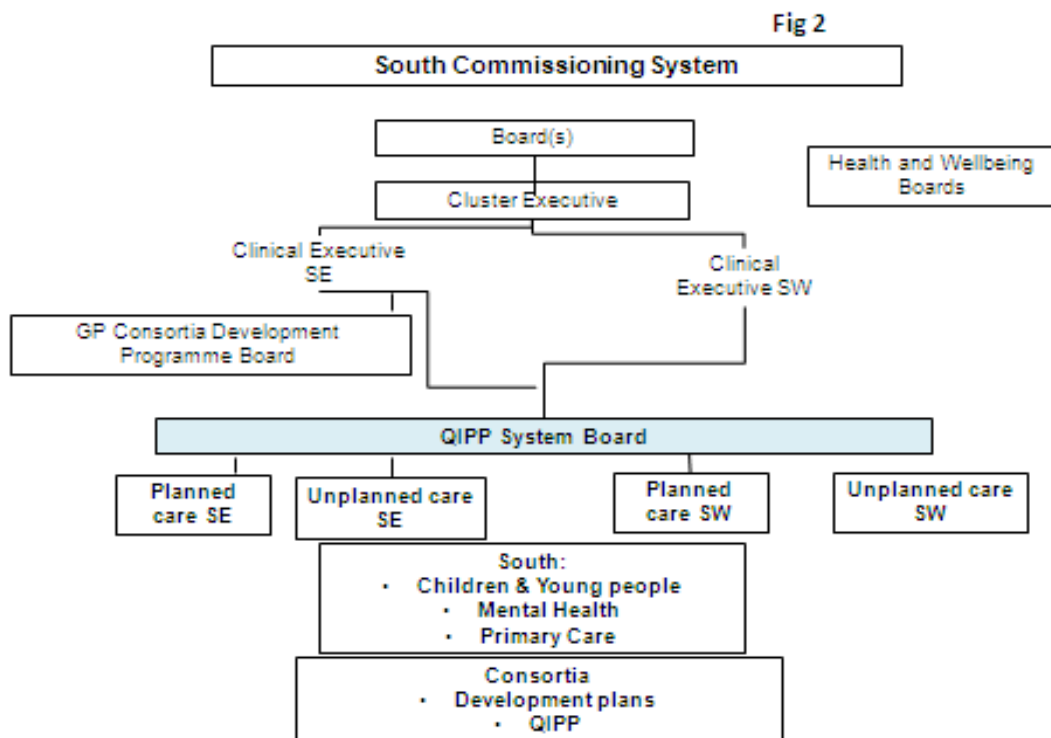
- Executive Director
- Senior Finance Lead
- Information Analyst
- Admin Support

The priority areas identified to date to be monitored by the Joint System PMO are noted below:

- Planned and Unplanned Care
- Children and Maternity
- Mental Health and LD
- Repatriation
- Diagnostics



3.4 The proposed System-Wide QIPP accountability structure is set out in Figure 2 below, which highlights the involvement of GP consortia in this process.



3.5 The QIPP Governance workstream has been established to ensure that there has been sufficient patient and clinical engagement in relation to any QIPP

scheme that impacts on service provision. Project Leads are required to include both patient and clinical representatives on individual project working groups and the Governance Workstream will review project workbooks to ensure that this has taken place. The group will also consider any potential impact upon clinical quality and patient safety.

4. CONSULTATION (including Overview and Scrutiny, if applicable)

4.1 N/A

5. IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT

5.1 N/A

6. CONCLUSION

6.1 N/A

BACKGROUND PAPERS USED IN PREPARING THIS REPORT:

- None.

APPENDICES TO THIS REPORT:

- Appendix 1 – South West Essex QIPP Programme PCT Board Report 26th May 2011.

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