







Report of the Change Programme Group

Trust Board Report

Meeting Date:	28 April 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 12.</p> <p>It provides an overall financial position, the view of the progress for schemes during March and an assessment of the quality impact of the programme.</p> <p>To confirm the future reporting arrangements for the Change 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:	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 – Future Reporting Arrangements</p> <p>Appendix D – 2014/15 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 INTRODUCTION

This report details the month 12 achievement against the Trust's 2013/14 cost improvement target of £21.28m.

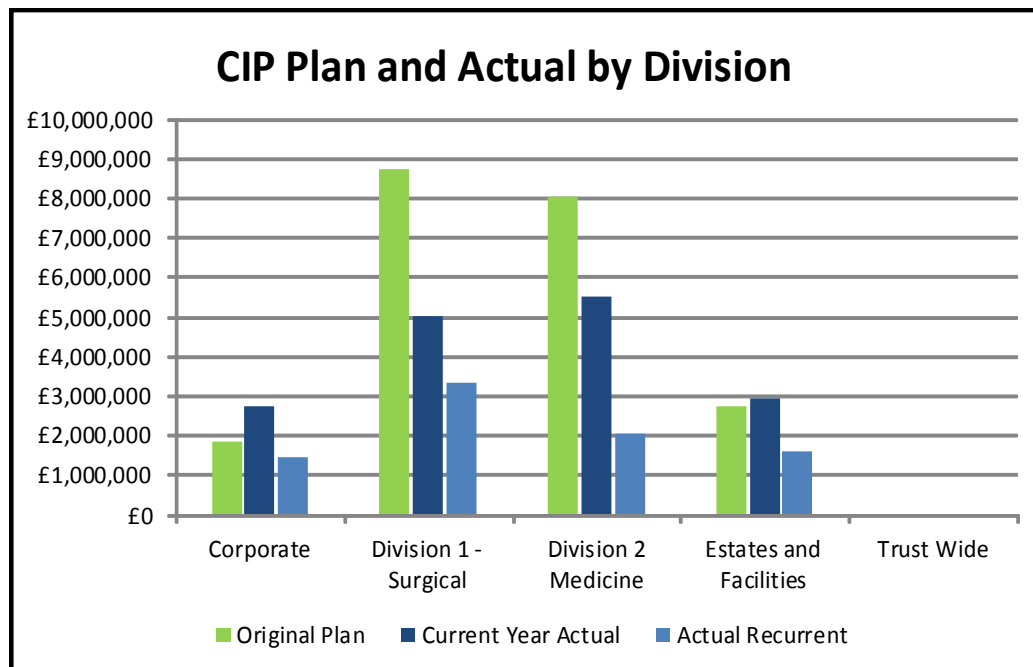
1.1 2013/14 MONTH 12

The year end achievement of savings is £16m, with £2.2m being achieved in month 12, this is against the required total of £21.28m. The total achieved represents 76% of the annual target.

	Original Plan	Revised Plan	Year To Date Target	Current Year Actual	YTD Variance	Actual Recurrent
Corporate	£1,818,161	£1,773,818	£1,773,815	£2,726,882	£953,067	£1,431,523
Division 1 - Surgical	£8,717,100	£8,549,920	£8,549,924	£5,008,534	(£3,541,390)	£3,341,460
Division 2 Medicine	£8,022,095	£7,867,303	£7,867,303	£5,496,685	(£2,370,618)	£2,035,931
Estates and Facilities	£2,725,938	£2,692,252	£2,692,252	£2,913,740	£221,488	£1,569,013
Trust Wide	£0	£400,000	£400,000	£0	(£400,000)	£0
	£21,283,294	£21,283,294	£21,283,294	£16,145,841	(£5,137,453)	£8,377,927

1.2 However, of the savings made only £8.4m was removed from budgets recurrently, this results in a shortfall of £12.9m against the annual target. The recurrent amount achieved against the annual target is 39.6%. The recurrent shortfall of £12.9m will be carried forward into 2014/15.

1.3 The performance by Division is included in Appendix A. The following table highlights the Divisional achievement in tabular form.



1.4

Financial Risk

At the end of the financial year the level of risk relates to the carry forward of £12.9m. The following table shows this risk by Division:-

Recurrent achievement and risk

Financial Risk Summary	Red	Amber	Yellow	Green	Cleared	Total
Corporate	£342,304	£0	£0	£0	£1,431,523	£1,773,827
Division 1 - Surgical	£5,208,461	£0	£0	£0	£3,341,460	£8,549,921
Division 2 Medicine	£5,831,372	£0	£0	£0	£2,035,931	£7,867,303
Estates and Facilities	£1,123,238	£0	£0	£0	£1,569,013	£2,692,251
Trust Wide	£400,000	£0	£0	£0	£0	£400,000
Totals	£12,905,375	£0	£0	£0	£8,377,927	£21,283,302

In summary, at the year end 76% of the annual target has been achieved but only 39.6% has been achieved recurrently. This carries forward into 2014/15 a high level of risk. The carry forward of £12.9m will be added to the 2014/15 target of £15.3m to give a required level of CIP in 2014/15 of £28.2m. This is a significant issue for the Trust.

2 Month 12 Performance

2.1 The cumulative position as at the end of March shows an under-achievement of £5,138,289 for the Trust as a whole. Within this, the financial position for month 12 is as follows:

Totals Plan	£1,663,408	% of Plan Achieved (Month)	129%
Totals Actual	£2,153,607	% Annual Target Achieved	76%
Totals Variance	£490,199		

2.2 In total 29 schemes have contributed to savings in month 12, of which 1 has delivered in full and closed. This means that 70% of schemes have been delivered to date.

2.3 A total of 98 schemes planned to deliver a CIP value in March; of these, 36 have delivered in full in previous months and 2 schemes have delivered the required amount or more in month 12. 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.

2.4 During March, 16 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.

3. Quality Impact Assessment 2013/14 PIDs

3.1 The divisions and corporate heads are responsible for reviewing progress and any impact on quality on a regular basis, the head of nursing/midwifery or the clinical director is responsible for agreeing the QIA for each PID. Assurance is received from the Deputy COO who reviews each new QIA as part of the PMO. They are responsible for completing the PID including the QIA using the appropriate documentation.

3.2 There have been no new PIDs for approval during month 12.

3.3	<p>Quality Impact Assessment 2014/15 PIDs</p> <p>A review of all quality impact assessments for 2014/15 PIDs continues. To date, a total of 79 individual PIDs have been reviewed, the majority with a comprehensively completed QIA. There are no red rates quality impact assessments and 11 Amber rated. PIDs are detailed in Appendix D.</p>
3	<p>Future Reporting of the Change Programme</p> <p>3.1 In order to streamline reporting and place a greater focus on the CIP transformation projects, the change programme for 2014/15 has adopted a pragmatic approach to the management of the CIP schemes; using a framework approach to split the programme into <i>transactional</i> and <i>transformational</i> schemes.</p> <p>3.2 With this new approach to CIP, and following the recent Governance Review, the future reporting structure of CIP has been reviewed. This review has considered current reporting arrangements, existing groups and identified any potential areas of overlap.</p> <p>3.3 The Trust Board and Trust Management Committee (TMC) both currently receive the report of the Change Programme Group, it has been agreed that this report will cease from April 2014. As a result of this, the following is suggested:</p> <ul style="list-style-type: none"> • The performance of the CIP will continue to be reported as part of the Finance Report, removing an element of current duplication. • Quality will be reported as part of the report of the Patient Safety Improvement Group. <p>4.4 As the largest risk relating to CIP deliverability concerns the Transformation Programme, it is proposed that the outcomes of the newly formed Transformation Programme Group are reported through to TMC.</p> <p>4.5 Trust Board will therefore receive CIP updates via, the current Finance Report and the Chairmans reports from Quality Governance Assurance Committee and Finance and Performance Committee.</p> <p>4.6 The revised reporting structure is illustrated in Appendix C.</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	189,960	368,465	2,726,882
Variance	Corporate	586,186	(159,523)	(7,197)	(266,201)	(14,023)	70,029	(52,541)	(11,452)	12,339	363,343	114,303	317,808	953,067
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	356,568	409,869	5,008,534
Variance	Division 1 - Surgical	(167,150)	(659,285)	(652,249)	412,583	(343,640)	(561,208)	(468,805)	(584,997)	(493,867)	539,452	(306,337)	(256,724)	(3,542,227)
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	1,065,861	1,286,203	5,496,685
Variance	Division 2 Medicine	(79,620)	(488,639)	(366,906)	(72,161)	(21,575)	(332,226)	(562,202)	(499,627)	(659,510)	(169,589)	331,221	550,216	(2,370,618)
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	61,600	89,070	2,913,740
Variance	Estates and Facilities	74,506	(359,757)	(114,123)	59,336	(20,785)	(60,153)	123,988	(20,348)	(118,524)	768,477	(56,923)	(54,206)	221,488
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	1,673,989	2,153,607	16,145,841
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	15,364	490,199	(5,138,289)

% of Plan(Month)	115%	34%	24%	108%	72%	42%	41%	26%	20%	187%	101%	129%
% of Plan(Cumulative)	115%	307%	239%	193%	165%	143%	124%	110%	99%	90%	82%	76%
% Annual Target Achieved	15%	19%	21%	29%	34%	37%	40%	42%	43%	76%	76%	76%
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 12 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	£ 90,909	A total of £36,000 has been achieved year to date against this scheme.
Pressure Care	£ 78,000	£ 9,750	£ 9,750	Scheme no longer deliverable in 2013/14 and has been put into the CIP plan for 2014/15,
VAT Reclaim opportunities	£ 200,000	£ 16,667	£ 16,667	Scheme no longer deliverable in 2013/14 and has been put into the CIP plan for 2014/15,
2013/14 Procurement Savings	£ 1,565,277	£ 130,437	£ 30,447	In year this scheme has delivered £464,571 of which £359,852 has been delivered recurrently

A total of 11 schemes failed to meet plan in month although non-recurrent underspends were taken in month, the division had a shortfall of £256,724 in month.

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	A total of £200,000 has been achieved year to date against this scheme.
Incremental Activity Migration - Staffordshire	£ 540,000	£ 45,000	£ 45,000	Forecast over performance has not materialised
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	£ 14,470	In year this scheme has delivered £236,357 of which £161,099 has been delivered recurrently

Despite shortfalls on 37 schemes, the non-recurrent underspends taken towards CIP in month has produced an in month overachievement of £550,216.

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	£ 14,077	In year this scheme has delivered £72,698 of which £58,490 has been delivered recurrently.
VAT Reclaim opportunities	£ 75,000	£ 6,250	£ 6,250	Scheme no longer deliverable in 2013/14 and has been put into the CIP plan for 2014/15,
Reduction in Security Service to community premises	£ 11,250	£ 3,750	£ 3,750	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,

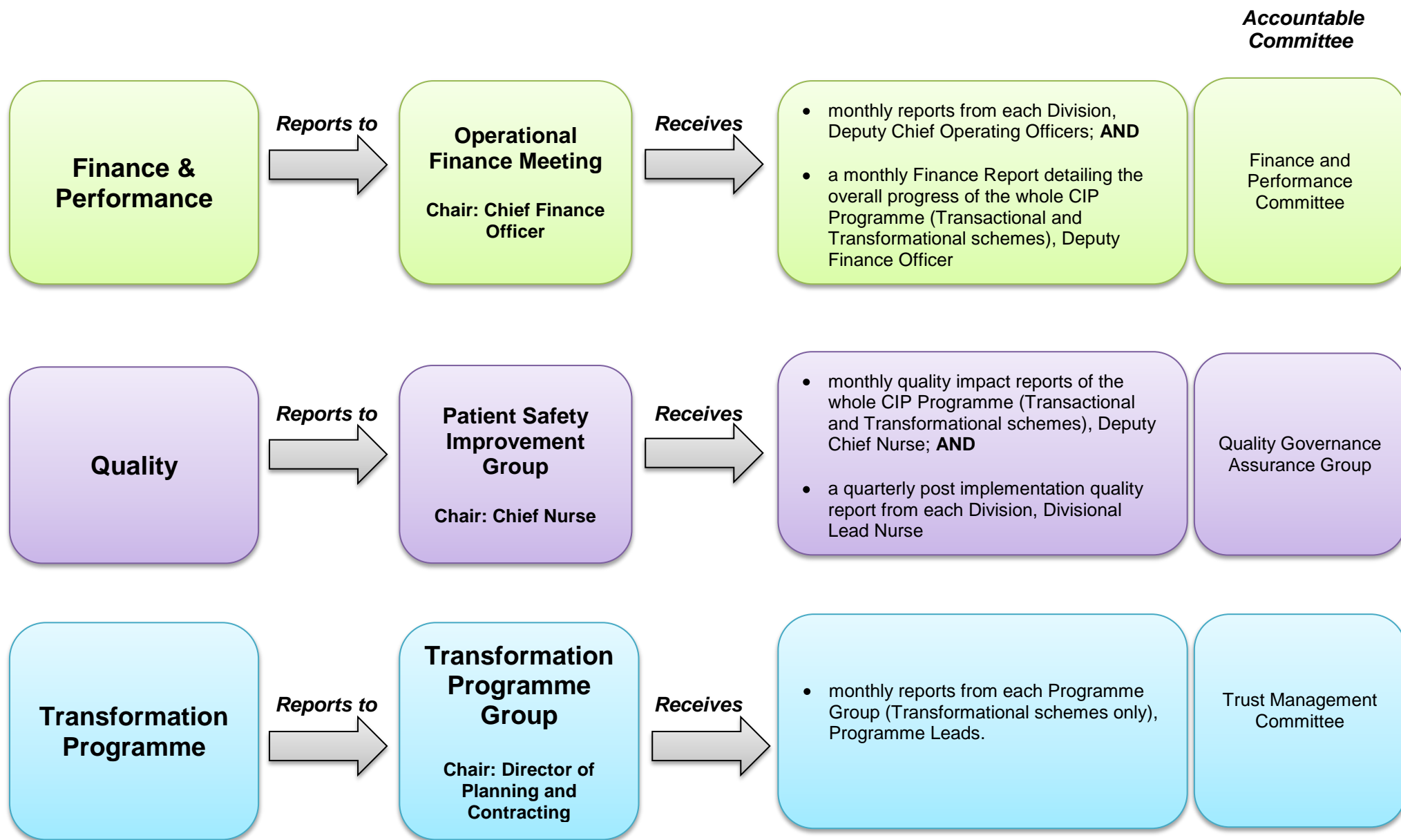
A total of 8 schemes failed to meet plan in month although non-recurrent underspends were taken in month, the division had a shortfall of £54,206 in month.

Corporate - Schemes Not Delivered in Month

Title	Total in Year Value	Period Target	Period Shortfall	Comment
Advertising Revenue	£ 150,000	£ 18,750	£ 16,750	Savings of £2,000 have been achieved. Further savings of £53,000 have been included in the 2014/15 Procurement CIP Plan.
Health Records Reorganisation/Noteless OPD	£ 200,000	£ 20,000	£ 11,882	A total of £42,296 has been achieved against this scheme.
Salary Sacrifice	£ 100,000	£ 8,333	£ 8,333	Expected savings have not been realised.
Clinical Coding and Data Quality	£ 59,191	£ 4,933	£ 4,933	A total of £31,500 has been achieved year to date.

Despite shortfalls on 5 schemes, non-recurrent underspends taken towards CIP in month has produced an in month overachievement of £317,808.

Appendix C – Revised Reporting Structure (March 2014)



Appendix D - 2014/15 Quality Impact Summary

Top Rated Risks for 2014/15 CIP Programme

Scheme Title	Description	Overall QIA Score	Value
Division One & Two			
Consultant Job Planning	Opportunity of reducing average SPAs to 2 per consultant. The Trust's current job planning process is documented but implementation of the process is not optimal. It should be done annually. Additionally, individual job plans need to be checked regularly to ensure they reflect what is being done in practice and aggregate job plans need to match Trust demand.	C3	£ 300,000
Division Two			
Review of productive community services	Focus on elimination of non-essential activities, review skill mix and use of clinical/nurse time for data entry.	C3	£ 333,836
Reduction in the Treatment Wastage	For sometime the wastage of treatments for patients across the directorate has been in excess of 70k for just 9 months of the year. The issues vary from wrong dose being dispensed to patients being too poorly to receive treatment. Naturally some of the wastage will be unavoidable but certainly a percentage should be avoidable.	C3	£ 23,000
Reducing LoS on A21	Improving turnaround times for TTOs on A21 . Reduction in average LOS by 0.5hr per A21 inpatient will offer a reduction in OBD and create capacity for elective and non elective admissions.	C3	£ 35,216
Length of Stay (non elective)	Opportunity to review 2 wards. HED benchmarking analysis indicates that the Trust is performing below the Upper Quartile and Best in Class for average LoS when compared to other similar Trusts. The Trust has several LoS initiatives in place across various departments. This has to be scaled up to all specialities and wards in order to achieve significant savings. There are also other enabling projects in regards to patient productivity programme that contribute to reducing LoS	C4	£ 982,842
Estates & Facilities			
Reduction in Overtime Costs	Reduction of hours only to cover shifts and on call duties. Utilisation of flexible working and practices and contract services to mitigate out of hours requirements.	C3	£ 29,165
Reduction in Shift Cover	Up skilling of existing shift cover to incorporate a multi-skilled maintenance approach and rebalancing of on call arrangements to reflect the service required.	C4	£ 33,330
Increase on Public Car Parking Tariffs	A circa 5% increase in Public Car Parking Tariffs to deliver a net (after VAT) increase in income.	A3	£ 50,000
Corporate			
Patient Experience Team	Following reconfiguration of services in patient Experience team there is pay budget unused. Following maternity leave we will not backfill for part of year and reduce hours on mat leave return.	B3	£ 36,000
Medical Illustration	CIP income from contractor services and cost efficiencies from within existing department	B3	£ 20,000
Additional Schemes			
Non Recurrent Savings	Various non-recurrent schemes	C3	£ 5,000,000