

BOARD MEETING**31 July 2014**

Paper Title:	Integrated Performance Report – June 2014 data
Section:	Public – Quality and Safety
Lead Director:	Helen Bourner, Commercial Director
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Agenda Item:	10
Presented For:	Discussion

1. Purpose of this Report

The purpose of the integrated performance report and dashboard is to assist the Board in assessing the Trust's performance and progress in delivery of key targets and indicators.

2. Summary of Key Points

The Integrated Performance Dashboard shows a good performance, with achievement of the majority of indicators at June 2014 and quarter one of 2014/15. The report outlines pro-active work to drive improvement, including actions to increase clustering performance as part of the care packages and pathways project.

Correlation of quality information (including patient experience and safety related measures), performance, finance, workforce and health & safety information has taken place and did not identify any particular areas of concern.

3. Board Consideration

The Commercial Director is leading work to undertake a wider review of the content of the dashboard, particularly in light of the learning from the locality performance meetings. Board members are providing input to future performance reporting through discussion at the July Board development day and via meetings with the Commercial Director.

Proposed changes to the integrated performance report and dashboard, which will also reflect changes to the way the financial position is reported, will be presented for Board consideration in September 2014, together with an updated performance framework that reflects the strengthened performance management arrangements.

4. Financial Implications

a) Year to Date Performance

- **Income and Expenditure - The net surplus of £625k is £194k ahead of plan**

There are however cost pressures within operational budgets driven by agency staffing in admin hubs, Intensive Home Treatment, Low Secure and Community Mental Health Teams. In addition Out of Area (OOA) placements continue above planned levels.

- **Capital – Capital expenditure of £316k to date is £1,238k less than plan.**

This is as result of slippage on IM&T schemes of £1,148k, including: £800k agile working, £196k Integrated Digital Care Record (IDCR) and £140k telecommunications. Slippage reflects delays in tendering for agile working and the RiO upgrade. Estates block allocations are £50k less than plan and the SOC schemes are £50k less than plan (although the Psychiatric Intensive Care Unit seclusion room is due to complete by the end of the month).

Revised monitoring arrangements have been put in place by Capital Planning and Investment Group (CPIG) in order to address the slippage. Leads are being asked to develop detailed monthly forecasts and will be held accountable for managing delivery of schemes each month to ensure that the end of year forecast is delivered.

The forecast assumes that around £1m relating to the Organic Ward and Complex Care Unit development will be spent in 2015/16 however other schemes planned to commence in 2015/16 have been brought forward into 2014/15. It is expected that £800k for agile working will now be spent in quarter four, planned expenditure on the RiO upgrade from July and on the telecommunications project between now and January 2015.

The overall revised forecast is currently being finalised and will be discussed at the CPIG meeting on 28 July 2014.

- **Cash – Cash balances of £16.9m are £2.8m lower than planned**

The adverse variance comprises; higher than expected debtor levels of £2.9m (adverse), lower than expected creditor levels of £1.6m (adverse) offset by capital slippage on the capital programme of £1m (excluding IDCR), the higher than planned year to date surplus of £0.2m and other minor changes in working balances.

The most significant debtor balance relates to Bradford Metropolitan District Council (BMDC) which is as a result of procurement issues within BMDC. Payments totalling £2.5m have been received from BMDC in week commencing 14 July. The Director of Finance will be writing to BMDC Finance Director to resolve the delays in payment.

b) £6,164k Cost Improvement Programme (CIP)

Year to date the trust has achieved 82% or £1,260k of its target; representing £280k gross under achievement. By deploying the high risk CIP reserve the shortfall is £155k or 11%. It is forecast that with the full deployment of the CIP high risk reserve (£500k) and mitigating action plans the Trust will achieve full delivery of the 2014/15 CIP plan.

It should be noted that the admin review CIP is currently being reviewed as to the delivery of recurrent savings.

As at month 3 the following schemes have been identified as being at risk;

- **Admin Review** - Slippage of £150k year to date due to sickness and volume activity pressures. £200k slippage has been identified to 31st July and mitigating actions are currently being reviewed. The potential for this CIP to deliver recurrent savings has become a priority for action planning as reviewed at the locality performance meeting and the Board is receiving a paper reviewing the issues and establishment.
- **Community Mental Health** - Phasing slippage. Forecast to deliver in full.
- **Assessment and Treatment Unit Marketing** – The Trust is currently unable to service additional beds due to clinical requirements. It is not expected that the CIP of £157k will be achieved this year due to the impact upon staff and ward damages incurred through the needs of a complex service user. The service user was discharged on the 14th July 2014.

c) End of Year Projection

As at month 3 the Trust projects achievement of its financial plan. Work is on-going with primary budget holders and through locality performance meetings and other groups to ensure that in year financial risks are identified promptly and mitigation plans quickly agreed and implemented.

d) Key Risks in meeting planned full year forecast

- Achieving planned CQUIN revenues of 95% or £2,391k: Whilst it is forecast that the Trust will achieve 100% at quarter 1, significant delivery risks have been identified for future quarters, where revenues are most heavily weighted. Detailed action plans will continue to be reviewed on a monthly basis at locality performance meetings to ensure delivery milestones are met.
- Embedding the new Admin hubs and achieving £1,279k full year effect CIPs: The recurrent staffing savings achieved through the restructure (concluded in March) have been significantly eroded due to spend on agency staff in quarter 1. It is expected at least £200k of the CIP will now not be recovered. In addition cost pressures have been identified through the delay in the procurement of technology required and additional levels of activity within call centres.
- Achieving a challenging overall CIP plan of £6,164k. Monthly reviews will ensure that substitutions are developed to maintain recurrent and in-year CIP delivery. Admin hubs agency spending and clarifying ongoing staff requirements represents the key recurrent challenge
- Managing OOA placements within planned costs of £1,000k. OOA placements remain high in June 334 (from 310 in April & May) driving year to date costs of £478k; forecast £1,828k. A paper requesting a review of Trust liability for these costs is being shared with Commissioners at the monthly contract management meeting (CMB) in early August.
- Managing Medical Locum costs within budget. Projected delivery risks are expected due to reduced junior doctor allocations expected in the August rotation. Mitigation planning is progressing including reviewing contracting to alleviate VAT impacts.

5. Legal Implications

There are no known legal implications arising from this report.

6. Equality Impact Assessment

An equality impact assessment has not been undertaken on this report.

7. Previous Meetings/Committees Where the Report Has Been Considered:

Audit Committee	<input type="checkbox"/>	Quality and Safety Committee	<input type="checkbox"/>	Remuneration Committee	<input type="checkbox"/>	Finance Business & Investment Committee	<input type="checkbox"/>
Executive Management team	<input checked="" type="checkbox"/>	Directors' Meeting	<input checked="" type="checkbox"/>	Chair of Committees' Meeting	<input type="checkbox"/>	MH Legislation Committee	<input type="checkbox"/>

8. Risk Issues Identified for Discussion

There are no additional risk issues identified for discussion.

9. Links to Strategic Drivers

Patient Experience	Quality	Value for Money	Relationships
The integrated performance report and dashboard enable the Trust Board to assess information against each of the key strategic aims as well as correlate across them for cross cutting themes and specifically to explore whether there is an interplay between the performance against one of the strategic aims and performance in any of the other areas.			

10. Publication Under Freedom of Information Act

This paper has been made available under the Freedom of Information Act.

11. Recommendations:

That the Board:

- reviews and considers the content of the dashboard in order to provide the opportunity for correlation of information;
- endorses the actions outlined in the exception report;
- approves the monthly self certification for submission to the NHS Trust Development Authority.

INTEGRATED PERFORMANCE REPORT JUNE 2014 DATA

1. BACKGROUND

This paper has been developed to assist the Board in assessing progress to meet the delivery of key targets and performance indicators which impact on the Trust's regulatory, contractual or reputation status.

The integrated performance dashboard contains:

- Page one - national ratings and indicators from Monitor risk assessment framework
- Page two - priority indicators relating to quality
- Page three - priority indicators relating to contractual requirements
- Pages four and five - priority indicators relating to finance
- Page six - priority indicators relating to the Transforming Care Programme
- Page seven – safer staffing compliance

2. ITEMS OF NOTE AND EXCEPTION REPORTS

The dashboard shows June 2014 performance and 2014/15 quarter one position where applicable.

The Board is asked to note the assurances in relation to the following exception report:

- Number accessing psychological therapy (indicator 3.14)

3. NATIONAL RATINGS AND INDICATORS FROM MONITOR RISK ASSESSMENT FRAMEWORK (dashboard page one)

National indicators used by Monitor to assess governance (indicators 1.5 – 1.18) have all been achieved in quarter one, resulting in a self assessed governance rating of green (summary button 1.3).

4. PRIORITY INDICATORS RELATING TO QUALITY (dashboard page two)

Update – Complaints and Compliments (indicators 2.5 and 2.6)

Following triangulation of quality information at the Directors' meeting, it was agreed that complaints (three in April 2014) and serious incidents (one in March, one in April and one in May) within Bradford South and West Community Mental Health Team (CMHT) would be reviewed. In the June integrated performance report, it was confirmed that all serious incidents and complaints associated with South and West CMHT over the last two years would be reviewed. This work will be led by an external reviewer and will include working with the team to look at the key themes, trends and issues arising. The terms of reference for the review have now been finalised. During June 2014, there was one further complaint regarding South and West CMHT; however the service also received four compliments.

5. PRIORITY INDICATORS RELATING TO CONTRACTUAL PERFORMANCE (dashboard page three)

Update – Commissioning for Quality and Innovation (indicators 3.1, 3.2, 3.3)

The May integrated performance report provided information about the Commissioning for Quality and Innovation (CQUIN) schemes for 2014/15, including governance and performance management. The Board is aware that the CQUINs are challenging both in the quality aspirations and the likelihood of obtaining full financial achievement.

All the milestones to be delivered at quarter one are RAG rated green with a forecast 100% achievement at quarter one. The Trust has uploaded its staff friends and family test data and the national publication of results is awaited.

The Quality and Safety Committee will receive a detailed report on quarter one progress to deliver CQUINs at its August meeting. This will provide more information about the schemes and some of the anticipated benefits/changes for patients. As agreed at the June Board meeting, this paper will be circulated to Trust Board members for information.

Exception report – number accessing psychological therapy (indicator 3.14)

Indicator No.	Indicator	13/14 outturn	14/15 Target	Current Performance	FOT 14/15	Trend
3.14	Number Accessing Psychological therapy		6602 (TBC)	1016		↑

The indicator measures the number of people who have entered the Improving Access to Psychological Therapies (IAPT) service during the three month reporting period. It is a key national target for Clinical Commissioning Groups (CCGs) to increase the number of people accessing psychological therapy. The Trust's 2014/15 target is currently 6602 people per annum, though CCGs wish to invest additional recurrent resources during 2014/15 to further increase access.

The Trust has undertaken detailed modelling of the capacity of the service currently commissioned, compared to demand and there have been on-going discussions with commissioners about the level of activity that could be delivered via improved productivity or other service redesign. CCGs and the Trust have jointly asked the national IAPT intensive support team to undertake a desk top review in order to benchmark local services and their productivity outputs and outcomes against national norms. This work is expected to conclude before the end of August 2014.

6. PRIORITY INDICATORS RELATING TO FINANCE (dashboard pages 4 & 5)

6.1 Financial Performance as at 30 June 2014

Year to date performance shows a surplus of £625k comparing income over expenditure and representing over achievement of £194k against the planned position after deploying uncommitted reserves.

At quarter one a number of financial pressures have been identified that require rectification plans. Work continues with budget holders to implement robust action plans to mitigate cost pressures and financial risks associated with the challenging Cost Improvement Programme (CIP) programme (most notably admin hubs), CQUIN delivery and agency usage.

The table below highlights an overall adverse variance of £632k for the four operational localities, and the position for other services and support functions. This analysis more clearly highlights those areas where action is already being taken to develop mitigating action plans.

LOCALITY/SERVICE DELIVERY	VARIANCE FAV / (ADV) £000
a) Airedale, Wharfedale & Craven	(17)
b) Bradford Districts	(496)
c) Bradford City	81
d) Inpatient Services	(200)
LOCALITY PERFORMANCE	(632)
e) Medical Staffing	42
f) Nursing & Specialist services	167
g) Support, Estates and Non-Core	28
h) Research & Development	20
OTHER OPERATIONAL BUDGETS	257
i) Central Financing and Reserves	784
INCOME	(215)
TRUST PERFORMANCE	194

Key drivers of the variances shown in the table above are;

- a) Pay over spending due to continued use of NHS Professionals (NHSP) within Community Mental Health (linked to new posts funded by the Trust and via demographic funding in 2014/15), this relates to 10 wte vacancies that have now been appointed to, nine of the 10 staff have commenced work, one will start in August. This cost is offset with vacancies in other areas including Speech and Language Therapy. The favourable Income variance is due to additional speech and language therapy income relating to Service Level Agreements (SLAs) with schools.
- b) Pay budgets in the admin hubs are overspent by £341k due to:
 - vacancies and sickness resulting in temporary staffing costs causing slippage of CIP of £150k.
 - Cost pressures resulting from the development of digital technologies being rolled out to junior doctors and activity pressure from call centre usage resulting in a year to date over spend of £191k.
- c) Pay budgets in the Community Mental Health teams (CMHTs) are over spent by £172k due to agency staff covering Care Coordinator roles. Permanent recruitment into these roles is underway.
- d) Vacancies in the Dental teams have given rise to a £49k pay under spend. There are also vacancies in District Nursing and School Nursing teams contributing an under spend of £47k year to date. Recruitment to some Dental nurse posts are on hold pending the outcome of re-tendering of the Unscheduled Dental Care contract.

Non-pay over spending is driven by a £7k over spend on FP10s in the CAMHS service – a review of FP10s budget allocation across services is to be undertaken as there are underspends in other areas.

- e) Vacancies in Acute Care have led to continued use of NHSP Bank and Agency staff and an over spend at month 3 of £92k. This is net of £129k “Specialing” funding released to match those costs to date. Services are pro-actively pursuing recruitment with start dates agreed for approximately two thirds of vacancies and advertising for residual positions.

High temporary staffing ratios have been required for one service user accommodated in the Assessment & Treatment Unit (ATU) to support commissioners. The complexity of this patient has additionally resulted in a number of staff being absent; requiring temporary cover. Negotiation with Commissioners has resulted in funding being secured for the cost of staff during the inpatient spells.

There are off-setting under spends of £33k across all other In Patient pay budgets. On non-pay, Out of Area treatments are over spent by £228k. Bed days have increased (from 310 in April & May) to 334 in June.

- f) Income over recovery of £34k as a result of deferred income from previous year.
- g) Vacancies in Involvement and Equality together with underspend on Local Education & Training Board placements and increased non-medical income due to increased activity.
- h) The favourable variance in Support, Estates and Non-Core services reflects vacancies in Finance, HR and Transformation teams. There are also favourable fluctuations in ancillary agency spend and other costs in Estates and other general under spending.
- i) The variance of £20k on Research & Development is a phasing issue and not representative of a trend that is expected to impact on outturn financial performance.
- j) The favourable position on reserves and central financing represents £784k; this includes, three twelfths (£328k) of all uncommitted reserves provided at plan, (Contingent reserves £190k, High risk CIP reserve £125k, AQP Reserve £13k). Of the £500k provided for CQUIN at plan, uncommitted sums account for slippage to date of £68k.

From central financing, underspending is £83k, incorporating under spending on capital charges due to capital programme lags.

The Trust has additional under spending of £305k, including other slippage on developments, unutilised accruals and provisions.

Service development slippage incorporates agile working, IM&T strategy, ATU additional beds, Pharmacy SLA, Complex Care Unit development and Children’s & Families development.

The forecast for the remaining 9 months includes £966k of uncommitted reserves however; this remains dependent upon no further cost pressures being identified.

6.2 End of Year Projection

On the basis of performance at month three and the balance of known financial risks, reserves and opportunities, the Trust projects achievement of the planned £1,335k surplus. At the end of quarter one the position indicates some opportunities for non-recurrent investment. EMT and FBIC plan to review the end of year position in August.

Work continues to agree detailed projections and actions plans with prime budget holders; taking into account a number of financial risks and CIP challenges. Following the launch of locality performance management arrangements in May, work continues to develop action plans to address adverse locality performance.

At the end of quarter one a number of risks are already known; particularly attaching to CQUIN and its uneven distribution by quarter, cost pressures within the admin hubs as the trust embeds the new structure and continued high levels of OOA placements.

Key projected financial risks include;

i) Achieving £2.4 million revenues from 95% achievement of current CQUIN targets

Income targeted represents 95% of the total available or £2,391k and is weighted heavily to the final quarter;

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Plan (95%)	£417	£464	£205	£1,307	£2,391
Available	£439	£488	£216	£1,376	£2,516

The expectation for quarter one is that the Trust will achieve the £439k available (rated green by operational leads), however CQUIN delivery for the remaining three quarters still retains significant risk. It is clear there are dependencies on collaboration with acute trust partners to deliver reductions in re-admissions. There remain challenges in delivering 34%, or £664k of final three quarters planned CQUIN.

The Commercial Director, linking with Deputy Director Leads and EMT, continues co-ordinated work to review the action plans and to monitor delivery via the monthly performance management arrangements. Financial projections will continue to be reviewed pro-actively and linked to this wider programme of work.

ii) Managing Out of Area (OOA) placements within £1 million budget

Year to date costs are £478k. The budget allows for approximately 155 bed days per month, but bed days have increased (from 310 in April & May) to 334 in June. The OOA forecast assumes 300 bed days per month for the remainder of the year, which drives forecast overspending of £828k.

iii) Achieving a recurrent gross Cost Improvement Target of £6.2 million, offset by a £0.5 million high risk CIP reserve

The year to date position reflects achievement of £1,260k or 82% of our gross CIP plan to date; £280k year to date slippage. This has been offset the release of £125k from the CIP High Risk Reserve, reducing the slippage to £155k.

Key issues affecting year to date CIP under achievement include the costs of agency staff being utilised within admin hubs as new systems are embedded, the need to identify substitute plans in Community Mental Health and Children and Families services, and under recovery against ATU income targets as referenced previously.

A detailed review with CIP Programme leads was been carried out following month 2 encompassing delivery plans and current expected phasing of efficiencies. There are several substitution schemes currently being documented for Quality Impact Assessment approval prior to implementation in the second half of the year. In addition there is evidence that some CIP schemes will deliver additional savings in 2014/15, providing mitigation against further anticipated admin hub pressures.

The Trust currently projects achievement of the net £5.7m CIP target and delivery of the total target of £6,164k for 2014/15.

iv) Reducing the use of Agency Staff

The year to date position includes a total pay underspend of £15k, however this is due to vacancies not being filled in district nursing, healthcare assistants and corporate services of £890k. Offsetting this is the over spend on Admin Hubs and Adult Community Mental Health Teams of £874k.

The bank & agency spend is £3,023k (12.3%) of the total pay costs for the first three months of the year representing a 0.5% reduction from month 2. Further work is still needed to ensure that costs and recruitment are managed robustly to remain within substantially higher staffing resources and new demographic budgets agreed in the 2014/15 financial plan.

v) Management of £8.6m Capital Expenditure Programme

The position reported at month 3 is an under spend of £1,238k. As reported last month, arrangements for the Capital Planning and Investment Group (CPIG) have been refreshed to include rigorous performance management against individual capital schemes.

Programmes leads have been asked to submit refreshed detailed annual forecasts and action plans each month. Given the further slippage in month this is a crucial aspect of financial performance arrangements going forward and will be reviewed by FBIC in August.

7. PRIORITY INDICATORS RELATING TO THE TRANSFORMING CARE PROGRAMME (dashboard page 6)

The **inpatient redesign project** is red RAG-rated because average length of stay in older people's wards is above target (of 63 days) at 67.9 days.

The **allied health professionals project** has a 90% current rate of 18 week Speech & Language clock-stops against a target rate of 95%. The service is currently experiencing high staff turnover and a reduced staff base. Recruitment is underway and an action plan is in place to train staff to ensure correct recording of data on the clinical information system.

The **productivity project** is rated red due to a delay in the first phase of agile technology, which is now due in September 2014; a two month delay on the original timescale, due to refinement of the original specification.

Financially, it is currently forecast that there will be £200k slippage against the 2014/15 admin review CIP. This is due to temporary staffing costs of covering sickness and maternity leave; a review of the cost pressures and mitigating actions is currently underway.

There are 27 information governance incidents recorded against admin, due to data being scanned incorrectly or incorrect addressing. A higher number of incidents are now being recorded than was previously the case, due to better recording in centralised admin hubs. An action plan is in place to address these issues and monitoring of the number and nature of these incidents continues.

The Board is receiving a paper on the progress and development of administration services

The **care packages and pathways project** remains red rated year to date against three indicators related to in date clusters and the number of multiple open clusters. Performance has improved marginally during June 2014 against indicators for in date clusters for clients clustered and in scope, now at 83.6% and 80.8% respectively, but each remain well below the target of 95%. Action plans to address multiple open clusters, including an automated system script and manual closures have achieved net reductions of more than 500 multiple open clusters in month (898 May compared to 341 June). A revised script is being considered by the IM&T team to ensure that manual interventions (which have driven the largest numbers of closures) are not required on an ongoing basis. Staff generating new multiple open clusters are being contacted directly to offer support and training.

A series of new actions has been agreed and was communicated at the July Directors' meeting. This includes dedicated communication methods including an Executive sponsored video to staff to emphasise the importance of clustering, additional trainer resource and training materials being funded to promote a clustering culture. Performance is expected to gradually improve over the coming months as the actions take effect and the number of service users with a cluster that is active increases. Following discussion at the Care Packages and Pathways Project Steering Group Meeting in July the Transforming Care Programme dashboard milestones are being revised to reflect these plans and additional qualitative indicators have been agreed for inclusion from next month. Focusing on the quality impacts of clustering is critical to achieving clinical engagement and increasing levels of clustering.

8. SAFER STAFFING COMPLIANCE (dashboard pages 7 and 7a)

The Board has agreed that a summary of safer staffing information will be presented as part of the integrated performance report to each Board meeting, with more detailed information being presented to the Quality and Safety Committee. In addition the Board receives a detailed review of staffing levels including findings and recommendations six monthly.

In June 2014, there were no areas of non-compliance.

9. NHS TRUST DEVELOPMENT AUTHORITY ACCOUNTABILITY FRAMEWORK: OVERSIGHT SUBMISSION SELF ASSESSMENT

Paper 10a summarises the Trust's self-assessment submission that forms part of the oversight arrangements contained within the NHS Trust Development Authority's accountability framework for NHS trusts.

10. MONITORING AND REVIEW

The next integrated performance dashboard will be circulated, by E Mail, to the Board in August 2014.

11. RECOMMENDATIONS

That the Board:

- reviews and considers the content of the dashboard in order to provide the opportunity for correlation of information;
- endorses the actions outlined in the exception report;
- approves the monthly self certification for submission to the NHS Trust Development Authority.