

Trust Board Report

Meeting Date:	24 February 2014
Title:	Report of the Change Programme Group
Executive Summary:	<p>This report provides the Board with an update of the progress of the Change Programme for Month 10.</p> <p>It provides an overall financial position, the view of the progress for schemes during January 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 Group
Appendices/ References/ Background Reading	<p>Appendix A – Financial Phasing</p> <p>Appendix B – Monthly Performance Summary</p> <p>Appendix C – New Schemes in Month</p> <p>Appendix D – 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 10 position for the Trust's cost improvement plan for 2013/14. The CIP target is £21.28m, the level of achievement and the recurrent position is detailed below.

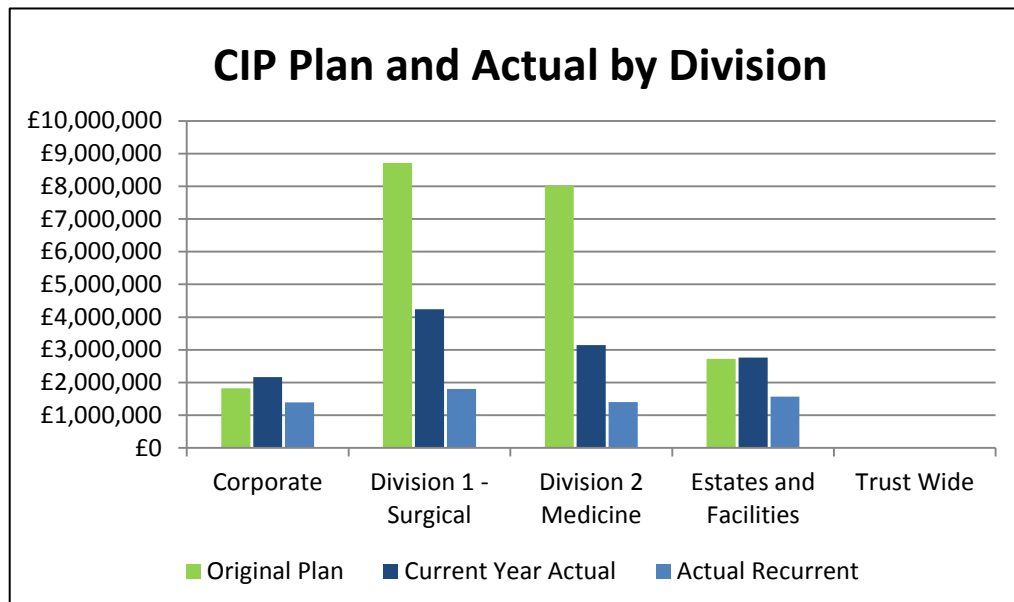
1.1 2013/14 MONTH 10

As at month 10 a total of £12.3m (£3.1m in month) has been removed from budgets against the 2013/14 target of £21.28m, this represents 58% of the annual amount. The target performance was for 84% of the annual plan to have been achieved to date. The Trust has overachieved against the month 10 plan by £1.4m but has underperformed year to date by £5.6m.

	Original Plan	Revised Plan	Year To Date Target	Current Year Actual	YTD Variance	Actual Recurrent
Corporate	£1,818,161	£1,773,818	£1,647,500	£2,168,457	£520,957	£1,394,237
Division 1 - Surgical	£8,717,100	£8,549,920	£7,220,426	£4,242,097	(£2,978,329)	£1,803,449
Division 2 Medicine	£8,022,095	£7,867,303	£6,396,676	£3,144,621	(£3,252,055)	£1,405,626
Estates and Facilities	£2,725,938	£2,692,252	£2,430,453	£2,763,070	£332,617	£1,568,329
Trust Wide	£0	£400,000	£266,205	£0	(£266,205)	£0
	£21,283,294	£21,283,294	£17,961,260	£12,318,245	(£5,643,015)	£6,171,641

1.2

The recurrent element of the year to date achieved is £6.2m, this results in a shortfall of £11.8m against the year to date targets. The recurrent amount achieved against the annual target is 28.9%. The low level of recurrent achievement of CIP is a major issue as this will give increased requirements and pressure in 2014/15.



1.3 2013/14 Monthly Detail

Appendix A details the monthly targets and performance by Division. This shows that in month 187% of the monthly target has been achieved.

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

1.4

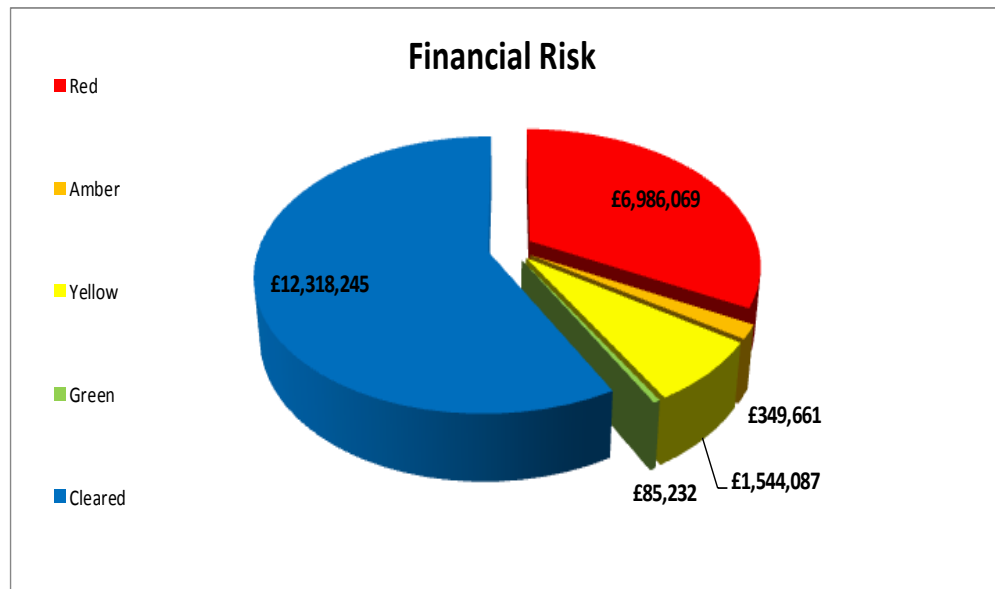
Financial Risk

The total of schemes identified by directorates as red risk in 2013/14 is £7m (33% of the total), compared to the month 9 figure of £8.9m. Amber risk schemes, at risk of not achieving, total £0.35m, 1.6% of the total, this is a decrease from month 9 (month 9 total £1.4m). The recurrent level of red and amber risk remains a major cause for concern, totalling £12.9m.

The following tables summarise the financial risk position:

2013/14

Financial Risk Summary	Red	Amber	Yellow	Green	Cleared	Total
Corporate	(£450,448)	£45,809	£5,000	£5,000	£2,168,457	£1,773,818
Division 1 - Surgical	£3,883,922	(£1,068,674)	£1,492,575	£0	£4,242,097	£8,549,920
Division 2 Medicine	£3,269,924	£1,372,526	£0	£80,232	£3,144,621	£7,867,303
Estates and Facilities	(£117,330)	£0	£46,512	£0	£2,763,070	£2,692,252
Trust Wide	£400,000	£0	£0	£0	£0	£400,000
Totals	£6,986,069	£349,661	£1,544,087	£85,232	£12,318,245	£21,283,294



As highlighted there is a recurrent shortfall of achieved CIP, the recurrent divisional risk position is as follows:-

Recurrent

Financial Risk Summary	Red	Amber	Yellow	Green	Cleared	Total
Corporate	£45,570	£103,053	£230,967	£0	£1,394,237	£1,773,827
Division 1 - Surgical	£3,996,182	£969,288	£1,781,002	£0	£1,803,449	£8,549,921
Division 2 Medicine	£6,071,212	£363,533	£0	£26,932	£1,405,626	£7,867,303
Estates and Facilities	£943,519	-£20	£180,423	£0	£1,568,329	£2,692,251
Trust Wide	£400,000	£0	£0	£0	£0	£400,000
Totals	£11,456,483	£1,435,854	£2,192,392	£26,932	£6,171,641	£21,283,302

<p>2</p> <p>2.1</p> <p>2.2</p> <p>2.3</p> <p>2.4</p> <p>2.5</p>	<p>Month 10 Performance</p> <p>The cumulative position as at the end of January shows an under-achievement of £5,643,852 for the Trust as a whole. Within this, the financial position for month 10 is as follows:</p> <table border="1" data-bbox="371 394 1305 524"> <tr> <td>Totals Plan</td> <td>£1,658,622</td> <td>% of Plan Achieved (Month)</td> <td>187%</td> </tr> <tr> <td>Totals Actual</td> <td>£3,093,404</td> <td>% Annual Target Achieved</td> <td>58%</td> </tr> <tr> <td>Totals Variance</td> <td>£1,434,782</td> <td></td> <td></td> </tr> </table> <p>In total 44 schemes have contributed to savings in month 10, of which 38 have delivered in full and closed. This means that 69% of schemes have been delivered to date.</p> <p>A total of 113 schemes planned to deliver a CIP value in January; of these, 27 have delivered in full in previous months and 22 schemes have delivered the required amount or more in month 10. 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> <p>During January, 15 new schemes have been submitted to mitigate against the gap, details of which can be found in Appendix C. In addition to this, 15 Directorates/Departments have taken non-recurrent underspends towards CIP to assist with achieving the in-year target. This has resulted in an in month over performance of £1.4m.</p> <p>Additional schemes to close the gap are currently being progressed through the PMO, this includes pulling forwards any scheme highlighted for work in 2014/15 that can be accelerated, this is currently being worked through the approval process. Supplementary details and progress on the schemes will be provided as it becomes available.</p>	Totals Plan	£1,658,622	% of Plan Achieved (Month)	187%	Totals Actual	£3,093,404	% Annual Target Achieved	58%	Totals Variance	£1,434,782		
Totals Plan	£1,658,622	% of Plan Achieved (Month)	187%										
Totals Actual	£3,093,404	% Annual Target Achieved	58%										
Totals Variance	£1,434,782												
<p>3.</p> <p>3.1</p> <p>3.2</p> <p>3.3</p>	<p><u>Quality Update</u></p> <p>The divisions and corporate heads are responsible for reviewing progress and any impact on quality on a regular basis. Assurance is received from the Deputy COO and Heads of Nursing who review each QIA as part of the regular review of the cost improvement programme. They are responsible for completing the PID including the QIA using the appropriate documentation.</p> <p>The report details the post implementation review of the closed schemes from July 2013 – December 2013 from the two operational Divisions.</p> <p>Division 1 has closed 11 schemes and Division 2 has closed 34 schemes from July 2013 – December 2013. The impact on quality for each PID has been reviewed by cross referencing the quality measures stated on the QIA with actual performance. The analysis of the review has shown that there has been no impact on quality as a result of the removal of funds from budgets. Within Division 2, there was one scheme (Rationalisation of Gem Centre Administration Staff</p>												

<p>3.4</p> <p>3.5</p>	<p>and Portering) which had a QIA rated as D3, yellow, following the post implementation review this has now been downgraded to E1, green.</p> <p>Appendix D is an updated review of PIDs for 2013/14 rated yellow and amber, with those that are closed now removed. PID owners have been asked to review the risks around quality and this will be reported next month.</p> <p>A review of all quality impact assessments for 2014/15 PIDs is now underway. To date, there are no red impact assessments; 13 are Amber, 28 are Yellow and 83 are Green. A further review will take place of all submitted PIDs to cross check all PIDs have appropriate QIAs with mitigation identified.</p>
<p>4</p> <p>4.1</p> <p>4.2</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 Group meeting.</p> <p>A report on progress against the CIP Programme is now considered at the Finance and Performance Committee. This provides an additional opportunity for Trust Board members to discuss progress and relevant action plans.</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	141,886	18,118	64,205	87,995	439,000	0	0	2,168,457
Variance	Corporate	586,186	(159,523)	(7,197)	(266,201)	(14,023)	70,029	(52,541)	(11,452)	12,339	363,343	(75,657)	168,843	614,142
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	66,919	199,460	40,410	172,723	1,202,357	0	0	4,242,097
Variance	Division 1 - Surgical	(167,150)	(659,285)	(652,249)	412,583	(343,640)	(561,208)	(468,805)	(584,997)	(493,867)	539,452	(662,905)	(511,593)	(4,153,664)
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	363,341	217,409	218,342	66,792	565,047	0	0	3,144,621
Variance	Division 2 Medicine	(79,620)	(488,639)	(366,906)	(72,161)	(21,575)	(332,226)	(562,202)	(499,627)	(659,510)	(169,589)	(734,640)	(465,987)	(4,452,682)
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	58,373	270,513	98,177	0	887,000	0	0	2,763,070
Variance	Estates and Facilities	74,506	(359,757)	(114,123)	59,336	(20,785)	(60,153)	123,988	(20,348)	(118,524)	768,477	(118,523)	300,224	514,318
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	630,519	705,500	421,134	327,510	3,093,404	0	0	12,318,245
Totals Variance		413,922	(1,667,465)	(1,140,059)	133,972	(399,610)	(883,144)	(998,462)	(1,211,325)	(1,326,462)	1,434,782	(1,658,625)	(575,408)	(7,877,885)

% of Plan(Month)	115%	34%	24%	108%	72%	42%	41%	26%	20%	187%	0%	0%
% of Plan(Cumulative)	115%	234%	182%	148%	126%	109%	95%	84%	76%	69%	63%	58%
% Annual Target Achieved	15%	19%	21%	29%	34%	37%	40%	42%	43%	58%	58%	58%
Monthly Plan as % of Target	13%	12%	7%	7%	7%	7%	8%	8%	8%	8%	8%	8%
Cumulative Plan as % of Target	13%	25%	32%	39%	46%	53%	61%	69%	77%	84%	92%	100%

Appendix B - Month 10 Schemes Not Delivered in Month

Division One - Schemes Not Delivered in Month

Title	Total in Year Value	Period Target	Period Shortfall	Comment
Staffing Project	£ 1,000,000	£ 90,909	£ 54,909	Significant reduction in staffing overspend. Methodology for CIP calculation being worked through.
Patient Productivity Programme	£ 600,000	£ 40,909	£ 11,803	Year to date savings to the value of £316,978 have been removed. Validation of the enabling projects is ongoing with further savings expected.
VAT Reclaim opportunities	£ 200,000	£ 16,667	£ 16,667	Currently awaiting authority to proceed from Vat Liaison. The process has been set up and the products have been identified.
2013/14 Procurement Savings	£ 1,565,277	£ 130,437	£ 115,989	A shortfall is being forecast against Procurement savings.

Despite shortfalls on 12 schemes, the non-recurrent underspends taken towards CIP in month has produced an in month overachievement of £539,452.

Division Two - Schemes Not Delivered in Month

Title	Total in Year Value	Period Target	Period Shortfall	Comment
Staffing Project	£ 1,000,000	£ 90,909	£ 90,909	Significant reduction in staffing overspend. Methodology for CIP calculation being worked through.
Introduction of Flexible Sigmoidoscopy Screening	£ 700,000	£ 77,778	£ 77,778	Activity has commenced and savings of £75,227 are expected by end year. The savings are dependant on activity during January 2014 - March 2014.
Incremental Activity Migration - Staffordshire	£ 540,000	£ 45,000	£ 45,000	Forecast over performance has not materialised, will continue to monitor.
Outsourcing Outpatient Pharmacy	£ 285,000	£ 40,714	£ 40,714	Tender has been awarded and will be in place from April 2014. No savings will be delivered during 2013/14.
2013/14 Procurement Savings	£ 479,832	£ 39,985	£ 39,985	A shortfall is being forecast against Procurement saving.

A total of 32 schemes failed to meet plan in month although non-recurrent underspends were taken in month, the division had a shortfall of £169,589 in month.

Estates & Facilities - Schemes Not Delivered in Month

Title	Total in Year Value	Period Target	Period Shortfall	Comment
2013/14 Procurement Savings - Site Services	£ 177,330	£ 14,777	£ 14,777	A shortfall is being forecast against Procurement savings.
Post Review	£ 17,000	£ 1,416	£ 1,416	No opportunities have arisen to date to enable a review of post/s.
VAT Reclaim opportunities	£ 75,000	£ 6,250	£ 6,250	Currently awaiting authority to proceed from Vat Liaison. The process has been set up and the products have been identified.
Smart Water Sourcing of Trust Water	£ 18,675	£ 3,112	£ 3,112	Scheme no longer deliverable in 2013/14 and has been put into the CIP plan for 2014/15,
Buoyancy Steam Traps	£ 12,252	£ 4,083	£ 4,083	Scheme no longer deliverable in 2013/14 and has been put into the CIP plan for 2014/15,
E- Attendance Management System	£ 30,000	£ 2,500	£ 2,500	Scheme no longer deliverable and closed.

Despite shortfalls on 7 schemes, the non-recurrent underspends taken towards CIP in month has produced an in month overachievement of £768,477.

Corporate - Schemes Not Delivered in Month

Title	Total in Year Value	Period Target	Period Shortfall	Comment
Advertising Revenue	£ 150,000	£ 18,750	£ 18,750	An opportunity to capture £50k advertising revenue in 13/14 from FreeClaim is being progressed.
Health Records Reorganisation/Noteless OPD	£ 200,000	£ 20,000	£ 11,882	A total of £42,296 has been achieved against this scheme. No further savings have been forecast to achieve by year end.
Salary Sacrifice	£ 100,000	£ 8,333	£ 8,333	Finance are in the process of validating the savings.
Clinical Coding and Data Quality	£ 59,191	£ 4,933	£ 4,933	A total of £31,500 has been achieved year to date. No further savings have been forecast to achieve by year end.

Despite shortfalls on 9 schemes, the non-recurrent underspends taken towards CIP in month has produced an in month overachievement of £363,343.

Appendix C - New Schemes in Month

Division/Directorate	Scheme Title	Description	Value (£)	Overall QIA Score
Division One				
Patient Services	Stationery Savings - Non Recurrent	Non recurring reduction in stationery budget	1,000	E1
	Pay Savings - Non Recurrent	Non recurring reduction in pay budget from patient transport. Vacancy in booking office staff	8,000	E1
Cardiothoracic	Cardiothoracic Ward - Additional Private Patient Income - Non Recurrent	Cardiothoracic Ward - Additional Private Patient Income - Non recurrent	50,000	E1
	Reduction in IABP	Due to a change in the use of intra-aortic balloon catheters this budget is underspending.	10,000	E1
Cardiology	Additional Private Patient Income - Non Recurrent	Additional private patient income - non-recurrent	30,000	E1
	Drug Savings	Due to a change in anti-platelet therapy for PCIs there has been a gradual reduction in spend over the past 2 years.	20,000	E1
	Pay Savings - Non Recurrent	0.5wte Band 3 and 0.5 wte band 5. Due to a number of vacancies and the length of tome to recruit and train staff, there is an underspend. Vacancy factor has already been met.	24,380	E1
	Reduction in Non Pay Budget	Recurrent reduction in non pay budget, charges to other authorities	2,000	E1
	Cardiac Rehab Underspend from Vacancies - Non Recurrent	Cardiac Rehab Underspend from Vacancies - Non Recurrent	6,000	E1
	Reduction in Non Pay Budget - Non Recurrent	Following a one off discount on Fem Stops and Radi Stops the non pay budget can be reduced non-recurrent.	9,000	E1
Ophthalmology	Ophthalmology Non Recurrent CIP	Contribution of CIP to surplus funds non-recurring £25,000 to be removed from the WEI OPD pay budget non-recurring due to vacancies and £20,000 to be removed Optometry non pay budget non recurring.	45,000	E1
Urology	Urology - Best practice tariff (cystoscopy as out-patient procedure)	A proportion of patients have traditionally had their procedure carried out as an out-patient but other patients mainly those undergoing cystoscopy for the first time have routinely had this procedure carried out as a day case. Review undertaken to consider	135,000	E1
Division Two				
Renal	Development of bespoke haemodialysis on-off packs	All patients undergoing haemodialysis require connection and disconnection to the machines using a range of disposables previously purchased individually. The team have worked closely with suppliers to develop bespoke on-off packs for both groups of patients (haemodialysis via neck-line or fistula).	3,710	E2
Oncology	Reduction in pay budget for the administrative element of the group budget.	At budget setting it was identified that previous posts had been unfilled and assessment by the Lead Manager demonstrates the directorate staffing is adequate to fully run the non clinical services.	35,204	E1
	Non recurrent savings from blood products (non pay budget)	The directorate is currently underspend on the blood products. Whilst a recurrent saving cannot be made the underspend is suffice to allow a small saving. The expenditure on blood products can vary month by month so the directorate has to ensure there is enough funding to cover all costs to year end.	20,000	E1
TOTAL			399,294	

Appendix D – Quality Impact Summary

Corporate PIDs – Summary of yellow/amber/red PIDs

Directorate/PID number	Clinician sign off	Project background	Saving	Quality Impact Assessment					PMO
				Patient Safety	Clinical Effectiveness	Patient Experience	Overall Risk Score	Mitigation	
Staffing project	Rose Baker/Zena Young/Heads of midwifery	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 unable to get staff	Each individual scheme for the £2M needs to have a separate PID and QIA. Consistency across all clinical divisions needs to be applied to ensure some staff are not disadvantaged. Individual schemes for £2M PID need to be coordinated Risks are that staff will refuse to work bank as opposed to overtime however in the absence of overtime being offered staff will quickly move to bank rather than not work any extra duties at all Risks in operating theatres higher because of mismatch of consultant PAs to nursing shifts
Staffing Project E Rostering	Charlotte Hall	E rostering to be used consistently across all nursing staff on in patient wards reducing numbers of lost hours, improving efficiency of planned leave.	This part of the above PID to be confirmed. Scoping of 2 wards will be known by 21 May	C3	E1	E1		Individual analysis of ward efficiency needs to be completed with enabling costs to carry out this work and re teach push forward the benefits of E Rostering	Need to consider how much efficiency is available through the use of the e roster as a management tool. This needs dedicated support and additional training for ward sisters then accountability meetings to ensure appropriate rostering takes place. Combined with no overtime and a move to 100% bank usage will yield savings in discretionary spending

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

Directorate/PID number	Clinician sign off	Project background	Saving	Quality Impact Assessment					PMO
				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.	Consider effect on safety to patients who are outlied to gynae in the absence of staff available
Appleby Suite 68	Marion Washer	Increase capacity in Appleby Suite to facilitate more day case surgery removing costs from base wards (8.4 WTE Nursing posts)	£169,000	E1	C3	E1		No negative impact anticipated. Income stream identified however the reduction in 8.4 WTE nursing posts needs to be realised on the base wards	To agree if and where removal of 8.4 WTE Nursing Posts to be removed from, not clear in PID

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

Directorate/PID number	Clinician sign off	Project background	Saving	Quality Impact Assessment					PMO
				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 pts, consider travel and ability to attend alternative venues	Part of a city wide review of therapy services provided in the community
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		SOP for CDU.	2 WTE nursing posts encompassed in the savings = £64000 needs to be clarified where these will be removed from