

**Further Development of the NHS North Central London Commissioning
Strategy and QIPP Plan 2012/13 – 2014/15
Report to the Joint Overview and Scrutiny Committee**

27 February 2012

1. Summary

The draft Cluster Commissioning Strategy and QIPP Plan (2012/13 – 2014/15) was submitted to NHS London on 2 December as planned. Feedback on the draft acknowledges the comprehensiveness of our Case for Change and indicates support for our vision, strategic goals and the four Strategic Programmes (Prevention, Primary Care, Integrated Care and Clinical Effectiveness) that we have developed to address the key challenges outlined in the Case for Change. NHS London's primary concern with our plan mirrors our own and relates to the need for further QIPP in order to improve the financial position of the Cluster overall, and in particular, to address the projected financial deficits in Barnet, Enfield and Haringey. An action plan has been developed and agreed with NHS London to support the completion of the Plan by the end of February 2012 the main thrust of which focuses on:

- Assuring and increasing the value of the Plan
- Preparing for implementation of 2012/13
- Understanding the impact of the changes on commissioners and providers

During December and early January work has focused on identifying additional stretch potential from existing schemes and scoping potential additional opportunities. Alongside this a further review of planning assumptions and the likely 2011/12 exit rate, based on our month 08 position, has been undertaken in order to update the predicted run rate for 2012/13 and financial challenge for future years. This has identified a financial gap before QIPP for 2012/13 of £105m and £151m by 2014/15. The value of assured schemes currently remains at £45m with potential additional opportunities of £31m identified leaving a remaining gap for 2012/13 of £29m.

The intention over the next few weeks is to increase the value of the plan to 24% above what is required in line with good practice for such programmes (to allow for delay or under deliver of initiatives) whilst in parallel increasing the proportion of the initiatives that are assured as outlined in the table below;

	2/12/11	30/1/12	27/2/12	31/3/12
Total value of initiatives	£75.3m	£110m	£120m	£130m

*Assured initiatives value to requirement	£45m	£60m	£85m	£105m
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*Assurance reflects an aligned PMO/SRO/Project Lead/Finance/Borough view in terms of deliverability quantum and timing.

In overall terms this approach is intended to secure for 2012/13;

- A balanced position for the Cluster
- All PCTs achieving run rate (i.e. recurrent) balance during 2012/13
- Generation of sufficient funds to enable investment to improve health outcomes in all PCTs in 2012/13
- Use of non recurrent income and available capital to pump prime change and transition.

In parallel with this work on increasing value and initiative assurance, work is underway to review and improve the overall system leadership management, governance and delivery of the QIPP Programme in order to optimise implementation/execution in 2012/13. The intention is to begin mobilisation of priority initiatives in mid February prior to formal implementation from the beginning of April.

Initial presentations on the Plan have taken place with all Clinical Commissioning Groups and further are planned for February Board meetings. Engagement with providers on the Plan continues, on both a collective and bilateral basis, and 2012/13 initiatives will form a key element of contract negotiation discussions.

The Cluster has also submitted the first draft of the Operating Plan for 2012/13 to NHS London. The Operating Plan is due for completion by 9 March 2012. There is significant overlap between the work to complete the Strategic and Operating Plans. Teams are working together to ensure that work is appropriately coordinated and integrated

2. Next Steps:

Work to complete the Commissioning Strategy and QIPP Plan will continue in line with the action plan with regular reporting of progress to Senior Leadership Team prior to presentation of the complete Plan to the Joint Boards seminar in February.