



FINANCIAL RECOVERY PLAN

2017-19

October 2017

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EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Harrow CCG understand the challenge and are taking control of 2017/18's financial performance

- The CCG has historical resourcing challenges
- In 2017/18 the overall financial savings requirement is £18.1 million (c 6% of turnover)
- The solution to meeting this challenge is to work at scale:
 - Greater resources to focus on financial recovery
 - A single Programme Management Office (PMO)
- In 2017/18 CCG began adopted a Recovery Plan approach.
- The financial recovery needs is a two year programme
 - Recovery includes service transformation and Quality, Innovation Productivity and Prevention (QIPP) approaches
- The Governing Body are committed to meeting the financial obligations working with patients, the public, staff and stakeholders
- Financial recovery will be enabled through delivery of transformation and out of hospital strategy



FINANCIAL CONTEXT



FINANCIAL CONTEXT

Turnaround timeline

- At the beginning of 2017/18 Harrow CCG established the Recovery Programme.

- Since May 2017 CCG has:
 - Created the Programme Management Office
 - Employed a Recovery Director
 - Further developed the approach to financial recovery

- The financial position of the CCG requires that regular assurance is provided to NHS England. This is provided on a monthly basis to the Regional Director for London.



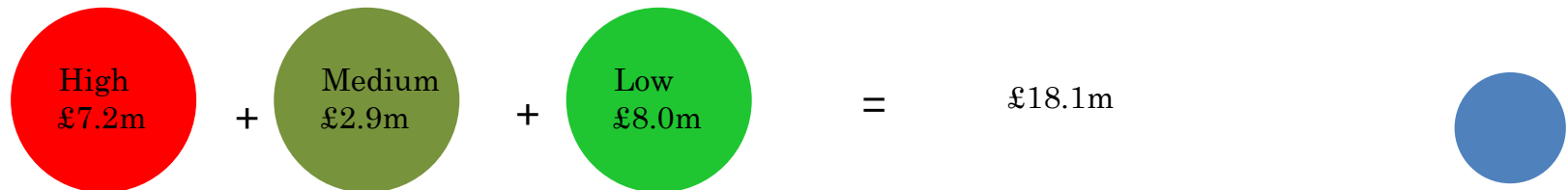
FINANCIAL CONTEXT: QIPP

Overview 2017/18

Key Messages

1. The current financial risk of QIPP delivery
 - High financial risk equates to £7.2m (Red)
 - Medium financial risk equates to £2.9m (Amber)
 - Low financial risk equates to £8.0m (Green).
2. The table below outlines CCGs position

Category	Context	Red / Amber risk	Value
QIPP Programme Value 2017/18	5.5% CCG Resource	56% / £10.1m (of total QIPP)	£18.1m
Top 10 Schemes	71% total QIPP	55% / £7.0m(of total QIPP)	£12.8m
NWL Led schemes	14% total QIPP	87% / £2.2m (of total NWL QIPP)	£2.5m



APPROACH TO FINANCIAL RECOVERY



APPROACH TO FINANCIAL RECOVERY

- To meet the financial challenge the CCG is taking difficult decisions and managing changes at greater pace. Key actions underway include:
 - Dedicated recovery support
 - Strengthened Governance, monitoring and reporting, including the development of the Programme Management Office
 - Controls and scrutiny of existing plans and assumptions
 - Strengthened deliverability of existing plans
 - Continuous exploration and challenge of all areas of spend to identify additional savings
 - ✓ Line by line review of contracts
 - ✓ Clinically led reviews
 - Development and delivery of the Financial Recovery Plan
 - ✓ To be approved by Governing Body



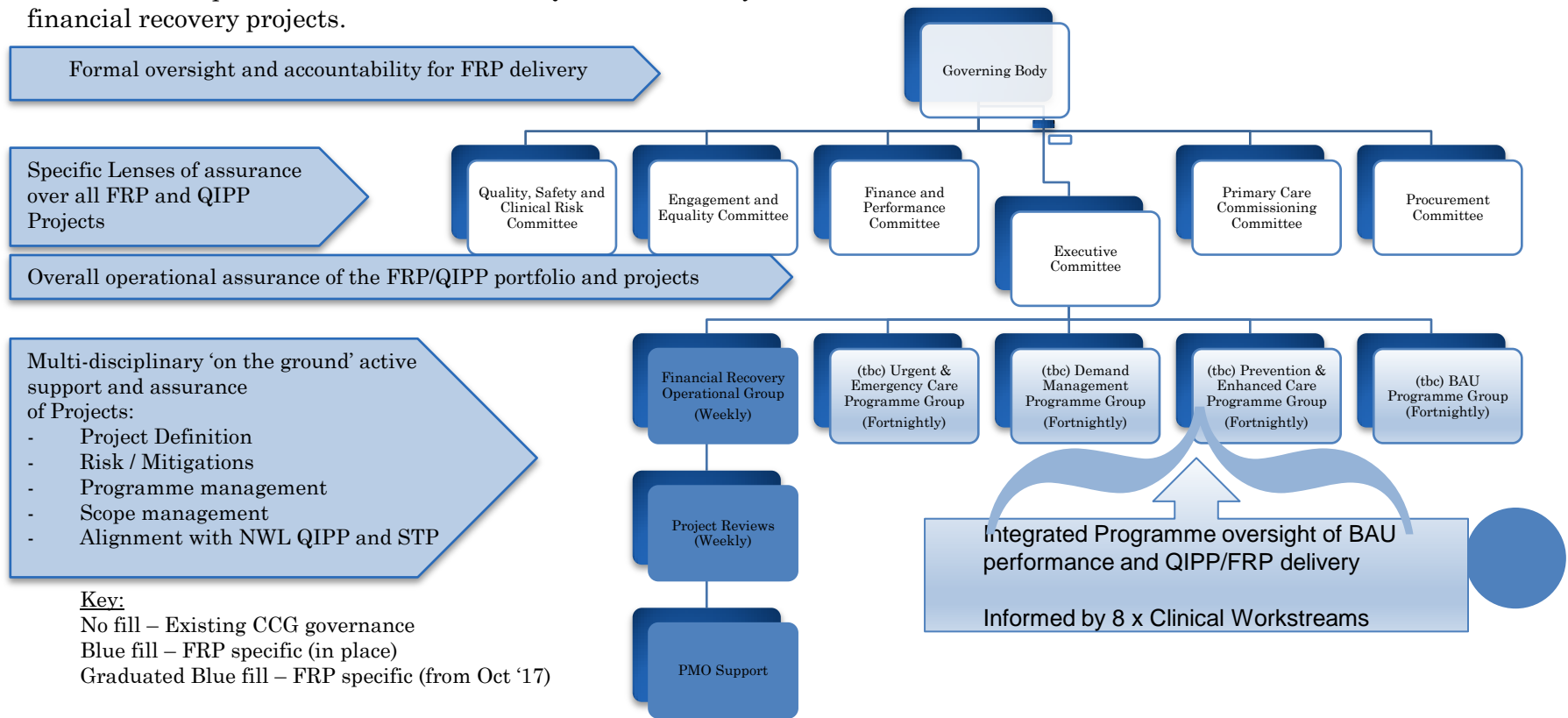
PROGRAMME GOVERNANCE AND DELIVERY ARRANGEMENTS

The Programme governance arrangements have been strengthened with the establishment of a Financial Recovery Operational Group and weekly series of Project Reviews. It has also been firmly rooted in to the existing CCG Committee based assurance structure.

Imminent plans are in place to establish 4 Programme Boards, each supported by a dedicated Programme Manager to drive forward programme delivery. It is planned that these will be in place during October 2017.

Programme governance is additionally supported by a significantly enhanced and strengthened PMO staffed by experienced specialists deploying proven tools and techniques based on Prince methodologies.

The current scope for the PMO is FRP and QIPP related Projects. From October this will be extended to include non clinical financial recovery projects.



DETAIL OF RECOVERY ACTIONS



DETAILS OF RECOVERY ACTIONS

Components of the plan

The plan summarises the actions and underpinning processes to support the delivery of the FRP in year and on a recurrent basis.

The key objectives of the Financial Recovery Plan are to deliver the Control Total, improve the organisation's underlying recurrent position, mitigate potential risks in the CCGs savings plans, and outline the enhanced financial management and controls the CCG has put in place.

The plan also considers the organisational development needs and measures to ensure the sustainability of the CCG



RISKS AND MITIGATIONS



MANAGING FINANCIAL RISK – NET RISK

- Strengthen existing QIPP schemes working across Harrow and North West London initiatives across 8 CCGs
- Build an additional pipeline of schemes into 18/19
- Tighten monitoring and control of savings at scale
- Tighten acute contract over performance
- Continuing Health Care





Harrow

Clinical Commissioning Group

SUMMARY



SUMMARY

Key messages

The Governing Body is firmly committed to delivering its financial obligations and maintaining and where possible improving services commissioned on behalf of the residents of Harrow.

Every opportunity within the CCG's gift is being fully explored. The CCG Leadership Team is committed to delivering a communication and engagement process that will enable challenging decisions to be taken.

Efforts are being made to ensure that the CCG have the right resources and capabilities in place, and that the whole organisation is fully focused on delivering savings and securing a strong and sustainable financial position in-year.

Planning is also being undertaken strategically to ensure that financial savings are maximised over the longer term and are aligned to the wider changes across the system, including, for example, the Sustainability and Transformation Programme (STP).



SUMMARY



Harrow

Clinical Commissioning Group

Further development

Harrow CCG will continue to work closely with all stakeholders to communicate the changes necessary to the delivery of its plans and to keep partners engaged.

