







Trust Board Report

Meeting Date:	23 September 2013
Title:	Report of the Change Programme Board
Executive Summary:	<p>This report provides the Board with an update of the progress of the Change Programme for Month 5.</p> <p>It provides an overall financial position, the view of the progress for schemes during August and an assessment of the quality impact of the programme.</p>
Action Requested:	To note: current progress
Report of:	Director of Planning and Contracting
Author: Contact Details:	<p>Head of Performance</p> <p>Tel: 01902 694366 Email: simon.evans8@nhs.net</p>
Resource Implications:	None associated with this report
Public or Private: (with reasons if private)	Public Session
References: (e.g. from/to other committees)	Change Programme Board
Appendices/ References/ Background Reading	<p>Appendix A – Financial Phasing</p> <p>Appendix B – Monthly Performance Summary</p> <p>Appendix C – Quality Impact Summary</p>
NHS Constitution: (How it impacts on any decision-making)	<p>In determining this matter, the Board should have regard to the Core principles contained in the Constitution of:</p> <ul style="list-style-type: none">  Equality of treatment and access to services  High standards of excellence and professionalism  Service user preferences  Cross community working  Best Value  Accountability through local influence and scrutiny

Detail

1 FINANCE UPDATE

This report details the month 5 position for the Trust's cost improvement plan for 2013/14. The Trust CIP target for 2013/14 is £21.28m, comprising £14.74m for 2013/14 and £6.54m brought forward from 2012/13.

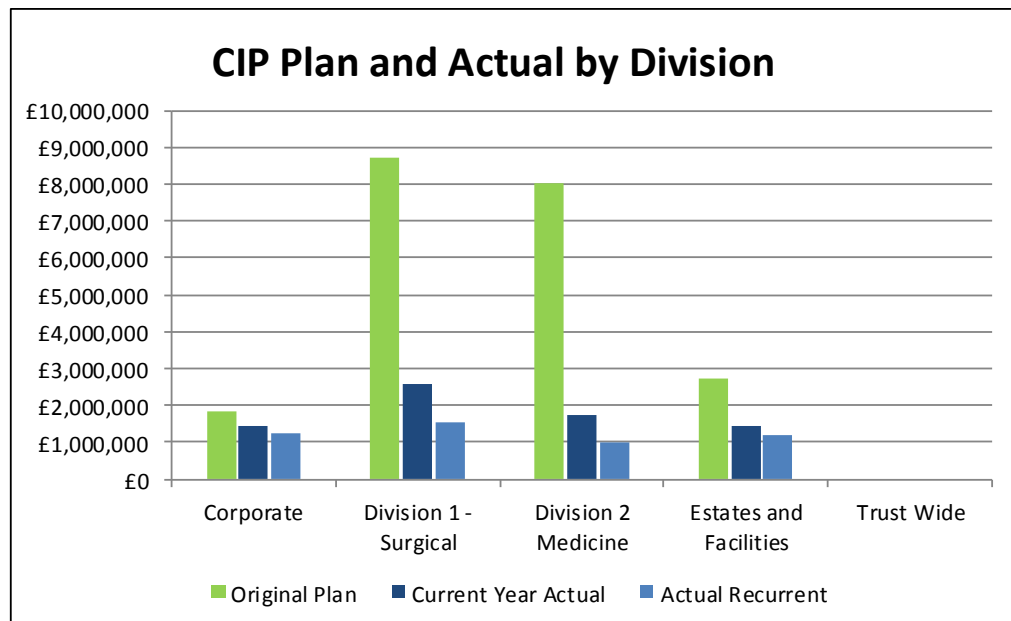
1.1 2013/14 MONTH 5

As at month 5 a total of £7.14m (£1.1m in month) has been removed from budgets against the 2013/14 target of £21.28m, this represents 33.5% of the annual amount. The target performance was for 46% of the annual plan to have been achieved to date. The Trust has underachieved against the month 5 plan by £400k and the underperformance year to date is £2.66m.

	Original Plan	Revised Plan	Year To Date Target	Current Year Actual	YTD Variance	Actual Recurrent
Corporate	£1,818,161	£1,773,818	£1,278,012	£1,417,253	£139,241	£1,249,414
Division 1 - Surgical	£8,717,100	£8,549,920	£3,969,970	£2,560,228	(£1,409,742)	£1,526,634
Division 2 Medicine	£8,022,095	£7,867,303	£2,742,591	£1,713,690	(£1,028,901)	£997,502
Estates and Facilities	£2,725,938	£2,692,252	£1,809,830	£1,449,007	(£360,823)	£1,194,350
Trust Wide	£0	£400,000	£0	£0	£0	£0
	£21,283,294	£21,283,294	£9,800,403	£7,140,178	(£2,660,225)	£4,967,900

1.2

The recurrent element of the year to date achieved is £4.97m, this results in a shortfall of £4.8m against the year to date targets. The recurrent amount achieved against the annual target is 23%.



1.3 2013/14 Monthly Detail

Appendix A details the monthly targets and performance by Division. This shows that in month 72% of the monthly target has been achieved, with no Division achieving to target.

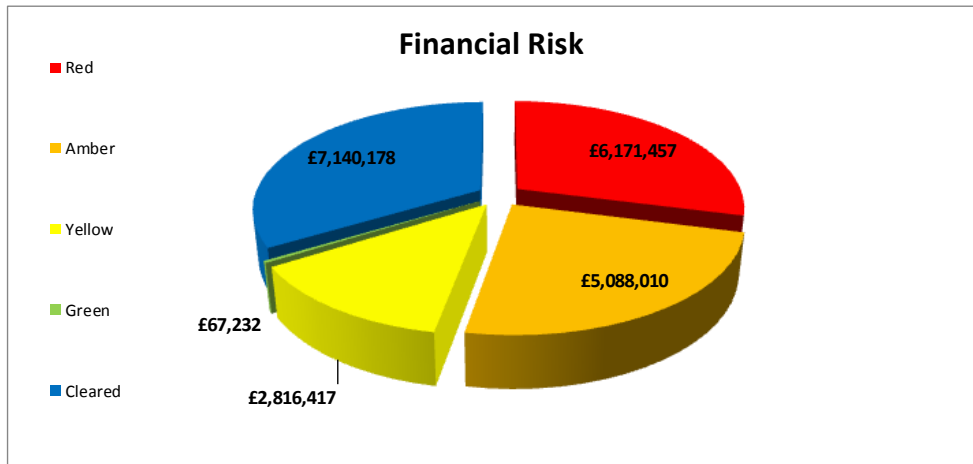
The monthly phasing of the plan is also detailed in Appendix A.

1.4 Financial Risk

The total of schemes identified as red risk in 2013/14 is £6.2m, 29% of the total. Amber risk schemes, at risk of not achieving, total £5.1m, 24% of the total. The level of red and amber risk is a major cause for concern, totalling £11.2m.

The following tables summarise the financial risk position:-

Financial Risk Summary	Red	Amber	Yellow	Green	Cleared
Corporate	£228,154	£65,496	£62,915	£0	£1,417,253
Division 1 - Surgical	£3,227,510	£741,050	£2,021,132	£0	£2,560,228
Division 2 Medicine	£2,145,183	£3,396,246	£581,952	£30,232	£1,713,690
Estates and Facilities	£570,610	£485,217	£150,418	£37,000	£1,449,007
Trust Wide	£0	£400,000	£0	£0	£0
Totals	£6,171,457	£5,088,010	£2,816,417	£67,232	£7,140,178



Blue	Achieved
Green	Ready to be removed next month
Yellow	Low risk and planned to be achieved later in year
Amber	High risk to deliverability
Red	No confidence of delivery

2	Month 5 Performance																																							
2.1	<p>The cumulative position as at the end of August shows an under-achievement of £2,660,225 for the Trust as a whole. Within this, the financial position for month 5 is as follows:</p> <table border="1" data-bbox="370 427 1303 562"> <tr> <td>Totals Plan</td> <td>£1,452,123</td> <td>% of Plan Achieved (Month)</td> <td>72%</td> </tr> <tr> <td>Totals Actual</td> <td>£1,052,513</td> <td>% Annual Target Achieved</td> <td>34%</td> </tr> <tr> <td>Totals Variance</td> <td>(£399,610)</td> <td></td> <td></td> </tr> </table>	Totals Plan	£1,452,123	% of Plan Achieved (Month)	72%	Totals Actual	£1,052,513	% Annual Target Achieved	34%	Totals Variance	(£399,610)																													
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2.2	<p>In total 44 schemes have contributed to savings in month 5, of which 30 have delivered in full and closed. This means that 51% of schemes have been delivered to date.</p>																																							
2.3	<p>As a result of the 46 new schemes that were identified in month, a total of 105 schemes planned to deliver a CIP value in June; of these, 31 schemes have delivered the required amount or more. A detailed analysis of the in-month performance by division, and those schemes which are outstanding, for the month, can be found in appendix B.</p>																																							
2.4	<p>During August 46 schemes have been submitted, and approved, to mitigate against the gap, details of the total number of schemes and breakdown by Division can be found in the table below. Examples of schemes have also been provided.</p>																																							
2.5	<table border="1" data-bbox="330 1164 1345 1720"> <thead> <tr> <th>Scheme Title</th> <th>Value (£)</th> <th>Total Number of Schemes</th> </tr> </thead> <tbody> <tr> <td><u>Estates & Facilities</u></td> <td>£251,173</td> <td>12</td> </tr> <tr> <td>MPCE Non-recurrent savings (pay)</td> <td>£98,177</td> <td></td> </tr> <tr> <td>Skill mix review leading to removal of vacant post</td> <td>£23,395</td> <td></td> </tr> <tr> <td><u>Division Two</u></td> <td>£516,032</td> <td>27</td> </tr> <tr> <td>Non-recurrent savings from skill mix review of vacant post</td> <td>£50,000</td> <td></td> </tr> <tr> <td>Adult Community - Management Skill Mix Review</td> <td>£81,000</td> <td></td> </tr> <tr> <td><u>Division One</u></td> <td>£436,465</td> <td>5</td> </tr> <tr> <td>Pathology – Over Performance of Direct Access Activity</td> <td>£200,000</td> <td></td> </tr> <tr> <td>Cytology benefit</td> <td>£142,000</td> <td></td> </tr> <tr> <td><u>Corporate</u></td> <td>£22,500</td> <td>2</td> </tr> <tr> <td>CAJE (job evaluation) system replacement</td> <td>£15,000</td> <td></td> </tr> <tr> <td>TOTAL</td> <td>£1,226,170</td> <td>46</td> </tr> </tbody> </table>	Scheme Title	Value (£)	Total Number of Schemes	<u>Estates & Facilities</u>	£251,173	12	MPCE Non-recurrent savings (pay)	£98,177		Skill mix review leading to removal of vacant post	£23,395		<u>Division Two</u>	£516,032	27	Non-recurrent savings from skill mix review of vacant post	£50,000		Adult Community - Management Skill Mix Review	£81,000		<u>Division One</u>	£436,465	5	Pathology – Over Performance of Direct Access Activity	£200,000		Cytology benefit	£142,000		<u>Corporate</u>	£22,500	2	CAJE (job evaluation) system replacement	£15,000		TOTAL	£1,226,170	46
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2.6	<p>Additional schemes to close the gap are currently being progressed through the PMO and worked through the approval process. Supplementary details and progress on the schemes will be provided next month.</p>																																							

<p>3</p> <p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p> <p>3.5</p> <p>3.6</p> <p>3.7</p>	<p><u>Quality Update</u></p> <p>The PMO reviews the QIAs and has themed the schemes to enable scrutiny and triangulation to take place more easily. The themes are as follows:</p> <ul style="list-style-type: none"> • Procurement – reviewed this month • Patient productivity – reviewed August 2013 • Revenue – reviewed July 2013 • Workforce – reviewed June 2013 • Changes to clinical practice <p>Month 5 Overview – Procurement</p> <p>The procurement department has been tasked with identifying cost savings supporting the trust’s CIP target through procurement activity. The Change Programme Board need to understand the impact these changes have and be assured that there is minimal negative impact on the quality of patient care.</p> <p>There are in excess of 200 individual schemes that procurement manage through the normal contract renegotiation process. The main focus is to explore opportunities to save money through product standardisation initiatives and to ensure better value is obtained via robust contract management.</p> <p>A formal Clinical Engagement Group is in place, their purpose is to explore opportunities to save money, standardize products and switch to better value products whilst ensuring this does not impact adversely on patient quality including safety, effectiveness and experience.</p> <p>There is clinical engagement from Divisions within this group and the established terms of reference monitor and promote quality.</p> <p>It is recommended that the output from this Group be reported back to Directorates and Divisions through their Governance Meetings. Any concerns or risks around changes that impact on quality need to be taken back to the Clinical Engagement Group. These concerns should be brought back to the Change Programme Board in the quarterly divisional quality reviews.</p> <p>New PIDs in month</p> <p>There are 46 new PIDs in month 5 with no amber or red rated PIDs. All yellow rated PIDs have mitigation detailed.</p>
<p>4</p> <p>4.1</p>	<p><u>Further Actions</u></p> <p>Each division has produced delivery action plans identifying how the CIP programme will be delivered. Progress on the action plans are presented monthly to the Change Programme Board meeting.</p>

Appendix A - CIP Monthly Analysis

		Plan												
P/A/V	Directorate	April	May	June	July	August	September	October	November	December	January	February	March	Total
Plan	Corporate	816,943	197,997	43,108	148,107	71,856	71,857	70,659	75,657	75,656	75,657	75,657	50,657	1,773,815
Actual	Corporate	1,403,129	38,474	35,911	(118,094)	57,833	0	0	0	0	0	0	0	1,417,253
Variance	Corporate	586,186	(159,523)	(7,197)	(266,201)	(14,023)	(70,190)	(70,659)	(75,657)	(75,656)	(75,657)	(75,657)	(48,990)	(353,227)
Plan	Division 1 - Surgical	973,271	896,081	830,271	645,901	624,445	628,127	668,265	625,407	665,753	662,905	662,905	666,593	8,549,924
Actual	Division 1 - Surgical	806,121	236,796	178,022	1,058,484	280,805	0	0	0	0	0	0	0	2,560,228
Variance	Division 1 - Surgical	(167,150)	(659,285)	(652,249)	412,583	(343,640)	(611,460)	(668,265)	(625,407)	(666,590)	(662,905)	(662,905)	(649,926)	(5,957,199)
Plan	Division 2 Medicine	234,163	748,850	509,026	612,843	637,709	695,567	779,611	717,969	726,302	734,636	734,640	735,987	7,867,303
Actual	Division 2 Medicine	154,543	260,211	142,120	540,682	616,134	0	0	0	0	0	0	0	1,713,690
Variance	Division 2 Medicine	(79,620)	(488,639)	(366,906)	(72,161)	(21,575)	(672,233)	(779,611)	(717,969)	(726,302)	(734,636)	(734,640)	(712,661)	(6,106,953)
Plan	Estates and Facilities	729,528	668,724	118,526	174,526	118,526	118,526	146,525	118,525	118,524	118,523	118,523	143,276	2,692,252
Actual	Estates and Facilities	804,034	308,967	4,403	233,862	97,741	0	0	0	0	0	0	0	1,449,007
Variance	Estates and Facilities	74,506	(359,757)	(114,123)	59,336	(20,785)	(105,023)	(146,525)	(118,525)	(118,524)	(118,523)	(118,523)	(143,276)	(1,229,742)
Plan	Corporate - Other	0	260	(416)	(415)	(414)	(414)	38,902	94,901	66,900	66,901	66,900	66,895	400,000
Actual	Corporate - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Variance	Corporate - Other	0	(260)	416	415	414	414	(38,902)	(94,901)	(66,900)	(66,901)	(66,900)	(66,895)	(400,000)
Totals Plan		2,753,905	2,511,913	1,500,515	1,580,962	1,452,123	1,513,663	1,703,962	1,632,459	1,653,135	1,658,622	1,658,625	1,663,408	21,283,294
Totals Actual		3,167,827	844,448	360,456	1,714,934	1,052,513	0	0	0	0	0	0	0	7,140,178
Totals Variance		413,922	(1,667,465)	(1,140,059)	133,972	(399,610)	(1,458,492)	(1,703,962)	(1,632,459)	(1,653,972)	(1,658,622)	(1,658,625)	(1,621,748)	(14,047,121)

% of Plan(Month)	115%	34%	24%	108%	72%	0%	0%	0%	0%	0%	0%	0%	0%	0%
% of Plan(Cumulative)	115%	136%	106%	86%	73%	63%	55%	49%	44%	40%	36%	34%	34%	34%
% Annual Target Achieved	34%	34%	34%	34%	34%	34%	34%	34%	34%	34%	34%	34%	34%	34%
Monthly Plan as % of Target	13%	12%	7%	7%	7%	7%	8%	8%	8%	8%	8%	8%	8%	8%
Cumulative Plan as % of Target	13%	25%	32%	39%	46%	53%	61%	69%	77%	84%	92%	100%	100%	100%

Appendix B - Month 5 Schemes not Delivered in Month

Division One - Schemes not Delivered in Month

Title	Total in Year Value	Period Target	Comment
Patient Productivity Programme	£600,000.00	£40,909.00	Year to date savings to the value of £277,033 have been removed. Validation of the enabling projects is ongoing with further savings expected.
Incremental Activity Migration	£456,000.00	£38,000.00	The activity linked to this scheme is reviewed on a monthly basis.
Post Review	£83,000.00	£6,917.00	£1,419 has been delivered in month against the in month target of £6,917. All posts are under review at vacancy panel, savings are only realisable as vacancies arise.
Staffing Project	£1,000,000.00	£90,909.00	Significant reduction in staffing overspend. Methodology for CIP calculation being worked through.
2013/14 Procurement Savings	£1,565,277.00	£130,441.00	Procurement are continuing to work closely with Divisional Management in the production of savings plans for the balance of the financial year.

Estates & Facilities - Schemes not Delivered in Month

Title	In Year Target	Period Target	Comment
E- Attendance Management System	£30,000.00	£2,500.00	Project Group has met and believe that the scheme will yield savings although the mechanism to withdrawn costs is complex. the initial finding of the project group indicate a sizable investment is required in IT at circa £100k. The Head of Hotel Services will prepared a position paper to determine whether there is corporate support to proceed.
VAT Reclaim opportunities	£75,000.00	£6,250.00	Meetings have taken place to plan the next steps. This project is at a very early stage and savings profile is being reviewed. The Head of Procurement has indicated that he has 80% confidence of achieving this savings target.
MPCE Vacancy Savings	£98,177.00	£67,517.00	Although this scheme has not achieved it's period target, there is no risk to the savings and they will be delivered later in year.
Post Review	£17,000.00	£1,417.00	All posts are under review at vacancy panel, savings are only realisable as vacancies arise.

Whilst a number of schemes have contributed to the underachievement in month, the overachievement against a number of other schemes has resulted in the Division reporting a small montly shortfall of £20,785.

Division Two - Schemes not Delivered in Month

Title	In Year Target	Period Target	Comment
Introduction of Flexible Sigmoidoscopy Screening	£700,000.00	£77,777.00	Activity has commenced, however, a piece of work is being undertaken looking at the costs of providing this service.
Incremental Activity Migration	£540,000.00	£45,000.00	Forecast over performance has not materialised, will continue to monitor.
Workforce Productivity	£30,000.00	£2,500.00	Review of posts ongoing
East Midlands Buying Consortium for Drugs	£300,000.00	£25,000.00	Project has been delayed, savings to be delivered later in year.
2013/14 Procurement Savings	£479,832.00	£3,678.00	Procurement are continuing to work closely with Divisional Management in the production of savings plans for the balance of the financial year. There is a high level of confidence that the annual

Whilst a number of schemes have contributed to the underachievement in month, the overachievement against the planned amounts against the Staffing Project, Patient Productivity and National Changes to Agenda for Change Project has resulted in the Division reporting a small montly shortfall of £21,575.

Corporate - Schemes not Delivered in Month

Title	In Year Target	Period Target	Comment
Health Records Reorganisation/Noteless OPD	£200,000.00	£20,000.00	Due to delays on this project its has been forecast that this scheme will only achieve £59,000 against a target of £200,000.
2013/14 Procurement Savings	£35,124.00	£21.25	Procurement are continuing to work closely with Divisional Management in the production of savings plans for the balance of the financial year. There is a high level of confidence that the annual savings target will be achieved.
Salary Sacrifice - IT scheme/increasing uptake in childcare vouchers	£100,000.00	£8,333.00	This scheme is scheduled to be launched in September and will be announce on the All User Bulletin imminently. Payroll system is in place.
Advertising Revenue	£150,000.00	£18,750.00	Continue to explore opportunities with partners

Whilst a number of schemes have contributed to the underachievement in month, the overachievement against the planned amount against the IT Project has resulted in the Corporate areas reporting a small montly shortfall of £14,023.

APPENDIX C – Quality Impact Summary

Corporate PIDs – Summary of yellow/amber/red PIDs

Directorate/PID number	Clinician sign off	Project background	Saving	Quality Impact Assessment				
				Patient Safety	Clinical Effectiveness	Patient Experience	Overall Risk Score	Mitigation
Staffing project	Rose Baker/Zena Young	Reduce discretionary spend across operational areas implementing series of projects enabling savings to be made. Move from overtime spend to bank usage	£2M	C2	C2	C2		Individual risk assessments for each scheme completed On-going audit of waiting list work if a shortfall in staff is highlighted.
Reduce face to face interpreting 29	Charlotte Hall	Increase use of telephone interpreting	£91,000	D3	C3	D3		Risk assessment for each interpreting request introduced as per policy
IT 19	Chris Wanley	Shared Services	£114,000	C4	E1	C2		Extending the response time for support to non-clinical areas to ensure adequate support for clinical areas.
Health Records 17	Lisa Myatt	Staff Savings Associated with the Development of the Health Records Department	£200,000	D3	D3	E1		The Clinician will have a more complete, detailed patient record available in a single place. The likelihood of having missing or misfiled information is reduced. By having access to a number of different systems, presenting information on patients, the Clinicians will be able to see more clinical history
Trust Wide	Caroline Marshall	Savings Associated to Changes to AfC	£300,000	D3	D3	D3		Ensure Health and Wellbeing strategy enables maximum attendance levels – routinely monitored through workforce assurance committee. Ensure pay progression policy is fairly applied and decisions to freeze pay are reviewed against appropriate evidence base – HRM involvement in each case will oversee decision making. Monitor turnover rates,

								reasons for leaving and exit interview responses to see if trends emerge.
Nursing	Maria Arthur	Non Clinical Post Reconfiguration	£20,000	D3	D3	C3		The expansion of the Governance deliverables and the work remit following TCS has shown the need for additional support to the Divisions. The reconfiguration Band 7 post in addition to an existing Band 8a Governance Manager position will provide additional support to the larger clinical Division. The function of the new role will be evaluated 3 – 6 months post commencement.

Division 1 PIDs - Summary of yellow/amber/red PIDs

Directorate/PID number	Clinician sign off	Project background	Saving	Quality Impact Assessment				
				Patient Safety	Clinical Effectiveness	Patient Experience	Overall Risk Score	Mitigation
Gynaecology 67	Damian Murphy	Close bay on Gynae ward at weekend	£18,116	E3	E1	E3		Monitor KPIs. Skill mix review supports new staffing model.
Cardiology 42	Jenny Borley	Reduction in 0.5 WTE Band 2 in heart failure team	£8,270	E1	B3	E1		Due to pressures elsewhere in the directorate the Band 2 post has been supporting another area and the Heart Failure team has been able to manage within this period without any noticeable increase in their own workloads. With the advent of the database therefore, the remaining hours should be released because of this without any impact.

Estates and Facilities PIDs - Summary of yellow/amber/red PIDs

Directorate/PID number	Clinician sign off	Project background	Saving	Quality Impact Assessment				
				Patient Safety	Clinical Effectiveness	Patient Experience	Overall Risk Score	Mitigation
Commercial Services	Pete Gibbons	Car Park Income	£84,000	E1	E1	A2		Wide communication with Stakeholders. Advertise changes in advance.

Division 2 PIDs - Summary of yellow/amber/red PIDs

Directorate/PID number	Clinician sign off	Project background	Saving	Quality Impact Assessment				
				Patient Safety	Clinical Effectiveness	Patient Experience	Overall Risk Score	Mitigation
Therapies 105	Sheila Stringer	Review of therapy to resource centres and across the community	£43,893	E1	E1	C2		Communicate with patients; consider travel and ability to attend alternative venues.
Care of Older people 97	Karen Bowley	Reduce length of stay on C22 and D7	£110,250	E3	E1	E1		Monitor re admission rates for elderly care.
Emergency Services 79	Dr A Morgan	Creating a Clinical Decision Unit	£100,000	D2	D2	C2		Standard Operating Procedures for Clinical Decision Unit.
Adult Community 71	Rose Baker	Paper Light System	£15,000	C3	E1	E1		A Business Continuity Plan is in place should there be an IT failure.
Dietetics 219	Kathryn Robinson	Dietetic Staff Savings	£12,932	C3	C4	C2		Booking planned dietetic clinics rather than ad hoc assessments when patients attend for radiotherapy. Ensure that all radiotherapy staff are aware of new system. Prioritise patients requiring enteral feeding to meet their nutritional needs, particularly those whose discharge is being planned to minimize delays. Monitor referral patterns of patients at high risk from under nutrition and the effect of MUST on vitalPAC. Prioritise those with very high MUST scores ie 4 or more.