

Transformation Programme 11/12 Progress Report

Month 9 position

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Transformation Programme Progress Report – Month 9 (December 2011)

- This report provides an update on the progress of the transformation programme for the period from November to December 2011.
- The programme has delivered YTD savings of £5,094K against a target of £5,099K (favourable variance of £5K) of the full year savings plan set at £7.7m (4% of turnover).
- See next slides for savings and transformational projects at divisional level.
- To note significant progress on the following projects -
 - Ambulatory Care pathways
 - ED Clinical Model (Phase 2)
 - VTE
 - Digital dictation
 - Health Records
 - Radiology
 - Pharmacy Drug & Usage savings
 - Postage Efficiencies

Action: The Board is asked to accept this report

Trust objective:

Please list number and statement. this paper relates to.

Notes:

Legal: What are the legal considerations & implications linked to this item? Please name relevant Act

Priority 1: Deliver Safe, High Quality Care

Reduce avoidable harm
Right patient, in the right location at all times

Priority 2: Work with our whole community

Delivering emergency care pathways differently

Priority 3: Develop an effective organisation:

Deliver 2011/12 breakeven position
Deliver 4% savings target

NHS Trust financial performance is subject to Schedule 5 of the NHS Act 2006 which provides the “breakeven duty”. The Trust breached this in 2007/08 and has since received “permission to spend” by virtue of the loan settlement agreement issued by DoH in March 2008. Legal aspects impact on individual parts of spend and income according to the nature of the spend & source of income but no other material disclosures are appropriate.

Executive Summary - Savings

Exceptions to note with adverse variance > £30K YTD are:

- Ward Establishment Review - Medicine – adverse variance of £214K against a target of £285K. Medical nursing overspend is partly mitigated by underspend in Corporate areas. There are tight controls and monitoring in place to balance quality and safety of care with prudent financial controls.
- Ward Establishment Review – Surgery – variance of £190K against a target of £253K. Surgical overspend is mitigated by budgetary underspends elsewhere within the division.
- Wards & Endoscopy Non-pay reductions – Surgery – variance of £57K against a target of £76K. Surgical overspend is mitigated by budgetary underspends elsewhere within the division.
- Ophthalmology Private Patients Income – Surgery – variance of £36K against a target of £50K. Surgical overspend is mitigated by budgetary underspends elsewhere within the division.
- Paediatric Medical Staffing Job planning – WaCH – £60K YTD adverse to the 11/12 planned target of £90K. Under achievement is mitigated by divisional underspend.
- Digital Dictation – YTD adverse variance of £94K against a target of £188K. Due to the complexity of the programme and some issues with the Voice Recognition software, total savings are not expected to be made this year.
- Medical Staffing Central target – YTD adverse variance of £90K against a target of £180K. No financial benefit is as yet being delivered as there is a shortage in supply of medical staff across most specialties, particularly Anaesthetics, A&E and Paediatrics.
- Post Review – YTD adverse variance of £48K against a target of £116K.

The underachieving saving schemes are in part being mitigated by divisional underspends and by over delivery in Corporate areas (£185K).

Executive Summary – Savings Summary

Reporting of the savings achieved is summarised below by division:

M09 Savings by Division

	Planned Savings 11/12	FOT Savings 11/12	Variance 11/12	Planned Savings YTD	Actual Savings YTD	Variance YTD
Medicine	1,510,645	1,197,650	(312,995)	1,034,121	805,677	(228,443)
Surgery	1,620,383	1,620,383	0	1,301,116	1,301,116	(0)
WACH	1,153,617	1,153,617	0	720,661	720,662	0
CSS	843,849	843,849	0	602,805	627,342	24,537
E&F	234,010	225,510	(8,500)	175,338	154,417	(20,921)
Chief Exec	192,784	190,784	(2,000)	109,143	140,064	30,921
Finance	153,122	217,122	64,000	103,582	236,876	133,294
HR	59,000	78,000	19,000	44,250	44,250	0
IMT	43,000	88,000	45,000	32,250	45,315	13,065
Nursing *	53,000	53,000	0	39,600	47,683	8,083
Clinical Services	-	-	0	-	-	0
Procurement (Central)	600,000	1,026,940	426,940	320,174	597,113	276,939
Other Trustwide (inc KPMG)	1,236,590	883,590	(353,000)	611,226	379,226	(232,000)
Unidentified	-	121,555	121,555	-	-	0
Total	7,700,000	7,700,000	0	5,094,266	5,099,741	5,474

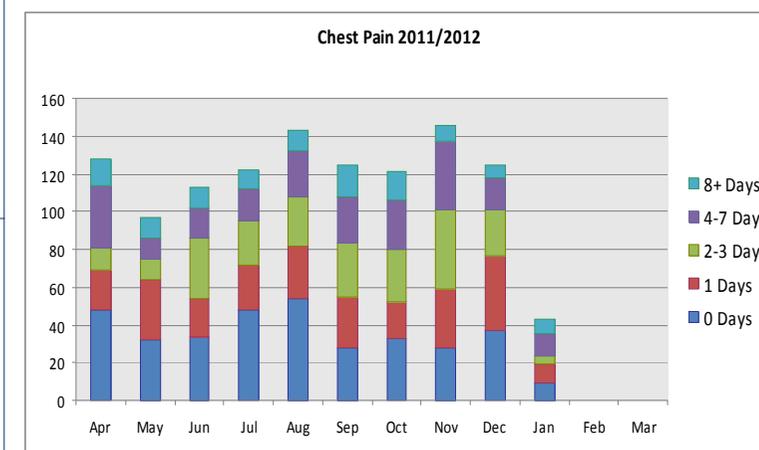
* Nursing Directorate Review

Progress Update - Medicine

Financial Savings & Transformational Projects

Financial Savings	Progress and next steps
<p>YTD savings of £805,677 against the planned YTD target of £1,034,121 (adverse variance of £228K). Nursing Pay savings are the key area of non-delivery in Medicine (£228K YTD).</p> <p>The underspending in central budgets (corporate areas) mitigates underachievements in medical division, particularly related to nursing savings.</p>	<p>Controls around Bank and Agency staff Strict controls for Specials and management of rotas Management of annual leave and sickness Ongoing monitoring by divisional chief nurse</p>
Transformational Projects	Progress and next steps
<p>ED Clinical Model – Exec Sponsor (Bernie Bluhm)</p> <p>Objectives include implementation of a new clinical model and patient flow process, ED estate upgrade, review of clinical model in Minors and clinical criteria, ED establishment & competencies review and design of new quality indicators/metrics.</p>	<p>Phase 2 of the project is underway with the main focus on integration of Minors (former UTC) with Majors and streaming of patient flow.</p> <p>Clinical pathways and criteria have been reviewed. Key progress has been seen on the recruitment side of the project – ED Clinical Leads and Practice Development Nurse will pick up the review of roles & responsibilities once in post (May / June-12).</p> <p>ED Refurbishment Phase 2 has been completed which involved the front reception, streaming rooms, store rooms, relatives room and the staff areas. The next stage – Paediatrics and Majors areas. The work will be undertaken concurrently with the aim to complete by August 2012.</p>
<p>Ambulatory Care Medical pathways – Exec Sponsor (Bernie Bluhm)</p> <p>Objectives include implementation of 13 ambulatory care pathways (in 3 phases) by the end of Mar-12.</p> <p>Delivery of objectives is linked to CQUIN income. (£325K)</p>	<p>Phase 2 pathways been written and published on the Intranet. Phase 3 pathways are due to be completed by end of February. Pricing structure is being agreed with commissioners. Clinics have been set up on AMU to aid accurate recording.</p> <p>The External Launch event is taking place on 7th March 2012 with external stakeholders (GPs and other providers).</p> <p>KPIs are collected monthly basis but need further refinement (i.e. recording “attendances” rather than just admissions). See Chest Pain example.</p>

Year To Date	£'000
Plan	1,034
Actual	806
Variance	(228)
Forecast Out Turn for 11/12	£'000
Plan	1,511
Actual	1,198
Variance	(313)



Progress Update - Surgery

Financial Savings & Transformational Projects

Financial Savings	Progress and next steps
<p>YTD savings of £1,301K against the planned savings target of £1,301K. Although Surgical division cumulatively delivered the planned YTD saving of £1,301K, there are exceptions that are under achieving -</p> <p>Nursing Pay savings is the main area of non-delivery in Surgery (£190K adverse YTD).</p> <p>Surgery Wards & Endoscopy Non-pay reduction - YTD variance of £57K against the savings target of £76K.</p> <p>Ophthalmology Medical Staffing Private Patients Income – YTD variance of £36K against the target of £50K.</p>	<p>Controls around Bank and Agency staff Strict controls for Specials Management of rotas and annual leave and sickness. Ongoing monitoring by divisional chief nurse.</p> <p>Saving is not going to be achieved in 11/12. Delivering the saving through divisional budget underspend.</p> <p>The nursing overspend is being mitigated by other Divisional schemes and closely monitored by divisional chief nurse.</p> <p>The Division is confident that the savings target will be achieved by the end of the year within the divisional budget.</p>
Transformational Projects	Progress and next steps
<p>Enhanced Recovery Programme (ERP) - Exec Sponsor (Bernie Bluhm)</p> <p>Objectives include the implementation of Enhanced Recovery model of care across 3 pathways – Colorectal, Gynae and T&O (8 procedures) and as a result reduction in LoS. Delivery of objectives is linked to CQUIN income. (£250K)</p>	<p>The Trust is progressing with the implementation of the ER programme as per the project plan. Governance structure is in place. Most efforts and focus were on completion of pathways. Pathways have been clinically approved and implementation dates will be agreed in February.</p>
<p>Ambulatory Care Surgical pathways – Exec Sponsor (Bernie Bluhm)</p> <p>SaSH has committed to implementing Abscess pathway with the direct access to Crawley Day Surgery, Urology and Orthopaedics pathways.</p>	<p>Project closed. All 3 pathways have been implemented.</p>

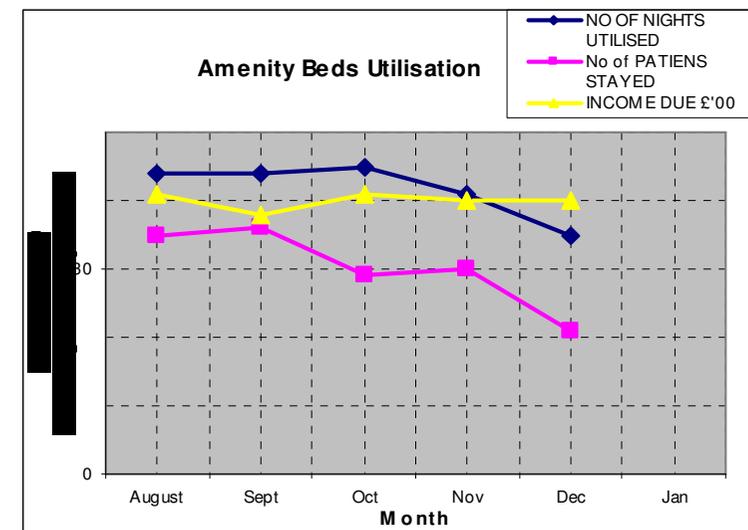
Year To Date	£'000
Plan	1,301
Actual	1,301
Variance	0
Forecast Out Turn for 11/12	£'000
Plan	1,620
Actual	1,620
Variance	0

Progress Update - WaCH

Financial Savings & Transformational Projects

Financial Savings	Progress and next steps
<p>WaCH have been achieving its 5.5% saving target of £721K YTD.</p> <p>Although WaCH cumulately delivered the planned YTD saving, there are exceptions that are under achieving -</p> <p>Paediatric Medical Staffing Job planning – £60K YTD adverse to £90K savings target.</p> <p>Amenity Beds Income – £22K delivered at Month 9. YTD adverse variance of £25K against £48K YTD planned saving.</p> <p>Under achievements are mitigated by divisional underspend.</p>	<p>Jobs plans have been altered to reflect the reduction by 0.5 PA. Implementation was planned to start on 1 Dec. No saving has been delivered to date but will start being delivered from Month 10 (Jan) onwards.</p> <p>Facility is actively promoted by division to expected mothers. Average monthly income is £3,000 - £4,000 (issue of unpaid fees), 210 days utilized to date, 150 mums used the facility to date. Action: To review payment policy & processes.</p>
Transformational Projects	Progress and next steps
<p>No specific divisional transformational projects within WaCH.</p> <p>However a number of cross-divisional transformational schemes run through / make an impact –</p> <ul style="list-style-type: none"> - VTE - ERP - Digital Dictation - Ward Clerks Review - Hospital 24/7 - Health Records - Patient Tracking (CQUIN) - Discharge process / DTOC 	

Year To Date	£'000
Plan	721
Actual	721
Variance	0
Forecast Out Turn for 11/12	£'000
Plan	1,154
Actual	1,154
Variance	0



Progress Update – CSS

Financial Savings & Transformational Projects

Financial Savings	Progress and next steps
<p>YTD saving target of £603K against the planned savings target of £627K, with £24K favourable variance.</p> <p>Pathology – Blood sciences shit patterns and rates - £30K adverse against the target of £75K.</p> <p>Reduction of Medica Spend - £10K adverse against the target of £15K.</p> <p>Radiology - GP Direct Access – Delivery of objectives is linked to CQUIN income (£163K)</p> <p>Pharmacy Drug Usage & Spend Reductions – YTD actual saving of £142K against the planned YTD target of £77K.</p>	<p>Full saving is not expected to be delivered until 12/13 due to delays caused by staff consultation. However the non-delivery is being mitigated through the VAT savings on pathology contracts.</p> <p>Although the contract with Medica have been negotiated for 20% reduction, delivery of the saving is affected by the increased volume of outsourcing.</p> <p>Trust continue to achieve turnaround targets for urgent and non-urgent diagnostic tests. It should be noted that due to the volume and cost of outsourcing some elements of reporting to Medica, it is currently costing more to achieve this CQUIN than is likely to receive in income.</p> <p>Pharmacy continue to deliver additional savings through monitoring and tighter controls around prescribing, dispensing and reductions in price per unit and usage by divisions.</p>
Transformational Projects	Progress and next steps
<p>Health Records Transformation Exec Sponsor (Bernie Bluhm / Des Holden)</p>	<p>Centralisation of Health Records service is in the progress – redeploying staff at Horsham and recruiting to vacancies. Barcoding / File Tracking – Electronic Document Management (EDM) was agreed in principle for 2013/14. RFID solution (tagging) to start from Crawley (capital bid required for 11/12 by 31 Jan-12). Revised Contract with FileStore is being chased.</p>

Year To Date	£'000
Plan	603
Actual	627
Variance	24
Forecast Out Turn for 11/12	
£'000	
Plan	844
Actual	844
Variance	0

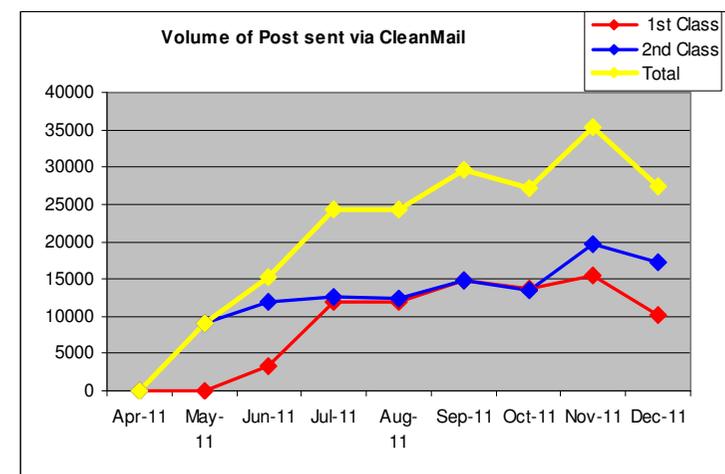
URGENT RADIOLOGY TESTS - QUARTERLY KPIs				
	Total number of Urgent tests sent to GPs	Total number of Urgent tests sent within 48 hours	Target	% of Urgent tests sent to the GP within 48 hours from request to report by PACS or nhs mail
Q1	1258	947	50%	75.3%
Q2	1306	882	60%	67.5%
Q3	1042	857	70%	82.2%

Progress Update – Estates & Facilities

Financial Savings & Transformational Projects

Financial Savings	Progress and next steps
<p>YTD savings of £154K against the planned savings target of £175K, variance of £21K.</p> <p>Postage Efficiencies / Rates Reductions - Adverse variance of £6K against the YTD target of £12K.</p> <p>Utilities Efficiencies - Adverse variance of £14K against the planned YTD target of £101K.</p>	<p>The CleanMail scheme is being actively rolled out across the Trust. On average £3K of credits are gained through the scheme each month. Uncovered issue of under paid credits has been escalated to Royal Mail for investigation. Response is due mid-February.</p> <p>Both consumption and tariff prices in 11/12 are higher than anticipated. Usage has increased due to additional areas being opened. Mitigating actions include new water tariff from Jan-12 (£15K FYE) and reduction in electricity spend through the "tap down" initiative started in Nov-11.</p>
Transformational Projects	Progress and next steps
<p>Energy Audit / Efficiencies - Exec Sponsor (I Mackenzie)</p> <p>Staff Car Parking Scheme -</p>	<p>Tap Down – some reduction in spend (£2K) has been seen since the start of the scheme in Nov-11.</p> <p>The scheme went "live" on 1st December 2011 and is delivering the planned benefits.</p>
<p>Food Modernisation Exec Sponsor (I Mackenzie)</p> <p>Patient Entertainment System Exec Sponsor (I Mackenzie)</p>	<p>Hazelwood, Copthorne and Charlwood wards will be using the new heated trolleys once opened. A pilot undertaken earlier in the year shown noticeable improvements in patient satisfaction where trolleys were in place. A full business case is being prepared for a full Trust roll-out.</p> <p>The Trust has purchased a patient entertainment System which will go live in Charlwood and Copthorne wards on the 20th February 2012. A pilot will be run for 6 months (Sept-12). A standard charging model will be proposed following the outcome of the pilot.</p>

Year To Date	£'000
Plan	175
Actual	154
Variance	(21)
Forecast Out Turn for 11/12	£'000
Plan	234
Actual	226
Variance	(8)

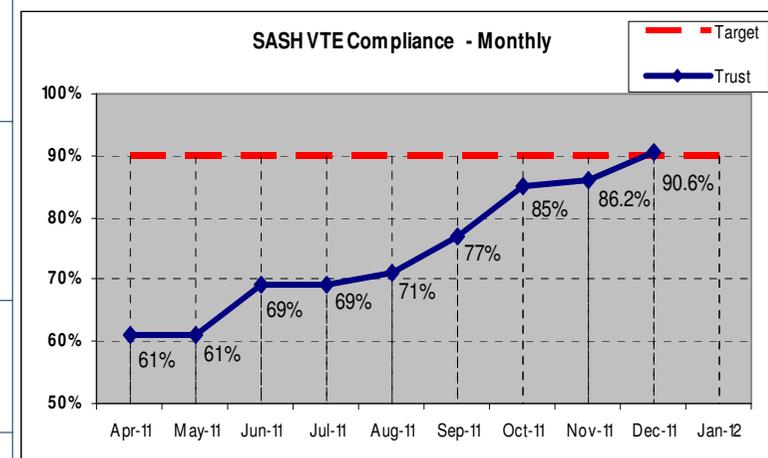


Progress Update – Cross-divisional / All Divisions

Financial Savings & Transformational Projects

Financial Savings & Exceptions	Progress and next steps
<p>YTD savings of £154K against the planned YTD savings target of £215K, adverse variance of £61K.</p> <p>Digital Dictation – YTD adverse variance of 94K against 11/12 savings target of £188K. Delivery of the project is linked to CQUIN (Outpatient Communications) worth £250K.</p> <p>Medical Staffing Central target – YTD adverse variance of £90K against a target of £180K.</p>	<p>Roll-out of Digital Dictation is progressing per plan. Technical issues have been resolved. The testing of the link between the Dictate and Docman will be done by end of Jan. Electronic delivery of letters is planned for mid-February. Due to the complexity of the programme and issues encountered during the roll-out (e.g. Voice Recognition software) savings are not expected to be made this year. CQUIN quarterly targets have been achieved.</p> <p>No financial benefit is as yet being delivered due to shortage in supply of medical staff across most specialties, particularly Anaesthetics, A&E and Paediatrics.</p>
Transformational Projects	Progress and next steps
<p>VTE (CQUIN) - Exec Sponsor (D Holden). CQUIN Income of £250K</p>	<p>As a result of a number of actions and joint efforts in each division and clinical teams VTE compliance for December 2011 reached 90.4%. VTE compliance is monitored by divisions and senior management team on a weekly basis. The Trust is confident in achieving and sustaining the target during March 2012 as required by the CQUIN.</p>
<p>Hospital 24/7 - Exec Sponsor (B Bluhm)</p>	<p>Handover daily meetings take place and well attended. Staff consultation on job description (Clinical Site Manager) is taking place in February as part of the Clinical Site team skill mix and competencies review. Project meetings have been suspended until April due to the focus on the opening of new wards.</p>
<p>Outpatients - Exec Sponsor (B Bluhm)</p>	<p>OPD Process mapping workshop held on 22 December. Changes to the booking system (partial booking) have been agreed. Project objectives and KPIs need to be agreed with a new Exec Sponsor.</p>
<p>Ward Clerk Review - Exec Sponsor (J Thomas)</p>	<p>The project has been inked to the business planning process.</p>
<p>Delayed Transfers of Care (DToC) - Exec Sponsor (B Bluhm)</p>	<p>Phase 2 (criteria-led discharge) is planned to start in April 2012.</p>

Year To Date	£'000
Plan	611
Actual	379
Variance	(232)
Forecast Out Turn for 11/12	£'000
Plan	1,237
Actual	884
Variance	(353)



Progress Update – Corporate / Others

Financial Savings & Transformational Projects

Financial Savings	Progress and next steps
Corporate areas have overachieved the YTD saving target of £329K (favourable variance of £185K). No issues / exceptions with delivery of the Corporate savings plans. The budgetary underspends in corporate areas continue to mitigate underachievement of savings schemes within the Transformation programme.	
Transformational Projects	
No transformational projects within Corporate areas.	

Year To Date	£'000
Plan	329
Actual	514
Variance	185
Forecast Out Turn for 11/12	
Plan	501
Actual	627
Variance	126

Note: Corporate areas in this report do not include Trust wide savings.

Progress Update – Procurement

Financial Savings & Transformational Projects

Financial Savings	Progress and next steps
<p>The YTD performance is £597K above the planned target of £320K.</p> <p>Procurement – Hub Workplan savings - YTD £24K adverse (£31K actual YTD against £55K YTD planned target).</p> <p>Additional Procurement Savings - £19K adverse (£37K against the planned saving of £56K).</p>	<p>Divisions have absorbed non-pay increases within their current budgetary positions. This has allowed reserves for VAT and Non-pay to be allocated to the savings plan.</p>
Transformational Projects	Progress and next steps
<p>Multi Functional Devices – Exec Sponsor (P Simpson)</p>	<p>Working on specifications and new model and engaging with suppliers. Validation of baseline data. Next steps will be to follow the tender process (mini-competition).</p>

Year To Date	£'000
Plan	320
Actual	597
Variance	277
Forecast Out Turn for 11/12	£'000
Plan	600
Actual	1,027
Variance	427

Progress Update – CQUINS (Commissioning for Quality and Innovation) Schemes

Schemes	Progress and next steps
The CQUIN (Commissioning for Quality and Innovation) payment framework enables commissioners to reward excellence by linking a proportion of providers' income to the achievement of local quality improvement goals.	
VTE – 90% of all adult inpatients who have had a VTE risk assessment on admission to hospital using the national tool.	VTE compliance for December was at 90.4%. The Trust is confident in sustaining the target and achieving it in March 2012.
Radiology Diagnostic reporting 80% of tests to be sent to GPs within 48 hrs (urgent tests) / 5 working days (non-urgent tests) from request to report.	Monthly and quarterly turnaround targets for urgent and non-urgent diagnostic tests have been continuously achieved. The Trust is assured of meeting the CQUIN Q4 milestones.
0 LoS Ambulatory Care pathways development and implementation of pathways in conjunction with primary and community stakeholders to ensure correct pathways for 13 conditions are developed for full implementation in 12/13	Phase 1 & 2 pathways (8 out of 13) have been reviewed, re-written and approved by the Network and clinicians. Pathways are being implemented. The remainder of pathways is due to be completed by the end of February and implemented by the end of March 2012.
ERP - Implementation of the enhanced recovery model of care which improves the elective/ planned care pathway for patients enabling them to recover more quickly with earlier discharge and reduced postoperative complications.	All pathways (Colorectal, T&O and Gynae) have been written and clinically approved. Implementation dates to be agreed in mid-February. Monthly data has been collected and submitted by the deadline.

CQUINS Scheme	Percentage of Total CQUINS funding	Total	Assessment of delivery
VTE Assessment	0.15%	243,933	Year End
Patient Experience	0.15%	243,933	Year End
Enhancing Quality Programme	0.50%	813,111	Year End
Ambulatory care sensitive conditions	0.20%	325,244	Quarterly
Enhanced Recovery	0.15%	243,933	Year End
Inpatient Tracking System	0.10%	162,622	Year End
Outpatient Communication	0.15%	243,933	Quarterly
Radiology Diagnostic reporting	0.10%	162,622	Year End
Totals	1.50%	2,439,332	

Progress Update – CQUINS (Commissioning for Quality and Innovation) Schemes (cont.)

Schemes	Progress and next steps
<p>Enhancing Quality (EQ)- % increase in number of patients on specified 5 pathways receiving pathway metrics as per EQ Programme Board requirements</p>	<p>The data on 11 EQ measures is submitted monthly to the EQ project team and signed off by PCT. The Trust is meeting Q1, Q2 and Q3 requirements.</p>
<p>Patient Experience - 50% of this CQUIN will be assessed when the results of the National Patient Surveys are released in March-12. 50% will be based on patient interviews / focus groups and action plans stemming from issues.</p>	<p>The Trust has been undertaking analysis of the patient experience using electronic real-time measuring units. Two Patient Focus Groups (ED and Nutrition) have met. ED Action plan has been agreed as a result of patient interviews.</p>
<p>I-Tracker – Implementation of a real-time web-based information system (iTracker) and subsequent monitoring and improvement of recording</p>	<p>Commissioners agreed that Cerner could provide a live inpatient tracking system. Summary report on work /developments done in Q1 & 2 has been submitted alongside the roll-out plan for getting Cerner used in real time.</p>
<p>Outpatient Communications- Implementation and roll-out of electronic delivery of outpatient letters to GPs within 5 working days (target 80%)</p>	<p>Rollout of Digital Dictation to Acute Medicine (pilot area) and other departments within Medical division completed at the end of January. Surgery and WaCH will be "live" by the end of March as per action plan. Electronic delivery of letters is currently at the testing stage and planned to start in February.</p>

CQUINS Scheme	Assessment of delivery	Q1	Q2	Q3	Q4	Totals
VIE Assessment	Year End	-	-	-	243,933	243,933
Patient Experience	Year End	-	-	-	243,933	243,933
Enhancing Quality Programme	Year End	-	-	-	813,111	813,111
Ambulatory care sensitive conditions	Quarterly	81,311	81,311	81,311	81,311	325,244
Enhanced Recovery	Year End	-	-	-	243,933	243,933
Inpatient Tracking System	Year End	-	-	-	162,622	162,622
Outpatient Communication	Quarterly	60,983	60,983	60,983	60,983	243,933
Radiology Diagnostic reporting	Year End	-	-	-	162,622	162,622
Totals		142,294	142,294	142,294	2,012,449	2,439,332