

The Royal Wolverhampton Hospitals NHS Trust		
<b>Report to the Trust Board</b>		
<b>Meeting Date:</b>	18 April 2011	
<b>Title:</b>	QIPP Challenges & Future Governance Arrangements	
<b>Executive Summary:</b>		
<b>Action Requested:</b>	<p>That The Trust Board:</p> <ul style="list-style-type: none"> <li>• Note the need to establish a city wide Transformation Group, and approve RWHT's participation.</li> <li>• Agrees the option outlined and to progress dialogue with PCT &amp; Local Authority colleagues on the adoption of this model.</li> </ul>	
<b>Report of:</b>	Chief Operating Officer	
<b>Author: Contact Details:</b>	Performance & Programme Director <a href="mailto:Simon.Evans@wolvespct.nhs.uk">Simon.Evans@wolvespct.nhs.uk</a>	
<b>Resource Implications:</b>		
<b>References: (eg from/to other committees)</b>		
<b>Appendices/ References/ Background Reading</b>		
<b>NHS Constitution: (How it impacts on any decision-making)</b>	<p>In determining this matter, the Trust Board should have regard to the Core principles contained in the Constitution of:</p> <ul style="list-style-type: none"> <li>• Equality of treatment and access to services</li> <li>• High standards of excellence and professionalism</li> <li>• Service user preferences</li> <li>• Cross community working</li> <li>• Best Value</li> <li>• Accountability through local influence and scrutiny</li> </ul>	
<b>Background Details</b>		

## **1 Purpose of report**

To recognise the challenges faced by the Health Economy in terms of delivering significant financial challenges and transformational change. Secondly, to identify the need for a city-wide approach to ensure there is understanding and alignment of transformation plans, reducing duplication in the programmes of work being undertaken by the organisations involved in order to deliver maximum efficiency and improved services.

## **2 Recommendations**

That the board:

1. Notes the need to establish a city-wide transformation group.
2. Agrees the option outlined and to progress dialogue with PCT and Local Authority colleagues on the adoption of this model.

## **3 Detail**

QIPP (Quality, Innovation, Productivity & Prevention) is a national scheme aimed at helping organisations identify and implement a range of quality and efficiency related workstreams. It is in response to the financial pressures being experienced by the service. A range of schemes have been identified where productivity savings could be driven at a National, Regional and PCT level. This report details the local QIPP challenges and arrangements. The recently developed QIPP Systems Plan clearly demonstrates the financial challenge that faces the Wolverhampton Health Economy. By 2014/15, Wolverhampton City PCT (and its successor bodies) must deliver recurrent QIPP savings of £21.5m, with a further £38m being delivered through price efficiency. The Royal Wolverhampton Hospitals Trust needs to deliver an additional £40m worth of savings whilst the Wolverhampton City Council Adult Social Care Directorate needs to deliver further substantial savings.

Each of these organisations has developed a series of savings projects and cost improvement programmes that enable these savings to be made, for the PCT the savings profile is fully documented within the QIPP Systems Plan. RWHT Long Term Financial Model includes the level of savings required to deliver savings.

The above shows the size of all financial challenge on all organisations. However delivery of the projects can only be achieved through co-operation and an understanding of the impact that the changes may have on each of the organisations involved. To this end it is proposed that a city-wide transformation group is established. The suggested purpose of this group is described below:

1. To understand the impact of individual organisational change plans across the health economy
2. To better co-ordinate the delivery of transformation plans across all organisations
3. Oversee clinical pathway and service re-design work
4. Resolve disagreements and remove blockages that individual projects may be facing
5. Promote further joint working across the Health & Social Care sector

This approach seeks to build upon the strong partnership working that currently exists across the City. Indeed, there are already a number of City wide groups that currently exist including; end of life care, long term conditions, reablement, urgent care and trauma & orthopaedics and the annual work that goes into delivering the winter plan for the City.

This is not an exhaustive list and neither does it show the levels of engagement that exist from the relevant organisations. However it does indicate that there is significant co-operation and joint working already being undertaken. Assuming all organisations agree to the proposals, it is important to stress that each organisation must provide a suitable representative(s) for the Citywide Group, in that the relevant individuals have the delegated autonomy and can ensure that any decisions reached at this group can be operationalised within their individual organisations. This action alone helps to ensure the credibility of the group and will enhance its chance of success. This level of engagement delivered many changes in the past through the Transfer of Care Board.

Each organisation would still be required to have internal assurance on its own savings schemes. The diagram attached at **Appendix 1** presents an option to be considered and has been proposed as a way of working.

#### **4 Risks**

The detailed financial position described within the plan has been constructed using the financial modelling data provided by the Wolverhampton PCT and Royal Wolverhampton Hospital Trusts, the assumptions made in the plan are very much dependent upon the organisations delivering the QIPP schemes, and associated benefits, failure to do so impacts on the overall financial picture for both organisations and the City as a whole.

Failure to agree on an agreed process for sharing transformation activity and schemes of work could lead to duplication of work and effort, reduced impact, a lack of support, co-operation and ultimately failure to deliver the transformational projects that are required across the City.

# QIPP Challenges

- ◆ Need more clinical involvement in QIPP projects
- ◆ Need to agree on process for working with all stakeholders
- ◆ Acute, LA and commissioning projects also exist- how do we align with QIPP

