DRAFT

NHS
Croydon
Clinical Commissioning Group

Draft Improvement and RecoveryPlan

Presentation

8 December 2016

Longer, healthier lives for
all the people in Croydon

Strategic Alignment of Financial Recovery and the SWL STP

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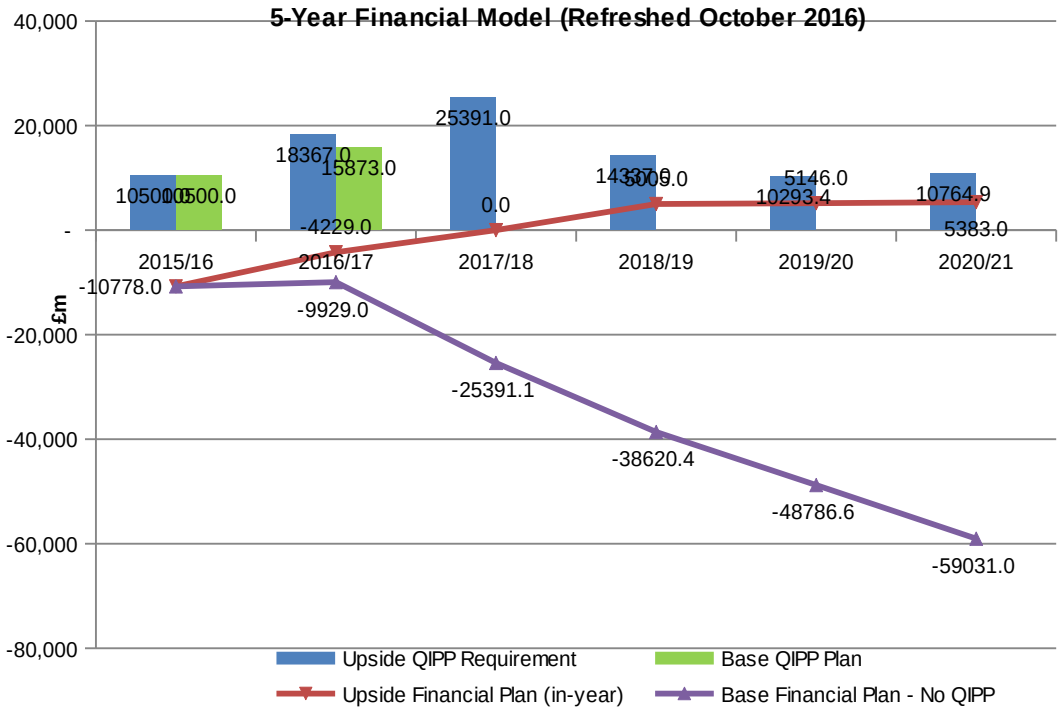
Key Drivers of the 'Do Nothing' Plan

We are aiming to deliver in-year financial balance by 2017/18.On route to that, we are forecasting to deliver a financial deficit for 2016/17 of £9.9m.The graph opposite compares this plan with the impact of not delivering QIPP schemes – 'doing nothing'. This shows the importance of our delivering the annual QIPP schemes.

The key assumptions underpinning the forecast can be seen in Appendix 2, however a summary of key assumptions are:

- Allocation growth (programme) – 5.86% in 2016/17, 2.57% - 2.86% in 2017/20 and 4.65% in 2020/21;
- Gross provider efficiency (Acute) – 2.0%;
- Provider inflation (Acute) – 3.6% in 2016/17, 2.2% in 2017/18, 2.3% in 2018/19 and 2.4% thereafter;
- We anticipate OBC to begin realising financial benefits (over 65 QIPP) from 2017/18; and,
- QIPP savings (under 65s) are net of investment costs and savings assumed to realise in full.



Our focus for 2016/17

Given our successes in 2015/16, our organisational focus for 2016/17 is:

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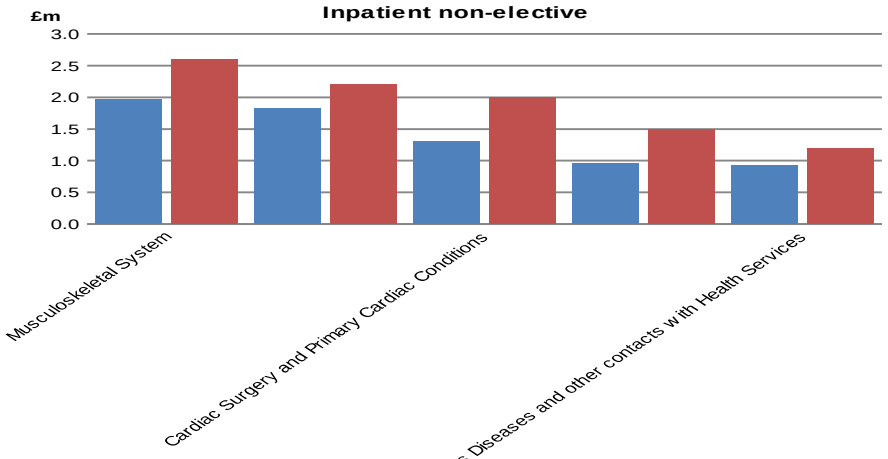
Benchmarking analysis - Acute

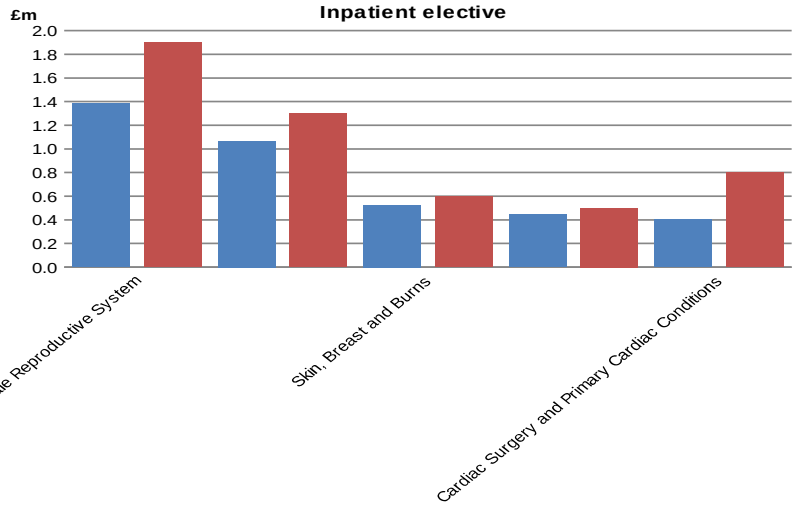
Acute benchmarking against our peers

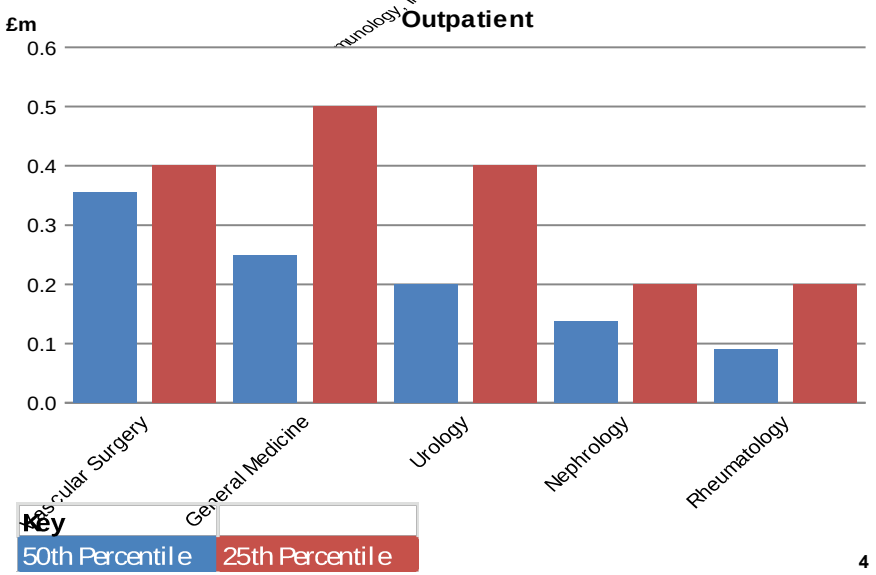
Benchmarking has recently been updated and savings of £16.1m (50th percentile) have been identified. The following table and charts summarise the disease chapters where the highest potential savings are available at 50th and 25th percentile.

Care Type	2014 Savings opportunities (£m)	Savings delivered in 2014/15 (£m)	2015 Savings opportunities 50th Percentile (£m)	2015 Savings opportunities 25th Percentile (£m)
Inpatient non-elective	5.5	2.8	9.7	15.7
Inpatient elective	7.4	3.51	3.8	7.6
Outpatient	1.4	1.72	1.0	1.8
A&E care	0.7	0.14	1.5	2.5
	15.1	**8.17**	**16.1**	**27.6**

Note that the 25th percentile values shown in the charts correspond to th
therefore does not imply that these are the top 5 under the stretch scenario.







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2017/18+ Expenditure Reduction Plans

The following table summarises the expenditure reductions plans with detail behind each line in the following tables.

Schemes	20/17/18 Additional £000s	2018/19 Additional £000s	2019/20 Additional £000s	2020/21 Additional £000s
2016/17Wave 1	2,822	1,600	600	600
2016/17 Wave 2 + 3	7,347	2,610		
2017/18New	14,669	10,779	6,679	6,680
Tobe identified	4,456	(652)	3,014	1,635
TOTAL EXPENDITUREREDUCTION	**29,294**	**14,337**	**10,293**	**8,915**
% of Allocation	**6.0%**	**2.9%**	**2.0%**	**1.9%**

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2017/18+ Expenditure Reduction Plans

2016/17Wave 1 Schemes – Full Year Effect	20/17/18 Additional £000s	2018/19 Additional £000s	2019/20 Additional £000s	2020/21 Additional £000s
Cardiology	446			
ComplexPatients	500	500		
Trauma& Orthopaedic	320			
Digestive System	184			
UrgentCare	36			
Procedures of Limited Effectiveness	300			
Prescribing Waste	600	600	600	600
Reduced Variation in Referrals/Access	400	500		
Neuro Rehab	36			
TOTAL Wave 1	**2,822**	**1,600**	**600**	**600**

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2017/18+ Expenditure Reduction Plans

2016/17Wave 2 + 3 Schemes – Full Year Effect	20/17/18 Additional £000s	2018/19 Additional £000s	2019/20 Additional £000s	2020/21 Additional £000s
RedesignReferral Management Service	200			
Community Contractefficiency	420	460		
Fertility Treatment (inclIVF)	700			
Reduce developmentcost of OBC	100			
GP Local EnhancedServices	250			
RefocusVoluntary Sector Contracts	75	200		
Effective/Appropriate Prescribing	493			
Urgent Care Flows (Non local sites)	50	450		
Diabetes	500			
Paediatric Asthma	200			
Evergreen	400			

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2017/18+ Expenditure Reduction Plans

2017/18 New Schemes	20/17/18 Additional £000s	2018/19 Additional £000s	2019/20 Additional £000s	2020/21 Additional £000s
Strategic:A&E Attendances	900	900		
Strategic: Emergency Admissions	1,700	1,700		
Strategic:Prevention and Pubic Health	802	802	802	802
Strategic: Outpatients	2,137	2,137	2,137	2,137
Strategic:Elective Inpatients/Day Case	1,540	1,540	1,540	1,540
Medicines Optimisation	1,700	1,200	1,200	1,200
Mental Health	2,300	500		
ContinuingHealth Care	2,000	2,000	1,000	1,000
Learning DifficultyPlacements	1,000			
Urgent CareProcurement	590			
Unidentified	4,456	(652)	3,014	1,635
TOTAL New Schemes	**14,669**	**10,779**	**6,679**	**6,680**

Expenditure Reduction initiatives we are not taking forward

The required pace of change has meant that the CCG has explored a variety of options to reduce expenditure. These have been assessed against a set of criteria (see Appendix 4) in order to ascertain whether the option is viable for further investigation. The criteria is centred on the ease of implementation vs the financial benefit. Based on the results of this assessment, some of the options tabled have not been considered. Below we have outlined a selection of these.

Expenditure ReductionInitiative	Rationale
Reducing investment in the Better Care Fund (BCF)	Withdrawing funding would impact the delivery of the OBC model for the over 65s. It would reverse the CCG's ability to reduce non-elective admissions in the short and long-term, at the detriment of patient care and increased cost to the NHS.
Referral to treatment:increasing waiting times for outpatients, diagnostics and elective surgery	Extendingwaiting times for a number of appointments and treatments would have a significant short term impact on patient care.
Reducing GP hubs inthe borough from four to three	Thepublic has recently been engaged on this model and based on the outcomes of this, this would not be help to achieve the CCG's objectives for the redesign of Urgent Care.
Reducing funding to Child and Adolescent Mental Health Services (CAMHS)	Given the preventative impact thatthese services have in reducing mental health in later life, the CCG decided against making savings from this initiative.
Reducing investmentaround Outcomes Based Commissioning (OBC)	Althoughthe CCG will seek to minimise costs as far as possible, the OBC is a crucial way of making the local health and social care economy sustainable in the longer term.