



Countess of
Chester Hospital
NHS Foundation Trust

BOARD OF DIRECTORS AGENDA AND PAPERS

TUESDAY, 29TH JANUARY 2019





**MEETING OF THE BOARD OF DIRECTORS (PUBLIC)
TUESDAY, 29TH JANUARY 2019 AT 10.45AM – 12.45PM
TRAINING ROOM 3 & 4**

AGENDA

FORMAL BUSINESS

- | | | |
|----|---|-------|
| 1. | Welcome and Apologies | Chair |
| 2. | Declarations of Interest | Chair |
| 3. | To receive and approve the Board of Directors minutes of meeting held on 18 th December 2018 and matters arising (Attached) | Chair |

QUALITY & ASSURANCE

- | | | |
|----|--|---|
| 4. | To receive a patient story | Director of Nursing and Quality |
| 5. | To review the Integrated Performance Report as at Month 9 to include: <ul style="list-style-type: none">• Finance Report for Month 9 and Quarter 3 (Attached) | Executive Team |
| 6. | To receive details of the National Procurement Modernisation (Attached) | Chief Finance Officer / Director of Procurement |
| 7. | To receive an update on Never Events and Serious Untoward Incidents (Verbal) | Director of Nursing and Quality |
| 8. | To receive details of the EU Exit Operational Readiness (Verbal) | Chief Operating Officer |

STRATEGIC DEVELOPMENT

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|-----|---|--|
| 9. | To receive details on the progress of the Integrated Care Partnership (Verbal) | ICP Managing Director |
| 10. | To receive a CEO Update (Verbal) | Acting Chief Executive |
| 11. | To receive an update on Governor Matters (Verbal) | Director of Corporate & Legal Services |

FOR NOTING & RECEIPT

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12. To receive the Month 8 and Month 9 letter to NHS Improvement Chief Finance Officer
13. To receive the minutes of the Quality, Safety and Patient Experience Committee – November 2018 and December 2018 Director of Nursing & Quality
14. To receive the minutes of the People and Organisational Development Committee – 27th November 2018 Interim Director of People & Organisational Development
15. Date and Time of Next Meeting:
Board of Directors Meeting
Tuesday, 26th March 2019 – time and venue to be confirmed

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BOARD OF DIRECTORS (PUBLIC)

MINUTES OF THE MEETING HELD ON TUESDAY,
18TH DECEMBER 2018 AT 9.30AM – 11.30AM
LECTURE HALL

		Attendance	
Chair	Sir D Nichol	<input checked="" type="checkbox"/>	
Non Executive Director	Mr A Higgins	<input checked="" type="checkbox"/>	
Non Executive Director	Mr E Oliver	<input checked="" type="checkbox"/>	
Non Executive Director	Mrs R Hopwood	<input checked="" type="checkbox"/>	
Non Executive Director	Ms R Fallon	<input checked="" type="checkbox"/>	
Non Executive Director	Mrs C Hannah	<input checked="" type="checkbox"/>	
Acting Chief Executive	Dr S Gilby	<input checked="" type="checkbox"/>	
Acting Medical Director	Dr D Kilroy	<input checked="" type="checkbox"/>	
Director of Finance	Mr S Holden	<input checked="" type="checkbox"/>	
Director of Nursing & Quality/Acting Deputy Chief Executive	Mrs A Kelly	<input checked="" type="checkbox"/>	
Director of People and Organisational Development	Mrs S Hodkinson		<input checked="" type="checkbox"/>
Director of Corporate & Legal Services	Mr S P Cross		<input checked="" type="checkbox"/>
Chief Operating Officer	Ms L Burnett	<input checked="" type="checkbox"/>	
ICP Managing Director	Ms A Lee	<input checked="" type="checkbox"/>	
Interim Director of People & Organisational Development	Mrs A Hall	<input checked="" type="checkbox"/>	

In attendance:

Mrs C Raggett – Assistant Trust Secretary

FORMAL BUSINESS

B86/18 **WELCOME AND APOLOGIES**

Sir Duncan welcomed Dr Gilby, Mrs Hall, Ms Lee and Mr Folwell as Lead Governor and all attendees to the Board meeting.

Apologies were received from Mrs Hodkinson and Mr Cross.

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B87/18 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

B88/18 **TO RECEIVE AND APPROVE THE BOARD OF DIRECTORS MINUTES OF MEETING HELD ON 23RD OCTOBER 2018 AND MATTERS ARISING**

The Board of Directors minutes of the meeting held on 23rd October 2018 were received as a true and accurate record save for the following amendment: Ms Burnett referred to page 8, it was internal funds used for the day case unit works and all the national monies received were used for the A&E development works. Mrs Kelly referred to page 10 item B71/18 which should be 2 individuals.

MATTERS ARISING

There were no matters arising.

QUALITY ASSURANCE

B89/18 **TO REVIEW THE INTEGRATED PERFORMANCE REPORT AS AT MONTH 7 TO INCLUDE A FINANCIAL UPDATE**

Ms Burnett presented the new format performance report for month 7.

Ms Burnett highlighted the following points from the constitutional metrics:

- A&E attendances have grown by 8% during the year however, there has been no increase in the numbers of patients being admitted. The Trust is seeing 92% of patients within 6 hours.
- There has been an 11% growth in suspected cancer treatment referrals and there continues to be an upward trend. There is a need for additional capacity to address the increase of diagnostics tests in endoscopy and radiology.
- The Trust has been undertaking a review and cleanse of the 18 week RTT waiting list which does make the performance level look like it has dropped. The number of patients on the list has reduced which has impacted the performance level. There were 2 patients who have transferred from Wirral whom have waited over 52 weeks for treatment, this was the patient's own choice and the Trust is working with the patients to arrange for them to receive their treatment. There will be no patients who have been waiting over 52 weeks for treatment by the end of March 2019. There is a lot of work being undertaken around productivity and managing services.

Sir Duncan asked about the A&E 'Perfect Week' and the actions taken that were not sustainable for the Trust in the long term. Ms Burnett stated that a lot of managers stopped doing their usual roles to support the 'Perfect Week'. If this was to continue it would impact on other areas such as the 62 day cancer work, as managers would only be focussing on one element of the business. There is learning to be shared following the 'Perfect Week'.



Mrs Hopwood asked if there is anything further to be learned from GP colleagues as to why referrals have grown. Ms Burnett reported that whilst there has been an increase in referrals there has not been an increase in cancer diagnosis. There have been some high profile celebrity cancer awareness campaigns recently, such as prostate cancer which could be one of the reasons for the increase. Ms Burnett added that it was possible that in 2020 the 62 day cancer target could be reduced by a number of days to get patients diagnosed sooner. The Trust will work with primary care regarding the increase in referrals. The Trust has also got a new electronic referral system and has sent 2% of referrals back to GPs.

Mrs Fallon asked if the capacity for the additional diagnostic tests has been commissioned. Ms Burnett replied that more needed to be commissioned, although the Trust needs to understand what tests can be undertaken by flexing the existing services to provide additional capacity. Ms Burnett is concerned about the widening gap in capacity and the increase in demand for diagnostic tests.

Mrs Kelly highlighted the following points from the safety metrics:

- Mrs Kelly was encouraged that the level of falls with harm has improved.
- The safety thermometer had performed well in month. This is taken as a snap shot during the month.
- Despite the pressures across the organisation, the Trust still continues to receive good feedback from patients. Work is continuing with the complaints and PALS team to mitigate complaints where possible, so there is an increase in workload for the PALS team.

Mrs Fallon asked if there were any themes or learning from the 3 MRSA cases. Dr Kilroy replied that there were no themes/trends but there was some learning that is currently being disseminated across the organisation. Mrs Kelly added that there has been Trust wide communications regarding infection control measures. Dr Gilby also added that it has been agreed that an external review of infection control will be undertaken. This will demonstrate how the Trust benchmarks with its peers. Dr Gilby also feels that a MRSA case should be a never event and that culturally she would like to send that message across the Trust.

Mrs Hall highlighted the following points from the Kind and effective metrics:

- The pressures and demands across the Trust are having an impact on the people metrics. Mrs Hall is addressing aspects such as better use of technology for online training. This will allow flexibility for staff to be compliant with mandatory training and appraisals.
- Mrs Hall is working with staff side about when staff calls in sick and how staff can be encouraged to give as much notice as possible to their line manager. There is no provision in the currently policy for a minimum notice period for staff to advise if they are unable to work due to sickness. The earlier that staff can advise their line manager that they are unable to work, the Trust will have time to cover the shift with bank staff which will reduce the impact on variable pay. The trade unions have been very helpful and are content to send out a joint statement to staff. Staff are waiting until the last minute to advise their line manager they are unable to work as they are waiting to see if they improve and can in fact come to work. The Trust would prefer to have made the provision of bank staff available and stand this down if needed.
- The Trust has now introduced a nurse bonus scheme.

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- Mrs Hall and the team are looking at streamlining the Trust induction programme.

Mrs Kelly stated that she welcomed the work around short notice sick as there have been some challenges in staffing with the current pressures and demands.

FINANCE REPORT FOR MONTH 8 (NOVEMBER 2018)

Mr Holden gave a detailed overview of the Trusts financial position for the end of November 2018 (Month 08) and highlighted the following points:

- At Month 8, the Trust is still forecasting a £12.7m deficit, for the financial year 2018/19.
- The significant improvement in the delivery of the West Cheshire CCG Contract, with the contract moving from £467k underperformance, to £1,246k over performance, on the Block Contract (under Payment by Results as the measurement).
- That this over performance (of £1.246k) includes £975k of over performance on Therapies, due to this activity now being chargeable (similarly to other Trusts in the area). Mr Holden is working the finance team to take this forward.
- The main financial pressures continue to be medical and nursing pay which is needed to support the additional activity.
- There are pressures regarding achieving/maintaining the Referral to Treatment (RTT) times from both outsourcing and insourcing. This has not been assumed in the figures at this stage.
- There has been a 26% growth in delayed transfers of care (DTOCS) attributable to Welsh patients, when compared to the same period last year. An Executive Team to Executive Team meeting has been arranged with Betsi Cadwalladr to discuss the figures and the issues.
- The Trust needs to achieve the planned Month 9 financial position to receive the additional Provider Sustainability Funding (PSF) monies, although this currently looks unlikely. Mr Holden is reviewing the position to see if non-recurrent resources could be brought forward to support this.
- Month 9, is the end of Quarter 3 and is one of the points where the Trust could amend the year end forecast if required.
- The Trust must maintain tight financial control and continue to implement the turn round measures being undertaken internally.

Mrs Hannah referred to the bed base and the system wide review that resulted in the Winter Plan being signed up to by the system. Mrs Hannah stated that the report suggested that it was not signed up to. Ms Burnett replied that the demand and capacity review undertaken needed to be reviewed as a system, as it has not included Winter. As a system we all signed up to patients being in their own homes where possible. The challenge is that Ward 54 is required to support the bed base. The Trust has mitigated 19 of these beds, and the CCG has commissioned a further 5 beds at the Pinetum Nursing Home. Ms Burnett has asked the CCG to commission a further 6 community beds during the winter period. Ms Burnett is working with Ms Lee and the ICP to address these issues.

Dr Gilby added that the number of Delayed Transfers of Care (DTOCS) for West Cheshire had

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reduced by 24%. The Trust did have 101 DTOC patients, 20 of who were Welsh patients. Dr Gilby is hopeful that the meeting with Betsi Cadwaladr will be helpful in getting the right patient in the right place.

Mr Higgins asked about the prospect of substantive progress on the delivery of the Recovery Plan actions. Mr Holden replied that whilst the discussions with Wales, regarding additional funding, were proving to be difficult, he was confident that all the back office functions would now deliver their 3.5% savings target, planned at the start of the year. NHSi and NHSe have stated that the winter pressures will be a shared problem although there is need to firm up the details of how this will be addressed.

Mr Higgins asked about the actions for the mitigation which outside of the Trust's control. Dr Gilby stated that the answer would be a system control total and the key is to continue building the relationships with the CCG and Wales. NHSi and NHSe are now coming together and conversations are starting to change during the regional winter telephone conferences. There was a clear message that winter risk is a system issue and if acute trusts require additional resource then the system will need to support this.

The Board accepted, and received, the Performance Report for Month 7, and Finance Report at Month 8.

CAPITAL PROGRAM UPDATE

Mr Holden gave a detailed overview of the capital programme and highlighted the following points:

- The Trust has submitted a capital loan application. This has not yet been approved but NHSi have asked the Trust how much will be spent by the end of March 2019.
- The Trust has requested £6.9m and has said that £5.2m is urgent and necessary to replace pieces of equipment. The executive team have signed this off as a risk, as the Trust is exposed as the loan has not yet been approved. However, if the Trust has not received a decision by the start of 2019, the executive team will sanction the urgent spend. Mr Holden will keep the Board informed on the progress of the application.

In response to a question from Sir Duncan, Mr Holden confirmed that the regulators had been informed of the current capital position.

Mrs Kelly added that there is a robust methodology for capital spends particularly around safety. There are critical pieces of equipment that may affect patient safety and may stop services. The process is balanced from both a safety and financial perspective.

B90/18

TO RECEIVE DETAILS OF THE GOVERNANCE FOR THE APPROVAL OF LOANS FROM NHS

Mr Holden set out the governance process and requirement for the Trust to draw down a loan, as required, supporting the operational cash position of the Trust. He explained that this is a requirement as the Trust is now running at a deficit.

Mr Holden advised the Board that the overarching loan application is brought to the Board each year

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for approval. This process has been brought to update the authorised signatories list, now adding Dr Gilby to the list, as Acting Chief Executive.

B91/18 **TO RECEIVE DETAILS OF THE PLACE REPORT 2018**

Mrs Kelly presented the Place Report 2018 to the Board as a key part of the patient experience agenda is having the right environment for the patient.

Mrs Kelly reported that the Trust does have some challenges and there are some areas where the Trust has fallen below the national average and has deteriorated since last year.

Mrs Kelly stated the Trust will focus on the dementia element. There is an action plan being formalised which will be monitored by the Patient Experience Operational Group (PEOG). There are some areas that can be addressed quickly. Mr Holden is aware of these actions and these are progressing.

Mrs Kelly reported that there have been significant improvements at Ellesmere Port Hospital to make sure the environment is safe and fit for purpose. The Trust will focus on the Countess site over the next 12 months.

Mrs Kelly stated that there are some elements in the assessment that are not achievable. The Trust is not the only hospital in this situation. There is a national review of the PLACE toolkit, so the assessment may look different next year. All of the PLACE actions are reviewed at the PLACE committee which has been refreshed by Mr Morrow, the new Head of Facilities. The action plans are monitored by PEOG which reports up through to the Quality, Safety and Patient Experience Committee (QSPEC).

Sir Duncan asked if the dementia environment issues were the same as in previous year. Mrs Kelly replied that some were the same, although a lot of work has been undertaken around signage across the organisation. Mr Holden thanked the Charitable Funds Committee for funding the memory lane project for dementia at Ellesmere Port Hospital and £80k funding for the memory lane project at the Countess site. Ms Lee stated that she has now taken on responsibility for Ellesmere Port Hospital which is now an amazing experience for patients particularly the memory lane. Ms Lee is arranging a formal opening of memory lane and will update the Board on the future arrangements. There is also work being undertaken to make the ward environment a safe place to be at night.

Mrs Hannah asked how much is required to achieve compliance in terms of resource and focus at the Countess site. Mrs Kelly replied that there would be a need for financing and the use of charitable funds. The new Head of Facilities is undertaking a refresh of the PLACE agenda and the how the Trust can make a big difference for next year.

Mr Oliver stated that projects such as the memory lane were high on the agenda for the Charitable Funds Committee. There are a number of future schemes being discussed with Mr Holden which will bring benefits for patients and the Trust.



B92/18 **TO RECEIVE DETAILS OF THE FLU CAMPAIGN 2018**

Mrs Hall was pleased to report that the Trust had vaccinated 79% of front line staff at present. The flu campaign is continuing through to February 2019. There is an improvement in the numbers of staff being vaccinated at the point in the year compared to the previous year.

Mrs Hall added that there are some members of staff who do not wish to receive the vaccination.

Mrs Hall thanked the occupational health team for making it easy for staff to be able to receive the vaccine.

B93/18 **TO RECEIVE THE DIRECTOR OF INFECTION PREVENTION AND CONTROL ANNUAL REPORT**

Dr Kilroy presented the Director of Infection Prevention and Control Annual Report 2017/18 to the Board. There is a challenge at this time of year as it becomes ever more difficult and complex in term of infection prevention and antibiotic stewardship. There is a degree of success within the report as performance has been maintained. Whilst there are some dips in performance, the Trust represents a safe, clean and well-orchestrated infection prevention agenda across the Trust.

In response to a question from Mrs Hannah, Dr Kilroy stated there is a review of processes being undertaken as there is a need for rigour. There is some room for improvement in some areas.

B94/18 **TO RECEIVE THE LEARNING FROM DEATHS 6 MONTHLY REPORT**

Dr Kilroy gave an overview of the 6 monthly Learning From Deaths (LFD) report to the Board. Dave Semple is now taking this work forward and the processes will continue to improve. A lot of work has been undertaken over the last few months. Some deaths are inevitable however, there may be learning from elements of care in certain groups of patients. It is about what can be differently and what learning can be shared across the organisation.

Mrs Fallon stated that as Chair of the LFD group, the amount of work undertaken over the last 12 months cannot be underestimated. There has been real progress and this is now being embedded across the divisions.

In response to a question from Sir Duncan and Mr Higgins, Dr Gilby stated the review of deaths is about if and how care could have been improved. There are a very small number of patient deaths that will require a structured judgement review (SJR). There is for data with more depth so that any learning is captured to improve care and experience for the patient. The Trust has agreed to use a tool which Dr Gilby has used previously in other organisations to review every death in the hospital going forward.

Mrs Hopwood asked if the review of all in hospital deaths did include all patient deaths. Dr Gilby replied that the reviews would not include children as any such deaths are reviewed and managed through the Child Death Overview Panel regionally and nationally.



In response to a further question from Mrs Hopwood, Mrs Kelly outlined the national LEDER review process for deaths of a patient with learning disabilities. Mrs Kelly added that the LFD group is looking at linking with the Child Death Overview Panel. Dr Gilby stated that the Child Death Overview Panel Report could be received at Board for information.

Sir Duncan asked about how the end of the life care feeds into the LFD process. Mrs Fallon replied that the terms of reference for the LFD group had been reviewed to include Dr Smith, Lead for end of life care so that the end of life care group can also feed into the LFD group.

Dr Gilby thanked the LFD group for their hard work and improvement in this area.

B95/18

TO RECEIVE AND APPROVE THE BOARD ASSURANCE FRAMEWORK AT Q2

Mrs Kelly presented the Board Assurance Framework (BAF) at Q2 and the following points were highlighted:

Risk CR1

Mrs Kelly stated that risks and gaps in assurance for BAF risk CR1 are key items of discussion at QSPEC each month. These areas will continue to be monitored until there is full compliance. The neonatal police investigation is also included within this risk and this will be further reviewed in Q3.

Risk CR2 & CR6

Ms Burnett stated that both risks overlap but are subtly different. This is in relation to the financial position having the required budget for increased demand and risks around workforce. These risks are red rated and scored at 16 as they are likely to happen and there will be consequences.

Risk CR5

Mr Holden stated that this risk is about the financial plan which was forecast as a £4.3m deficit and is now forecast to be £12.7m deficit which is off plan. There are positive assurances detailed which include monthly meetings with NHSi, scrutiny of the position, internal and external audit of the position and the vacancy panel process.

Risk CR10

MRs Hall stated that this risk is in relation to all vacancies and the difficulties in recruiting staff. There is also a review of vacancies in order to prioritise where resources need to be put in the system.

Sir Duncan and Dr Gilby stated that it was useful to discuss the BAF risks in detail as the BAF informs the decisions the Trust makes. A full review of governance and risk management has been commissioned and that by the end of the financial year, there will be a proposal to look at the BAF in a more meaningful way.

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Mr Higgins referred to risk CR9 and the risk around Cerner implementation. Mr Higgins asked for assurance around IT governance. Mr Holden replied that this was under constant review and the Memorandum of Understanding for the Cerner implementation with Wirral University Teaching Hospital, is included in the Board pack for information. Mr Holden added that the governance process for IT is under review at present in particular, around the Electronic Patient Record (EPR) Programme Board to make the meeting more effective.

Dr Gilby outlined the actions taken to date in relation to IT governance and stated that she is now the Chair of the EPR Programme Board. The terms of reference for the EPR Programme Board are being reviewed along with the formation of a clinical reference group. Cerner have been very helpful in addressing some of the issues in terms of accessibility to the system and decision making for changes to the system. Dr Gilby feels that the process is now more robust.

In response to a question from Sir Duncan, Dr Gilby outlined the commitment to appoint a joint director of IT with Wirral which has been discussed for a number of months.

B96/18 **TO RECEIVE AN UPDATE ON NEVER EVENTS AND SERIOUS UNTOWARD INCIDENTS**

Mrs Kelly reported there were 2 level 2 serious untoward incidents. One is in relation to a MRSA case which is mandated to be investigated. The other incident was on a ward which was not timely on intravenous fluids being given to a patient, this incident is being investigated.

Dr Kilroy and Mrs Kelly hold weekly incident review meetings following which learning is communicated to all staff. The learning includes the key themes from complaints, PALS issues and coroner cases.

STRATEGIC DEVELOPMENT

B97/18 **TO RECEIVE DETAILS ON THE PROGRESS OF THE INTEGRATED CARE PARTNERSHIP**

Ms Lee outlined details of the ICP progress report and noted the following points:

- There is a clear vision for the ICP across all partners.
- Mrs Hannah is the ICP Chair and Ms Lee is the ICP Managing Director.
- The ICP is in discussions with 2 CCGs which are West Cheshire CCG and Vale Royal CCG. The budgets and services will come to the ICP via a service specification with a set of outcomes that the ICP will be required to deliver. The CCGs are taking this through their governance processes.
- Mr Cross is a member of the ICP Governance Group which is drawing up the integration agreement and formal governance arrangements.
- There has been good leadership at the Countess around risk stratification, how patients at risk are identified with Dr Joseph being involved in this work.
- The ICP is undertaking a diagnostic of all community services, what the national best practice is and where the services benchmark against this best practice.
- In January 2019 there will be conversations with local authority communities around what the

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ICP means for patients and members of the public.

- The ICP associate director of transformation will be drawing up a transformation plan.
- Ms Lee is grateful to the Countess for their support of the transfer of intermediate care and therapy services to the ICP. There have been a number of roadshow held with staff to help them understand the ICP and the value of working closer with social services and GPs to provide better care for patients.

Mrs Hannah stated that each of the partners will be socialising the integration agreement with their respective boards.

B98/18 **TO RECEIVE A CEO UPDATE**

Dr Gilby gave a verbal update on the following points:

- Dr Gilby stated that she felt very welcome and supported by the Board, the Trust, stakeholders and the wider community.
- The Trust has had an unannounced CQC inspection which focussed on medicine and surgery. This inspection forms part of the CQC Well Led inspection which has taken place on 11th-13th December 2018.
- The Trust has also been through the NHSi use of resources review. The feedback from this was extremely positive. The Trust benchmarks extremely well for reference costs, which demonstrates that the Trust is cost efficient. NHSi have reinforced that the Trust must continue to the work internally and work externally with partners to ensure that it is delivering care at the best value and quality. Dr Gilby thanked Mr Holden, Mrs Fullwood and the finance team for their work in preparation for the review.
- The feedback from the CQC is that they found staff to be open and transparent. The Trust was also open and transparent about the areas for improvement. The CQC added that the treatment of staff to patients and their families was extremely caring.
- The report from the CQC Well Led inspection is expected at the end of January 2019. The Trust will then have the opportunity to review the report for factual accuracy prior to publication. The CQC acknowledge that the Trust has been through a period of change but they are confident that there are actions in place to address this.
- Dr Gilby was pleased to report that the plans for the neonatal unit have now been approved by the local authority and she thanked staff, patients and the public for their support.
- Dr Gilby stated it is important that the Trust is sighted on the acute sustainability digital programme and Carter at Scale work across the region. Dr Gilby is involved in this work in her strategic role for the Trust and she is taking this forward.
- The NHS 10 year plan launch has been delayed and is expected in the New Year.
- The Trust has recently received a letter from the Secretary of State and NHSi giving assurance that supplies of medicines and consumables are being dealt with at a national level. The letter stated that the Trust must not stock pile any items.

B99/18 **TO RECEIVE AN UPDATE ON GOVERNOR MATTERS**

There were no matters raised under this item.

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FOR NOTING & RECEIPT

B100/18 TO RECEIVE THE MONTH 6 AND MONTH 7 LETTERS TO NHS IMPROVEMENT

The Board received and noted the month 6 and month 7 letters to NHS Improvement.

B101/18 TO RECEIVE THE SAFEGUARDING CHILDREN ANNUAL REPORT 2017/18

The Board received and noted the Safeguarding Children Annual Report 2017/18.

B102/18 TO RECEIVE THE SAFEGUARDING ADULTS ANNUAL REPORT 2017/18

The Board received and noted the Safeguarding Adults Annual Report 2017/18.

B103/18 TO RECEIVE THE MINUTES OF THE AUDIT COMMITTEE – 18TH SEPTEMBER 2018

The Board received and noted the minutes of the Audit Committee held on 18th September 2018.

B104/18 TO RECEIVE THE MINUTES OF THE QUALITY, SAFETY AND PATIENT EXPERIENCE COMMITTEE – 16TH OCTOBER 2018

The Board received and noted the minutes of the Quality, Safety and Patient Experience Committee held on 16th October 2018.

B105/18 TO RECEIVE THE MINUTES OF THE PEOPLE AND ORGANISATIOANL DEVELOPMENT COMMITTEE – 25TH SEPTEMBER 2018

The Board received and noted the minutes of the People and Organisational Development Committee held on 25th September 2018.

B106/18 TO RECEIVE CORPORATE INFECTION PREVENTION AND CONTROL ASSURANCE – QUARTERLY REPORT (RETROSPECTIVE REPORT BASED UPON AUGUST 2018 QUARTERLY DATA UPDATE)

The Board received and noted the Corporate Infection Prevention and Control Assurance – Quarterly Report (Retrospective report based on August 2018 quarterly data update).

B107/18 TO RECEIVE THE ANNUAL STATEMENT OF FIRE SAFETY 2018

The Board received and noted the Annual Statement of Fire Safety 2018.

B108/18 TO RECEIVE DETAILS OF THE EDUCATION AND TRAINING SELF-ASSESSMENT REPORT 2018

The Board received and noted the details of the Education and Training Self-Assessment Report 2018.

B109/18 TO RECEIVE THE STANDING FINANCIAL INSTRUCTIONS, SCHEME OF DELEGATION TABLE A & TABLE

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B AND VARIABLE PAY APPROVAL LEVELS

The Board received and noted the standing financial instructions, scheme of delegation table A and table b and variable pay approval levels.

B110/18 **TO RECEIVE THE CERNER MILLENNIUM ELECTRONIC PATIENT RECORD (EPR) MEMORANDUM OF UNDERSTANDING**

The Board received and noted the Cerner Millennium Electronic Patient Record (EPR) Memorandum of Understanding.

B111/18 **TO RECEIVE THE PROCUREMENT PTP REFRESH**

The Board received and noted the Procurement PTP refresh.

B112/18 **TO RECEIVE THE REFERENCE COSTS 2017/18 UPDATE**

The Board received and noted the reference costs 2017/18 update.

B113/18 **DATE AND TIME OF NEXT MEETING**

Tuesday 29th January 2019 at 10.45am, Training Room 3 & 4, Education and Training Centre



COUNTRESS OF CHESTER PERFORMANCE REPORT, DECEMBER 2018

Safe

Indicator	Target	Act.	Alert
All Falls Rate	7	7.02	○
Falls with Harm Rate	0.3	0.32	○
Never Events	0	0	○
Safety Thermometer – Free of new harms %	95	98.6%	○
Q2 Sepsis screening % (Inpatients)	90	69.6	○
Q2 Sepsis treatment % (Inpatients)	90	78.2	○
Q2 Sepsis screening % (ED)	90	73.8	○
Q2 Sepsis treatment % (ED)	90	79.7	○
Infection Control: C Difficile	14 YTD	20 YTD	○
Infection Control: MRSA	0	3 YTD	○
Nurse Staffing	95%	96.3%	○

Kind

Indicator	Target	Act.	Alert
Friends and Family: A&E	80	80.3	○
Friends and Family: Inpatient Wards	90	92.9	○
Friends and Family: Maternity Services	90	100.0	○
Open Complaints	40	12	○
Open Complaints > 40 days response time	0	0	○
Open PHSO Complaints	0	5	○
MSA Breaches	0	7	○
Sickness Absence %	3.65	4.52	○
Mandatory Training %	95	93.8	○
Annual Appraisal %	95	86.0	○
Staff Turnover %	10	10.23	○

Effective

Indicator	Target	Act.	Alert
* ED 4 Hour Wait %	95	78.7	○
* 18 Week RTT %	92	84.9	○
* 6 week Diagnostic Wait %	99	93.5	○
* Cancer Treatment 62 Day %	85	89.5	○
Bed Occupancy %	85	93.6	○
I&E Variance (including PSF)	Plan	+£5,069k	○
Forecast Position/Run Rate	Plan	+£8.8m	○
CRS In Year	Plan	-£1,027k	○
Contract Income	Plan	-1,123k	○
Variable Pay	Less YOY	-£164K	○
Total agency spend £m	£4.8 EOY	£3.04m YTD	○
Total agency shifts over cap rate	Less YOY	-153	○

* Key NHS constitutional target

Key ○ Target achieved ○ Target not achieved



SAFE

Reducing patient harms

Supporting the Board Assurance Framework:
 CR1, CR2, CR3,
 CR6, CR7, CR10

Measure	Definition	Threshold	Actual	Comment	Graph																																							
Harms: All Falls Rate	Rate of all falls per 1000 bed days	7	7.02	Performance remains slightly above the threshold.	<table border="1"> <caption>All Falls Rate Data</caption> <thead> <tr><th>Month</th><th>Rate</th></tr> </thead> <tbody> <tr><td>D</td><td>5.5</td></tr> <tr><td>J</td><td>6.5</td></tr> <tr><td>F</td><td>6.0</td></tr> <tr><td>M</td><td>5.0</td></tr> <tr><td>A</td><td>6.5</td></tr> <tr><td>M</td><td>6.5</td></tr> <tr><td>J</td><td>8.0</td></tr> <tr><td>J</td><td>7.5</td></tr> <tr><td>A</td><td>6.5</td></tr> <tr><td>S</td><td>8.5</td></tr> <tr><td>O</td><td>7.5</td></tr> <tr><td>N</td><td>7.0</td></tr> <tr><td>D</td><td>7.02</td></tr> </tbody> </table>	Month	Rate	D	5.5	J	6.5	F	6.0	M	5.0	A	6.5	M	6.5	J	8.0	J	7.5	A	6.5	S	8.5	O	7.5	N	7.0	D	7.02											
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Harms: Falls with Harm Rate	Rate of falls with harm per 1000 bed days	0.3	0.32	Performance has deteriorated during the last month.	<table border="1"> <caption>Falls with Harm Rate Data</caption> <thead> <tr><th>Month</th><th>Rate</th></tr> </thead> <tbody> <tr><td>D</td><td>0.4</td></tr> <tr><td>J</td><td>0.2</td></tr> <tr><td>F</td><td>0.3</td></tr> <tr><td>M</td><td>0.15</td></tr> <tr><td>A</td><td>0.1</td></tr> <tr><td>M</td><td>0.3</td></tr> <tr><td>J</td><td>0.1</td></tr> <tr><td>J</td><td>0.15</td></tr> <tr><td>A</td><td>0.35</td></tr> <tr><td>S</td><td>0.4</td></tr> <tr><td>O</td><td>0.15</td></tr> <tr><td>N</td><td>0.3</td></tr> <tr><td>D</td><td>0.32</td></tr> </tbody> </table>	Month	Rate	D	0.4	J	0.2	F	0.3	M	0.15	A	0.1	M	0.3	J	0.1	J	0.15	A	0.35	S	0.4	O	0.15	N	0.3	D	0.32											
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Harms: Infection Control – Rate of C. Difficile	Cases of hospital acquired C. Difficile bacteraemia.	23 cases (2018/19)	20 cases (YTD)	Performance has improved during the last month. 1 new case identified in December. We are 6 cases above trajectory YTD.	<table border="1"> <caption>C. Difficile Cases Data</caption> <thead> <tr><th>Month</th><th>Actual Cases</th><th>Trajectory (YTD)</th></tr> </thead> <tbody> <tr><td>A</td><td>5</td><td>3</td></tr> <tr><td>M</td><td>7</td><td>4</td></tr> <tr><td>J</td><td>13</td><td>6</td></tr> <tr><td>J</td><td>13</td><td>7</td></tr> <tr><td>A</td><td>16</td><td>8</td></tr> <tr><td>S</td><td>18</td><td>10</td></tr> <tr><td>O</td><td>19</td><td>12</td></tr> <tr><td>N</td><td>20</td><td>15</td></tr> <tr><td>D</td><td>21</td><td>18</td></tr> <tr><td>J</td><td>22</td><td>21</td></tr> <tr><td>F</td><td>23</td><td>24</td></tr> <tr><td>M</td><td>24</td><td>27</td></tr> </tbody> </table>	Month	Actual Cases	Trajectory (YTD)	A	5	3	M	7	4	J	13	6	J	13	7	A	16	8	S	18	10	O	19	12	N	20	15	D	21	18	J	22	21	F	23	24	M	24	27
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Measure	Definition	Threshold	Actual	Comment	Graph																												
Harms: Infection Control – Rate of MRSA	Cases of hospital acquired MRSA bacteraemia.	0 cases (2018/19)	3 cases (YTD)	No new avoidable cases reported for December.	<table border="1"> <caption>MRSA Cases by Month</caption> <thead> <tr><th>Month</th><th>Cases</th></tr> </thead> <tbody> <tr><td>A</td><td>0</td></tr> <tr><td>M</td><td>0</td></tr> <tr><td>J</td><td>1</td></tr> <tr><td>J</td><td>0</td></tr> <tr><td>A</td><td>0</td></tr> <tr><td>S</td><td>0</td></tr> <tr><td>O</td><td>1</td></tr> <tr><td>N</td><td>1</td></tr> <tr><td>D</td><td>0</td></tr> <tr><td>J</td><td>0</td></tr> <tr><td>F</td><td>0</td></tr> <tr><td>M</td><td>0</td></tr> </tbody> </table>	Month	Cases	A	0	M	0	J	1	J	0	A	0	S	0	O	1	N	1	D	0	J	0	F	0	M	0		
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Harms: Serious Incidents - Level 1	Number of Serious Incidents at Level 1	No specific target but monitoring of trends	7	SI Panel commissioned seven level 1 serious incident reviews in December.	<table border="1"> <caption>Level 1 Serious Incident Reviews by Month</caption> <thead> <tr><th>Month</th><th>Reviews</th></tr> </thead> <tbody> <tr><td>D</td><td>5</td></tr> <tr><td>J</td><td>12</td></tr> <tr><td>F</td><td>4</td></tr> <tr><td>M</td><td>5</td></tr> <tr><td>A</td><td>1</td></tr> <tr><td>M</td><td>4</td></tr> <tr><td>J</td><td>2</td></tr> <tr><td>J</td><td>3</td></tr> <tr><td>A</td><td>2</td></tr> <tr><td>S</td><td>2</td></tr> <tr><td>O</td><td>7</td></tr> <tr><td>N</td><td>7</td></tr> <tr><td>D</td><td>7</td></tr> </tbody> </table>	Month	Reviews	D	5	J	12	F	4	M	5	A	1	M	4	J	2	J	3	A	2	S	2	O	7	N	7	D	7
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Harms: Serious Incidents - Level 2	Number of Serious Incidents at Level 2	No specific target but monitoring of trends	3	SI Panel commissioned three level 2 serious incident reviews in December.	<table border="1"> <caption>Level 2 Serious Incident Reviews by Month</caption> <thead> <tr><th>Month</th><th>Reviews</th></tr> </thead> <tbody> <tr><td>D</td><td>1</td></tr> <tr><td>J</td><td>1</td></tr> <tr><td>F</td><td>2</td></tr> <tr><td>M</td><td>2</td></tr> <tr><td>A</td><td>2</td></tr> <tr><td>M</td><td>2</td></tr> <tr><td>J</td><td>2</td></tr> <tr><td>J</td><td>2</td></tr> <tr><td>A</td><td>2</td></tr> <tr><td>S</td><td>2</td></tr> <tr><td>O</td><td>1</td></tr> <tr><td>N</td><td>2</td></tr> <tr><td>D</td><td>3</td></tr> </tbody> </table>	Month	Reviews	D	1	J	1	F	2	M	2	A	2	M	2	J	2	J	2	A	2	S	2	O	1	N	2	D	3
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Harms: Serious Incidents - Never Events	Number of Never Events reported	0	0	No Never Events reported in December.	<table border="1"> <caption>Never Events by Month</caption> <thead> <tr><th>Month</th><th>Events</th></tr> </thead> <tbody> <tr><td>D</td><td>1</td></tr> <tr><td>J</td><td>0</td></tr> <tr><td>F</td><td>0</td></tr> <tr><td>M</td><td>0</td></tr> <tr><td>A</td><td>0</td></tr> <tr><td>M</td><td>0</td></tr> <tr><td>J</td><td>0</td></tr> <tr><td>J</td><td>0</td></tr> <tr><td>A</td><td>0</td></tr> <tr><td>S</td><td>0</td></tr> <tr><td>O</td><td>0</td></tr> <tr><td>N</td><td>1</td></tr> <tr><td>D</td><td>0</td></tr> </tbody> </table>	Month	Events	D	1	J	0	F	0	M	0	A	0	M	0	J	0	J	0	A	0	S	0	O	0	N	1	D	0
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Measure	Definition	Threshold	Actual	Comment	Graph
Harms: Safety Thermometer	Based on monthly Safety Thermometer census. Rate free of new harms should be higher than national average	94.2%	98.61%	Performance has improved during the last month and remains above the national average.	
Learning from Deaths: Hospital Standard Mortality Rate (HSMR)	Ratio is the number of observed deaths divided by predicted deaths. HSMR looks at diagnoses which most commonly result in death	Alert is red when HSMR is an outlier relative to other Trusts.	107	Performance has deteriorated during the last month. This measure is based on diagnosis groups that account for approximately 80% of inpatients. Now updated to September 2018.	
Learning from Deaths: Standardised Hospital Mortality Index (SHMI)	Risk adjusted mortality ratio based on number of expected deaths. National published figure from HSCIC.	Alert is red when SHMI is an outlier relative to other Trusts.	106	Performance has deteriorated. This information has been refreshed nationally up to August 2018.	
Nurse Staffing Compliance	Actual versus Planned Staffing Hours	95%	96.3%	A new measure from December 2018. This figure is an overall percentage and should be reviewed alongside the individual ward/department data. See appendix below.	

Measure	Definition	Threshold	Actual	Comment	Graph
CQUIN: Sepsis Screening in ED / Inpatient Settings	Timely identification of sepsis in ED	90%	73.8%	QUARTERLY INDICATOR. Q2 performance for sepsis screening has improved since the previous quarter. Data for Q3 will be available in March.	
CQUIN: Sepsis Screening in ED / Inpatient Settings	Timely identification of sepsis for inpatients	90%	69.6%	QUARTERLY INDICATOR. Q2 performance for sepsis screening has improved since the previous quarter. Data for Q3 will be available in March.	
CQUIN: Sepsis Treatment in ED / Inpatient Settings	Timely treatment of sepsis in ED	90%	79.7%	QUARTERLY INDICATOR. Q2 performance for sepsis screening has deteriorated since the previous quarter. Data for Q3 will be available in March.	
CQUIN: Sepsis Treatment in ED / Inpatient Settings	Timely treatment of sepsis in inpatient settings	90%	78.2%	QUARTERLY INDICATOR. Q2 performance for sepsis screening has deteriorated since the previous quarter. Data for Q3 will be available in March.	

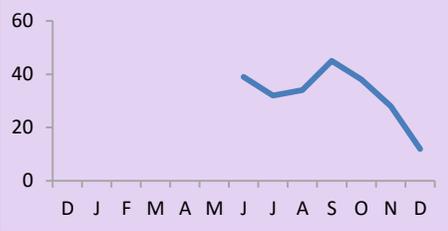
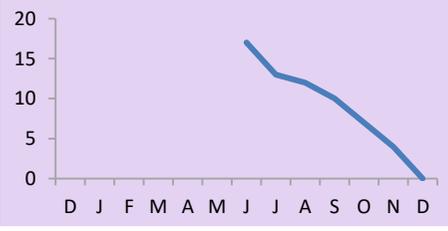
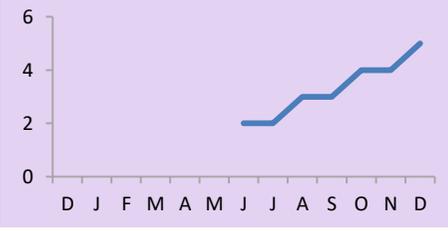
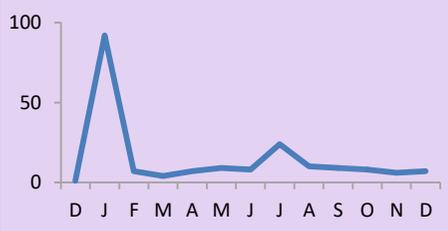
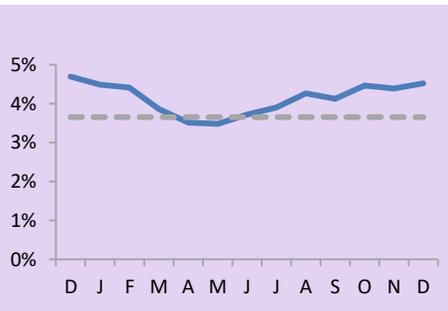


KIND

Providing high quality patient care

Supporting the Board Assurance Framework:
CR1, CR4, CR6, CR7, CR10

Measure	Definition	Threshold	Actual	Comment	Graph																												
Friends and Family: % Likely to Recommend A&E	Response to 'Would you recommend this service to your friends and family' survey leaflet/ text	80%	80.3%	Performance remains just above target.	<table border="1"> <caption>Line Graph Data: Friends and Family: % Likely to Recommend A&E</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr><td>D</td><td>82</td></tr> <tr><td>J</td><td>84</td></tr> <tr><td>F</td><td>81</td></tr> <tr><td>M</td><td>82</td></tr> <tr><td>A</td><td>81</td></tr> <tr><td>M</td><td>78</td></tr> <tr><td>J</td><td>78</td></tr> <tr><td>J</td><td>79</td></tr> <tr><td>A</td><td>84</td></tr> <tr><td>S</td><td>80</td></tr> <tr><td>O</td><td>81</td></tr> <tr><td>N</td><td>82</td></tr> <tr><td>D</td><td>80</td></tr> </tbody> </table>	Month	Performance (%)	D	82	J	84	F	81	M	82	A	81	M	78	J	78	J	79	A	84	S	80	O	81	N	82	D	80
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Friends and Family: % Likely to Recommend Inpatient Wards	Response to 'Would you recommend this service to your friends and family' survey leaflet/ text	90%	92.9%	Performance remains just above target for inpatient stays.	<table border="1"> <caption>Line Graph Data: Friends and Family: % Likely to Recommend Inpatient Wards</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr><td>D</td><td>94</td></tr> <tr><td>J</td><td>92</td></tr> <tr><td>F</td><td>91</td></tr> <tr><td>M</td><td>93</td></tr> <tr><td>A</td><td>94</td></tr> <tr><td>M</td><td>91</td></tr> <tr><td>J</td><td>93</td></tr> <tr><td>J</td><td>93</td></tr> <tr><td>A</td><td>93</td></tr> <tr><td>S</td><td>93</td></tr> <tr><td>O</td><td>92</td></tr> <tr><td>N</td><td>94</td></tr> <tr><td>D</td><td>93</td></tr> </tbody> </table>	Month	Performance (%)	D	94	J	92	F	91	M	93	A	94	M	91	J	93	J	93	A	93	S	93	O	92	N	94	D	93
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Friends and Family: % Likely to Recommend Maternity Services	Response to 'Would you recommend this service to your friends and family' survey leaflet/ text	90%	100.0%	Performance remains above target for maternity services.	<table border="1"> <caption>Line Graph Data: Friends and Family: % Likely to Recommend Maternity Services</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr><td>D</td><td>98</td></tr> <tr><td>J</td><td>98</td></tr> <tr><td>F</td><td>94</td></tr> <tr><td>M</td><td>98</td></tr> <tr><td>A</td><td>99</td></tr> <tr><td>M</td><td>99</td></tr> <tr><td>J</td><td>96</td></tr> <tr><td>J</td><td>98</td></tr> <tr><td>A</td><td>98</td></tr> <tr><td>S</td><td>99</td></tr> <tr><td>O</td><td>97</td></tr> <tr><td>N</td><td>99</td></tr> <tr><td>D</td><td>99</td></tr> </tbody> </table>	Month	Performance (%)	D	98	J	98	F	94	M	98	A	99	M	99	J	96	J	98	A	98	S	99	O	97	N	99	D	99
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Measure	Definition	Threshold	Actual	Comment	Graph
Patient Feedback: Number of Open Complaints	Number of open patient complaints at month end	40	12	Performance continues to improve which correlates with the overall reduction in formal complaints received and the increase in informal concerns managed by the patient experience team.	
Patient Feedback: Number of Complaints Past 40 Day Response Time	Number of Complaints Past 40 Day Response Time	5	0	Performance continues to improve with December being the most successful month during 2018/19.	
Patient Feedback: Number of Complaints Open with PHSO	Number of Complaints being investigated by the PHSO	5	5	The number remains within the expected threshold for this measure.	
Mixed Sex Accommodation Breaches	Number of non-clinically justified breaches of the single sex accommodation standard	0	7	7 breaches in December were not clinically justified.	
Sickness Absence	% monthly sickness absence, excluding comfort zone and Bank staff	3.65%	4.52%	Performance has improved since last month. The December absence rate increased to above the Trust target of 3.65% and when comparing to local trusts, our absence rate is significantly less. The rate for the same period in 2017 was 4.69% & the rolling 12 month average was 4.13%, against 4.78% regionally (NHS Digital September 2018). Short term absence increased to 2.17%, while long term absence increased to 2.36%.	

Measure	Definition	Threshold	Actual	Comment	Graph
Mandatory Training Compliance	% mandatory training compliance, excluding comfort zone and Bank staff and staff on maternity/long term sick leave	95%	93.8%	Performance has deteriorated during the last month. The Trust compliance target decreased in December with Mandatory Training standing at 93.8%, slightly below Trust target of 95%. When taking into account those already booked to attend, the Trust continues to exceed the Trust target, reporting a slightly higher 96.1% compliance.	
Annual Appraisal Compliance	Exclusions as above and also excludes staff with less than 1 year's service.	95%	86.0%	Performance has improved during the last month. Compliance with the Appraisal target has slightly increased in December albeit still significantly below the Trust target of 95%. Feedback from across the Trust is that this is symptomatic with the increased pressures to allow time for completions of Appraisals. An exception report has been provided.	
Staff Turnover	Based on headcount in the previous 12 months and on permanent staff only.	10%	10.23%	Performance has improved during the last month. The Trust Turnover rate decreased in December and remained just above target at 10.23%. This rate is based on a headcount; turnover by FTE also remained above target at 10.09%. An exception report has been provided.	
Variable Pay	Reducing and controlling variable pay spend (including overtime, agency, additional clinical activity)	Year on year reduction	-£164K	Performance has improved during the last month. Variable pay spend decreased in month £1,364k. Both agency (£361k) and Medical Bank (176k) reduced in month. Extract report is provided, detailing gaps in vacancies along with bank and agency usage.	
M&D Reduction in Agency Shifts over Cap Rates	Reducing agency shifts over cap rates.	Year on year reduction	+5	Performance has improved during the last month. Month 9 shows a decrease against November in shifts above the cap, with 348 Medical shifts above cap rates.	

Measure	Definition	Threshold	Actual	Comment	Graph
N&M Reduction in Agency Shifts over Cap Rates	Reducing agency shifts over cap rates.	Year on year reduction	-82	Performance has improved during the last month. In relation to nursing shifts, 60 shifts were approved above cap rates.	
'Other' Reduction in Agency Shifts over Cap Rates	'Other' consists of Care Packages, Sonographers, Theatres and CRV Dept.	Year on year reduction	-76	Performance has deteriorated during the last month. 27 Operating Department Practitioner shifts were approved over the cap.	
People: Medical Agency Spend	Planning improvements in productivity and efficiency	Year on year reduction	-£50k	Performance has improved during the last month. Medical Pay is overspent by £1,141k. Agency medical expenditure is £2,539k (7% of the total medical spend)	
People: Nursing Agency Spend	Planning improvements in productivity and efficiency	Year on year reduction	-£57k	Performance has improved during the last month. Nursing Pay is £1,000k overspent. Agency nursing expenditure is £504k which is 2% of total trained nursing spend.	
People: Total Agency Spend within Budget	Planning improvements in productivity and efficiency	Total agency spend capped at 4.459 for 18/19	£3.04m YTD	Performance has improved. Total Agency spend for M1-9 is £3,338k. (£3,038k was spent during the same period last year). A straight line forecast is just below the agency ceiling.	



EFFECTIVE

Minimising delay and improving processes

Supporting the Board Assurance Framework: CR3, CR5, CR6, CR7, CR8, CR9, CR10

Measure	Definition	Threshold	Actual	Comment	Graph
ED 4 Hour Wait Standard	% A&E attenders seen within 4 hours of arrival	95%	78.7%	<p>Performance has deteriorated during the last month. Nationally, 86.4% of patients were seen within 4 hours of arrival in December.</p> <p>An exception report is provided.</p>	
18 Weeks RTT incomplete pathways	Percentage of incomplete pathways for English patients within 18 weeks.	92%	84.9%	<p>Performance has deteriorated during the last month. The RTT incomplete percentage fell to 84.9% in December. The latest national figure for this indicator is 87.1% (October 2018). An exception report is provided.</p>	
Diagnostic Tests within 6 Weeks (DM01)	Diagnostic tests carried out within 6 weeks of request being received.	99%	93.5%	<p>Performance has deteriorated during the last month. There has been a 3.0% decrease. The latest national figure for this indicator is 97.7% (October 2018).</p>	

Measure	Definition	Threshold	Actual	Comment	Graph																										
Cancer Treatments: 62 Day Standard	First treatment for cancer within 62 days of urgent referral through GP 2 week referral route.	85%	89.5%	<p>Performance has improved during the previous month. This indicator is reported one month in arrears.</p> <p>The latest national figure for this indicator is 78.4% (Oct 2018).</p>	<table border="1"> <caption>Performance Data for 62 Day Standard</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr><td>D</td><td>85</td></tr> <tr><td>J</td><td>65</td></tr> <tr><td>F</td><td>85</td></tr> <tr><td>M</td><td>90</td></tr> <tr><td>A</td><td>95</td></tr> <tr><td>M</td><td>85</td></tr> <tr><td>J</td><td>85</td></tr> <tr><td>J</td><td>85</td></tr> <tr><td>A</td><td>75</td></tr> <tr><td>S</td><td>80</td></tr> <tr><td>O</td><td>85</td></tr> <tr><td>N</td><td>89.5</td></tr> </tbody> </table>	Month	Performance (%)	D	85	J	65	F	85	M	90	A	95	M	85	J	85	J	85	A	75	S	80	O	85	N	89.5
Month	Performance (%)																														
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A	75																														
S	80																														
O	85																														
N	89.5																														
Cancer Treatments: 31 Day Standard	Patients receiving first definitive treatment within 1 month of cancer diagnosis.	96%	98.1%	<p>Performance has deteriorated during the previous month. However this measure continues to achieve target. This indicator is reported one month in arrears.</p>	<table border="1"> <caption>Performance Data for 31 Day Standard</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr><td>D</td><td>99</td></tr> <tr><td>J</td><td>98</td></tr> <tr><td>F</td><td>99</td></tr> <tr><td>M</td><td>99</td></tr> <tr><td>A</td><td>99</td></tr> <tr><td>M</td><td>99</td></tr> <tr><td>J</td><td>99</td></tr> <tr><td>J</td><td>99</td></tr> <tr><td>A</td><td>98</td></tr> <tr><td>S</td><td>98</td></tr> <tr><td>O</td><td>98</td></tr> <tr><td>N</td><td>98.1</td></tr> </tbody> </table>	Month	Performance (%)	D	99	J	98	F	99	M	99	A	99	M	99	J	99	J	99	A	98	S	98	O	98	N	98.1
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S	98																														
O	98																														
N	98.1																														
Cancer Treatments: 14 Day Standard	Patients referred from GP with suspected cancer should have their first appointment within 14 days	93%	97.3%	<p>Performance has deteriorated during the previous month. However this measure continues to achieve target. This indicator is reported one month in arrears.</p>	<table border="1"> <caption>Performance Data for 14 Day Standard</caption> <thead> <tr> <th>Month</th> <th>Performance (%)</th> </tr> </thead> <tbody> <tr><td>D</td><td>94</td></tr> <tr><td>J</td><td>99</td></tr> <tr><td>F</td><td>98</td></tr> <tr><td>M</td><td>96</td></tr> <tr><td>A</td><td>99</td></tr> <tr><td>M</td><td>99</td></tr> <tr><td>J</td><td>98</td></tr> <tr><td>J</td><td>98</td></tr> <tr><td>A</td><td>99</td></tr> <tr><td>S</td><td>97</td></tr> <tr><td>O</td><td>97</td></tr> <tr><td>N</td><td>97.3</td></tr> </tbody> </table>	Month	Performance (%)	D	94	J	99	F	98	M	96	A	99	M	99	J	98	J	98	A	99	S	97	O	97	N	97.3
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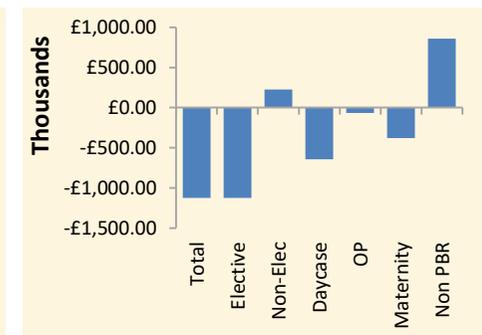
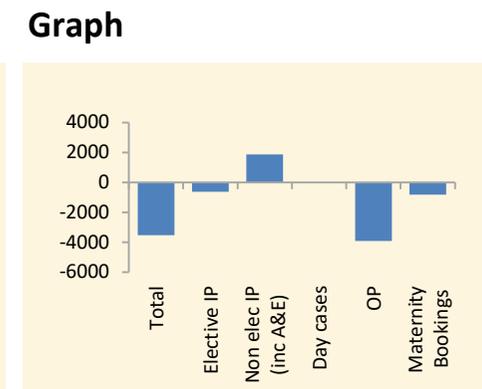
Measure	Definition	Threshold	Actual	Comment	Graph
Number of Urgent Operations Cancelled on Day	Urgent operations cancelled on the day of the procedure	0	0	Performance is unchanged.	<p>A line graph with a vertical axis from 0 to 4 and a horizontal axis with months N, D, J, F, M, A, M, J, J, A, S, O, N. The data points are all at 0.</p>
% Cancelled Operations Rebooked within 28 Days	Patients given a TCI date that is within 28 days of a procedure cancelled on the day.	100%	65%	Performance has deteriorated during the previous month. This indicator is reported a month in arrears to ensure all patients offered rescheduled procedures within 28 days are included. This indicator is reported one month in arrears.	<p>A line graph with a vertical axis from 0% to 100% and a horizontal axis with months N, D, J, F, M, A, M, J, J, A, S, O, N. The data points are approximately: F: 85%, M: 70%, A: 70%, M: 72%, J: 90%, J: 92%, A: 85%, S: 75%, O: 65%, N: 60%.</p>
Clinical Correspondence: OP Letters within 7 days	100% of outpatient letters to be sent within 7 days.	100%	44.37%	Performance has improved during the previous month. Specialties that had implemented digital dictation achieved 46.4% compliance. This indicator is reported two months in arrears.	<p>A line graph with a vertical axis from 0% to 100% and a horizontal axis with months O, N, D, J, F, M, A, M, J, J, A, S, O. A dashed horizontal line is at 100%. The data points are approximately: O: 38%, N: 32%, D: 40%, J: 38%, F: 35%, M: 35%, A: 35%, M: 35%, J: 35%, J: 45%, A: 48%, S: 45%, O: 45%.</p>

Measure	Definition	Threshold	Actual	Comment	Graph
Clinical Correspondence: E-Discharge within 24 Hours	Percentage of clinical discharge letters that were sent within 24 hours	90%	86.5%	Performance is unchanged since last month. An exception report has been created for this indicator.	
Use of Resources	NHS Improvements measure of financial risk	A score of 3 each month (restated)	3	Performance is unchanged. The Trust is currently at a level 4 for Capital Service Capacity, liquidity and I&E Margin rating, which when combined with Plan Variance and Agency expenditure, results in an overall score of 3. Under the Single Oversight Framework 1 is the best score, 4 the lowest. The Trust is currently allocated to a 'segment' of 2, despite the Use of Resources score.	
I&E Plan Variance	Variance to plan	No deviation from plan	£5,069k overspend	As at the end of December 18, we are reporting a £5,069k overspend against plan. Notable pressures include £1,422k lost A&E PSF m1-9, lost Finance PSF £1,532k Q3 and (£105k) in relation donated asset transactions, culminating in a reported net adverse position of £2,220k. £4,047k non recurrent support has been required to deliver this position.	

Measure	Definition	Threshold	Actual	Comment	Graph
Run Rate	Run Rate is I&E Variance adjusted for non-recurrent items and CRS profile. Forecast is then derived from run rate and known mitigation.	No deviation from plan	+£8.8m	Performance has deteriorated. The underlying run rate at the end of December is £8,807k after adjusting for non-recurrent benefit of £3,406k within the position and adjusting the profile to smooth the impact of a back loaded CRS target of £3,181k. This figure is then utilised to provide the forecast after applying known mitigation	
Cash	Cash on deposit <3 month deposit	No deviation from plan	-£2.7m	Performance has deteriorated during the last month. The closing cash balance at the end of December is £6.4m, £2.7m ahead of plan. Our forecast has now been revised to reflect the out-turn deficit and we have received interim revenue funding of £1.6m in December 2018, and have applied for £1.5m in January 2019. A revised capital plan has been submitted for the loan application, and we are still waiting to hear the outcome.	
Debtor Days	Debtor Days: Trade Debtors divides by income x 365	No target has been set for this indicator	10	Performance has improved during the last month. Debtor days have reduced slightly to 10 days. Wirral debtors remain significant but they are attempting to get them cleared, and we are still withholding payments to them, until further payments are received. Local Authority DTOCs invoices remain unpaid.	

Measure	Definition	Threshold	Actual	Comment	Graph
Capital Expenditure	Capital expenditure performance against plan / forecast out-turn	Performance vs Plan	-£4.8m	<p>Performance has improved during the last month. YTD capital expenditure of £2.9m is under the original plan by £4.8m. The forecast outturn has been revised to reflect anticipated slippage due to the late approval of the loan and external delays in the Cerner project.</p> <p>The Trust's capital loan has been approved by NHSI and is with DHSC for final approval. The PDC funded A&E scheme is progressing.</p>	
CRS in year	Planning improvements in productivity and efficiency	No deviation from plan	-£1,027k	<p>Performance has deteriorated during the last month. The CRS plan for 2018/19 is £10.7m. The CRS programme is £1,027k behind the profiled plan as at December 18. In year 40% of the target has been delivered with 8% in Green or Amber schemes and 52% in Red or Black (unidentified) schemes. The back loading of the CRS target affects the profile target to date by £3,181k, if the target was profiled evenly CRS would be £4,208k behind plan.</p>	
CRS recurrently	Planning improvements in productivity and efficiency	No deviation from plan	16% identified	<p>Performance has improved during the last month. Recurrently 16% of the £10.7m target has been identified with 6% in Green or Amber Schemes and 78% in Red or Black (unidentified) schemes.</p>	

Measure	Definition	Threshold	Actual	Comment
Contract Performance (Activity)	YTD Contract performance against Trust Planned activity (English & Welsh)	No deviation from plan	-3,540	Performance has deteriorated during the last month. All points of delivery are showing an under performance against plan YTD with the exception of non-elective (+1,864). This is made up of 1,447 additional ED attendances and 786 additional discharges but is offset by an underperformance on maternity discharges (-369)
Contract Income	YTD Contract performance against Trust Planned activity (English & Welsh)	No deviation from plan	-£1,123k	Performance has deteriorated during the last month. Prior to adjustment for the block contract with WCCCG, the December income position is above plan by £358k. The block contract adjustment to reflect the over-performance on WCCCG offsets this over-performance by £1,481k resulting in an adverse position on contract income of £1,123k.

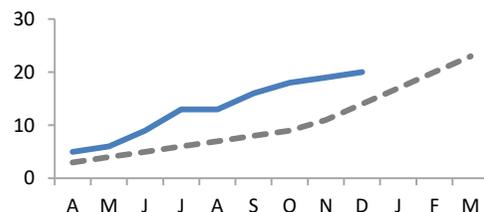


Exception Report

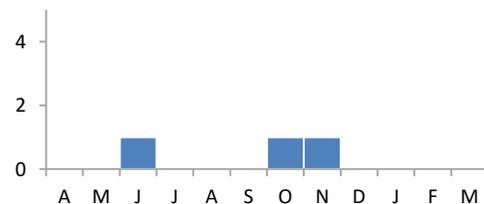
Infection Control

Performance Trend

C Difficile



MRSA



Performance Issue:

C Difficile has been above trajectory for eight successive months. Additionally, there have now been 3 avoidable incidences of MRSA in June, October & November.

Planned Remedial Actions:

Although above trajectory for the surveillance year to date, the number of cases of *C. difficile* infection attributable to the Trust and avoidable MRSA bacteraemia fell below the objective during December 2018

There remains a focus on infection prevention and control. Quality improvement activity to reduce the risks associated with these infections continues. This is being supported through the commissioning of a supportive external review.

Ownership:

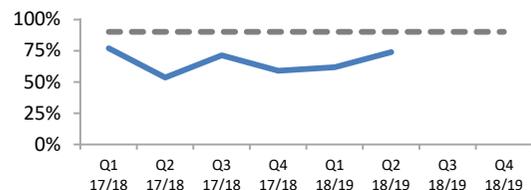
Lead: Samantha Walker, Lead Nurse – Infection Control
Executive Lead: Darren Kilroy, Interim Medical Director
Improvement Timescale: By March 2019

Exception Report

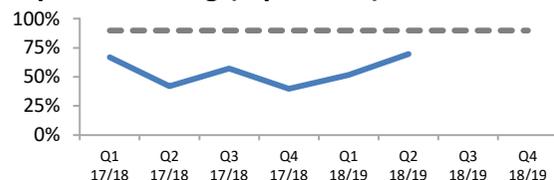
Sepsis screening and treatment CQUIN

Performance Trend

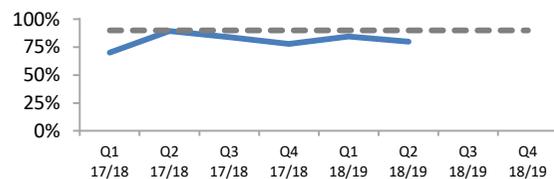
Sepsis screening (ED Patients)



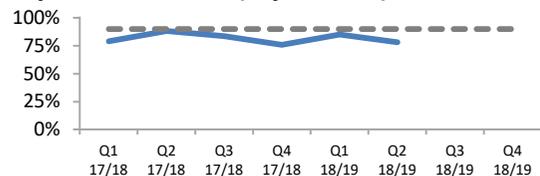
Sepsis screening (Inpatients)



Sepsis treatment (ED)



Sepsis treatment (Inpatients)



Performance Issue:

The Sepsis CQUIN screening improved again in Quarter 2 for both Inpatients and ED, but was still below the year-end target. Treatment of Sepsis continues to perform well but also remains slightly below the year-end target.

Planned Remedial Actions:

The sepsis steering group has been re-established with wider clinical membership and the work programme continues to be progressed. Key achievements during Q2 include, implementation of NEWS2 (track and trigger) and the launch of the Sepsis Trust standardised pathway.

Ownership:

Lead: Dr Santokh Singh

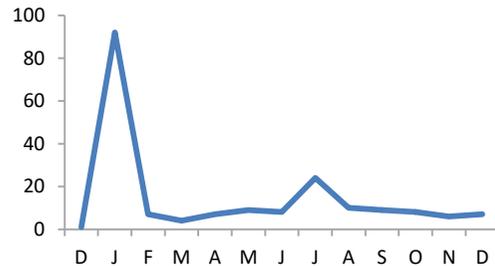
Executive Lead: Darren Kilroy, Interim Medical Director

Improvement Objective: Achieve target

Improvement Timescale: By March 2019

Exception Report

Performance Trend



Mixed Sex Breaches

Mixed Sex Accommodation Breaches

Performance Issue:

- In December there were 7 Mixed Sex breaches that were not clinically justified.

Planned Remedial Actions:

During December, MSA breaches have been a result of exceptional operational pressures; to maintain quality and safety on occasion patients have been mixed to ensure access to the relevant speciality or level of care. Full explanations have been provided to both patients and families affected, no complaints received.

Ownership:

Lead: Melanie Kynaston, Associate Director of Nursing

Executive Lead: Alison Kelly, Director of Nursing and Quality

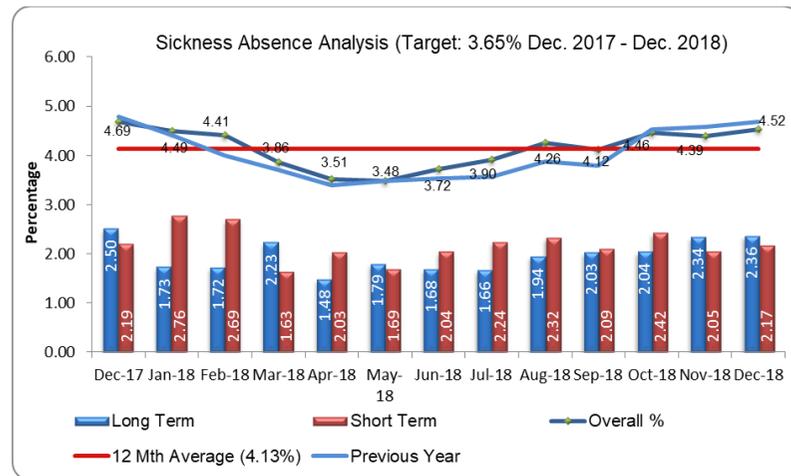
Improvement Objective: Achieve target

Improvement Timescale: By March 2019

Exception Report

Sickness Absence

Historic Data



Performance Issue:

The Trust wide sickness absence increased to 4.52% in December. Long Term cases increasing to 2.34% and short term decreasing to 2.05%. Sickness absence within Staff groups highlights that Nursing & Midwifery is reporting at 4.45% and Support Workers (which include Nursing Assistants) reporting at 6.99% in December. When analysing divisional sickness absence, 4 Divisions are above 4% and the Trust target of 3.65%, Planned Care (5.63%), Nurse Management (4.26%), Corporate Non-Clinical (5.04%) and the newly merged Estates & Facilities (5.55%). Urgent Care (3.77%) and Human Resources (3.08%) have both decreased in December. There is still a backlog of OH referrals due to an unforeseen strain on the service.

Ownership

Lead: Dee Appleton-Cairns, Deputy Director of HR

Executive Lead: Sue Hodgkinson

Improvement Objective: Achieve target

Improvement Timescale: By March 2019

Proposed Actions

Absence in all areas of the Trust continues to be monitored with detailed analysis taking place in all areas. Additional support has been put in place for Occupational Health via CWP to provide support during a very busy and stressful time. This continues to cause a cost pressure within Occupational Health and there is still a backlog of OH referrals. The annual flu campaign is now drawing to a close with only 15 vaccines left and over 75% of staff having received a flu vaccine. The HR division has put on a schedule of resilience support sessions for staff, the courses teach techniques to cope with stress at home and at work in readiness for the winter period, sign up and feedback has been very good so far. There are plans to take the sessions to front line staff that cannot be released from the ward areas.

Exception Report

Performance Trend

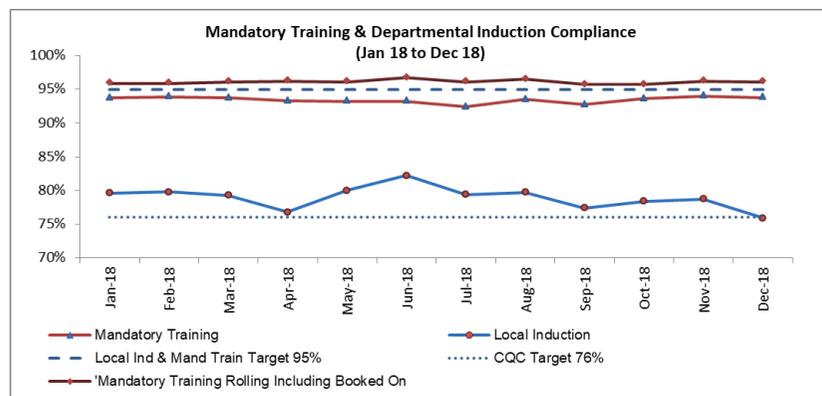


Figure: % mandatory training compliance

Ownership

Lead: Dee Appleton-Cairns, Deputy Director of HR

Executive Lead: Sue Hodgkinson

Improvement Objective: Achieve target

Improvement Timescale: By March 2019

Mandatory Training

Performance Issue:

Trust compliance remains below target at 93.8%.

Mandatory Training Table December 2018

Position	Division	Compliance
1	Human Resources	98.5%
2	Nurse Management	96.6%
3	Finance & Performance	95.7%
4	Estates & Facilities	95.6%
5	Diagnostics and Pharmacy	95.5%
6	Planned Care	94.0%
7	HRWBS	93.0%
8	Urgent Care	92.3%
9	Corporate Non - Clinical	86.1%
Total		93.8%

Local Induction Table December 2018

Position	Division	Compliance
1	Estates & Facilities	87.5%
2	Nurse Management	83.3%
3	Planned Care	80.6%
4	HRWBS	80.0%
5	Urgent Care	77.7%
6	Human Resources	72.7%
7	Finance & Performance	66.7%
8	Corporate Non - Clinical	66.7%
9	Diagnostics and Pharmacy	62.5%
Total		75.9%

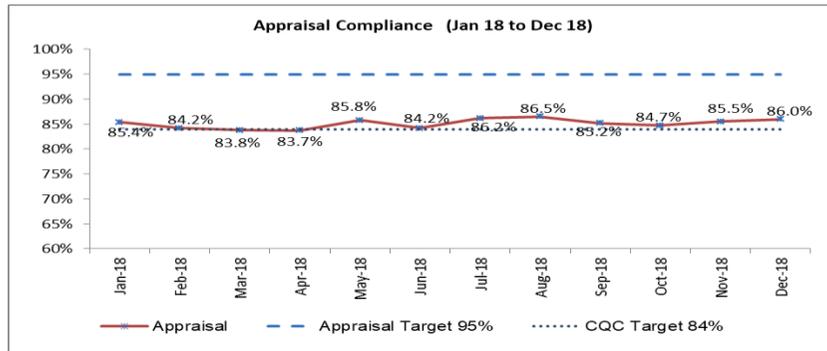
Overall compliance for mandatory training in December has slightly decreased to 93.8%, still falls short of the Trust target of 95%. Local induction compliance for December is 75.9% which is significantly short of the Trust's 95% target.

We continue to perform poorly against our own Corporate target of 95%, which we have failed to achieve in the last 12 months reporting period. Mandatory training is currently being reviewed in terms of trust provision with the appointment of Sallie Kelsey our new Head of Clinical Education. It is hoped that by streamlining the provision and encouraging uptake of e-learning this figure can improve in the future.

Planned Remedial Actions: The TNA for mandatory training is under review to ensure alignment with recent changes in the Core Skills Framework. Where possible there will be a move to all subjects being accessed purely by e-learning and Training and Development Policy is being developed to reflect this. A proposal to report purely on Core Skills Framework Subjects is being developed. Plans to review local induction systems and processes are in place. The new Education Governance board met for the first bi-monthly meeting in January, this forum will provide assurance to the People and OD Committee that the Trust strategies for education and training are implemented fully and risks are managed.

Exception Report

Historic Data



Ownership

Lead: Dee Appleton-Cairns, Deputy Director of HR

Executive Lead: Sue Hodgkinson

Improvement Objective: Achieve target

Improvement Timescale: By March 2019

Appraisals Completed in last 12 months

Performance Issue:

Appraisal compliance has seen an increase in December from 85.5% to 86.0%, this remains below our corporate target of 95%. The only division to achieve this target was HRWBS at 97.1%, with Estates and Facilities just under at 93.9%. Planned Care (89.7%), Urgent Care (80.9%), Diagnostics (88.6%) are all below 90%. There needs to be particular focus on the divisions below 80% - Nurse Management (75.5%), Human Resources (73.1%), Corporate Non-Clinical (62.3%) - to improve compliance in these areas and achieve trust target overall in 2019.

Appraisal Table December 2018

Position	Division	Compliance
1	HRWBS	97.1%
2	Estates & Facilities	93.9%
3	Planned Care	89.7%
4	Diagnostics and Pharmacy	88.6%
5	Finance & Performance	80.8%
6	Urgent Care	80.9%
7	Nurse Management	75.5%
8	Human Resources	73.1%
9	Corporate Non - Clinical	62.3%
	Total	86.0%

Planned Remedial Actions:

The roll out of the "Trust Behavioural Standards" workshops continues to highlight the importance of the appraisal process. HR Business Partners continue to highlight the compliance rate in the monthly divisional reports & at governance boards, stressing the importance of completing appraisals on a timely basis. Guides to inputting appraisals via ESR have also been sent out monthly to ensure the input is accurate and timely.

Exception Report

Performance Trend

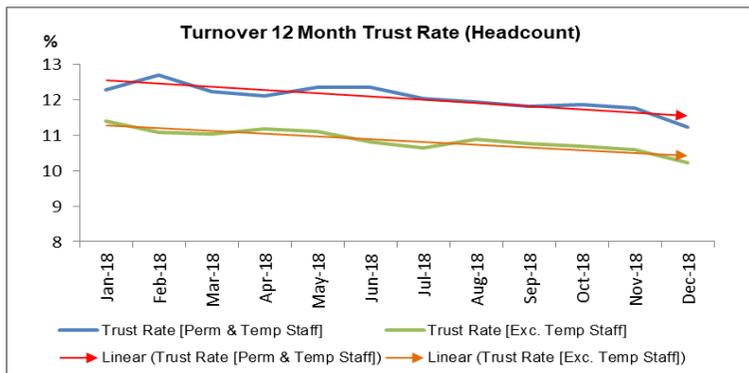


Figure: Based on headcount in the previous 12 months and on permanent staff only.

Ownership

Lead: Dee Appleton-Cairns, Deputy Director of HR

Executive Lead: Sue Hodgkinson

Improvement Objective: Achieve target

Improvement Timescale: By March 2019

Turnover

Performance Issue:

Turnover is at 10.23% decreasing in month, compared to 10.58% last month. The rate based on FTE is also slightly above target at 10.09%. Staff groups over target are: Additional Clinical Services at 11.45%, represents 91 leavers in the last year, 60 of which were Healthcare Assistants. Allied Health Professionals at 12.67%, represents 29 leavers in the last year. Admin. & Clerical decreased slightly to 10.43% representing 81 leavers in the last 12 months (3 of which were MARs plus 17 age retirements). Nursing & Midwifery Registered Staff decreased to 10.80% with 10 Midwives, 62 Staff Nurses, 7 Specialist Nurses & 4 Nurse Managers leaving the Trust in the last year. Trends will be continually monitored.

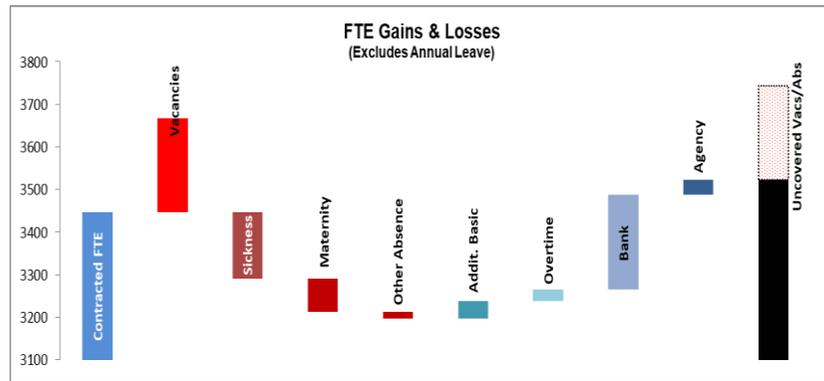
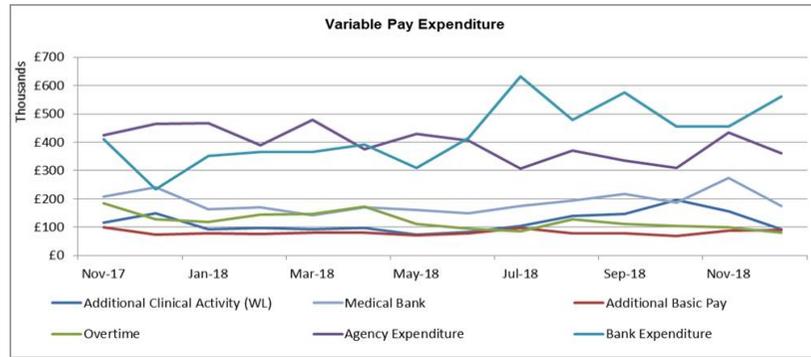
Staff Group - Jan 18 - Dec 18 Excludes Temporary Staff	Turnover %
Add Prof Scientific and Technic	9.21%
Additional Clinical Services	11.45%
Administrative and Clerical	10.43%
Allied Health Professionals	12.67%
Estates and Ancillary	6.71%
Healthcare Scientists	5.75%
Medical and Dental	8.36%
Nursing and Midwifery Registered	10.80%
Trust Totals & Rate	10.23%

Planned Remedial Actions:

Significant focus is being placed on retention of staff particularly within the nursing, midwifery and medical staff groups, working on identifying area and ways in which we can encourage staff to remain with the trust. A recruitment and Retention workshop meets every month to focus on these issues.

Exception Report

Performance Trend



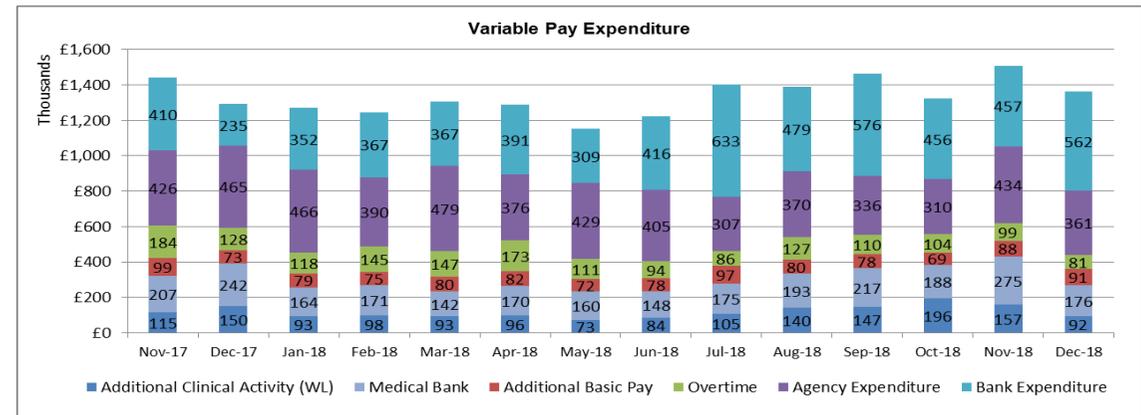
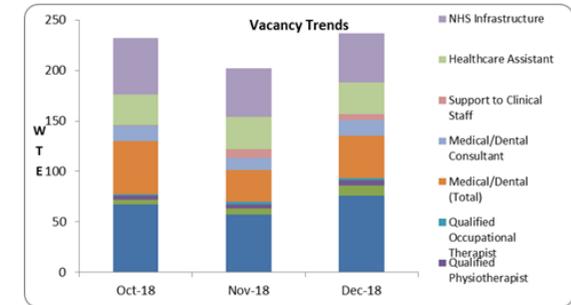
Ownership

Variable Pay

Performance Issue:

To not exceed £4.459m agency expenditure ceiling. To deliver £1.5m agency spend savings.

NHSI Staff Group	WTE		
	Oct-18	Nov-18	Dec-18
Registered Nursing & Midwifery	67	57	76
Qualified AHP	5	6	10
Qualified Physiotherapist	4	4	5
Qualified Occupational Therapist	1	3	2
Medical/Dental (Total)	53	31	42
Medical/Dental Consultant	15	12	16
Support to Clinical Staff	1	9	6
Healthcare Assistant	30	32	31
NHS Infrastructure	56	48	49



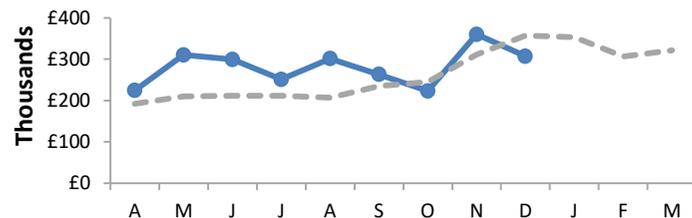
Planned Remedial Actions:

We have changed the way vacancies are calculated & recorded this has resulted in an apparent increase in this figure. It is only a change to recording and does not change our actual vacancy position. This is to bring us in line with other Trusts (discussed at a meeting in Leeds with HEE & NHSI) and uses the difference between the budgeted establishment and actual staff in post as the vacancy position. The biggest increase is in NHS Infrastructure vacancies which includes Admin & Clerical, Ancillary, Estates and Security. This has resulted in some categories appearing to have different vacancy numbers e.g. Infrastructure was included under Support to clinical Staff.

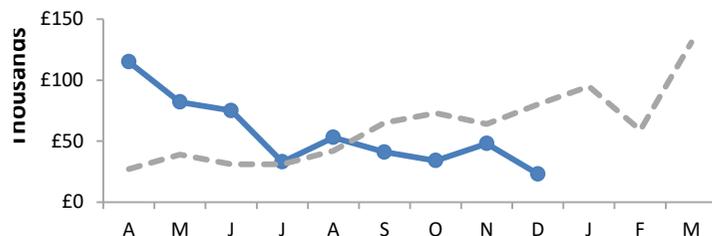
Exception Report

Performance Trend

Medical Agency Spend



Nursing Agency Spend



Ownership

Lead:

Executive Lead: Sue Hodkinson

Improvement Objective: Achieve Plan

Improvement Timescale: By March 2019

Agency Spend

Performance Issue:

Medical Pay is overspent by £1,141k. Agency medical expenditure is £2,539k (7% of the total medical spend). Nursing Pay is £1,000k overspent. Agency nursing expenditure is £504k which is 2% of total trained nursing spend. Total Agency spend for M1-9 is £3,338k. (£3,038k was spent during the same period last year). A straight line forecast is just below the agency ceiling.

Contributing Factors:

Agency Spend by Staff Group	14/15	15/16	16/17	17/18	18/19 YTD to Dec	18/19 Annual Straight Line Projection
Admin & Clerical	£ 119,858	£ 163,219	-£ 180	£ 85,760	£ 53,152	£ 70,870
Medical	£ 2,531,112	£ 3,911,032	£ 2,743,172	£ 3,268,433	£ 2,538,888	£ 3,385,184
Nursing	£ 830,776	£ 642,734	£ 380,679	£ 747,847	£ 504,117	£ 672,156
Allied Health Professional	£ 177,384	£ 218,871	£ 75,470	£ 171,820	£ 154,756	£ 206,342
Health Care Scientists	£ 115,743	£ 161,736	£ 252,863	£ 99,009	£ 87,170	£ 116,227
Total	£ 3,774,873	£ 5,097,592	£ 3,452,004	£ 4,372,869	£ 3,338,084	£ 4,450,778
Agency Ceiling 2018/19						£ 4,459,000

Planned Remedial Actions:

See actions proposed under Variable Pay

Exception Report

Performance Trend

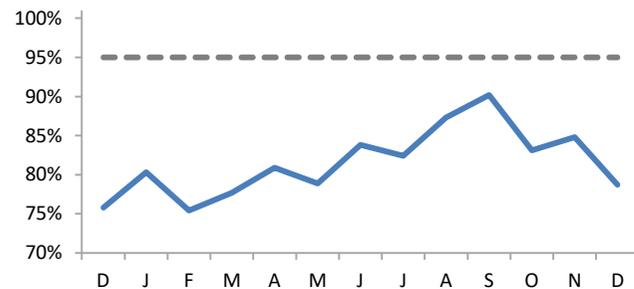


Figure: % ED attenders seen within 4 hours of arrival

Ownership:

Executive Lead: Lorraine Burnett, Chief Operating Officer

Improvement Objective: Return to national standard

(internal trajectory is to return to 90% compliance)

Improvement Timescale: By March 2019

A&E 4 Hour Standard

Performance Issue:

The 4 hour A&E target was under the National target in December, achieving 78.7%. Nationally, 86.4% of patients were seen within 4 hours of arrival in December.

Planned Remedial Actions:

December saw our ED attendances increase slightly however the number of breaches were significantly higher in month which contributed to poor performance Combined (Type 1 & Type 3) 78.7%

There were two key weekends where performance was particularly low which have contributed to our month position. On both occasions a report was prepared and submitted to Executive team for consideration, there is now a weekly meeting to look at key issues has now been introduced with Executive input.

The Trust maintains high bed occupancy were we saw more NEL admissions than discharges during the month. Assessment areas utilised as escalation capacity which results in reduced capacity and flow. Increased capacity meetings have been in place during each working day with Matrons and Senior Management working to promote discharges and improve flow across Divisions. Urgent Care have increased weekend consultant presence on AMU and in GPU & ED over seven days to increase discharges and support the weekend capacity issues – the overall length of stay has reduced with an increase in zero length of stay and 24-72 hours

Exception Report

Performance Trend

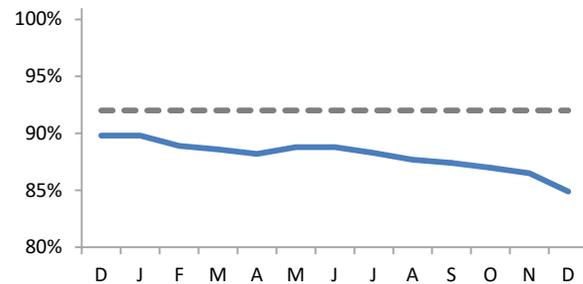


Figure: Percentage of incomplete pathways for English patients within 18 weeks.

Ownership

Lead: Divisional Directors

Executive Lead: Lorraine Burnett, Chief Operating Officer

Improvement Objective: Achieve target

Improvement Timescale: By March 2019

Referral to treatment (18 weeks)

Performance Issue: RTT performance remains under the 92% target at 84.9%.

Contributing Factors:

In December our worst performing specialties are Urology (74.3%), Oral Surgery (80.9%), General Surgery (80.9% - including vascular surgery) and Plastics (82%). There was a significant increase in demand in Q1 and Q2 which we are still feeling the impact of and we are trying to clear the backlog

Planned Remedial Actions:

Oral Surgery – Workforce gaps, sickness and exclusions have led to a reduction in capacity.

There has also been an increase in cancer referrals which has impacted capacity therefore there are plans underway to recoup some of this lost capacity through additional activity sessions.

ENT – Registrar post remains vacant. FT capacity was protected during December. Advert also to go back out for permanent consultant post. Nursing management have advised they are managing the long term sickness appropriately and vacancies are due to be advertised.

T&O - Elective work has been cancelled to facilitate trauma, contributing towards not being able to improve RTT. We are looking at validation, extended sessions and different ways of working to speed up pathways which will all contribute positively to an increase in RTT

Plastics - Plans are in place for trials of different ways of working and a bid has been submitted for extra staff via the cancer alliance. Additional theatre lists were set up with some in December and extra clinics took place over the Christmas and New year period for fast tracks. Approval now given to recruit an additional SpR post to deliver additional activity.

Urology - The Improvement efficiencies group is starting again. Additional clinical staff are being sourced to deliver additional activity to improve performance. We have recruited to the Urology CNS position for a 12 month secondment and they are due to start February. This will help provide additional activity for cancer. A new permanent consultant is due to start in March/April, so Urology performance will improve moving forwards.

General Surgery –Second Consultant post for UGI to go out once JD approved by Royal College. Additional outpatient sessions continue to be provided to meet the increase in demand.

Vascular –We continue to try and realign capacity across all three sites to meet demand. Clinic room space and trained nurse availability at spoke sites still causing difficulties.

Exception Report

Performance Trend

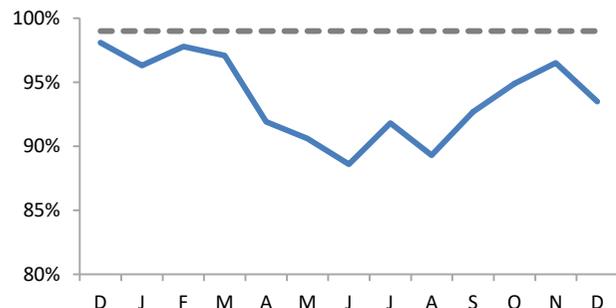


Figure: DM01 - Diagnostic tests carried out within 6 weeks of request being received.

Ownership

Lead: Divisional Directors

Executive Lead: Lorraine Burnett,

Chief Operating Officer

Improvement Objective: Achieve target

Improvement Timescale: October 2018

Diagnostic Tests within Timescale

Performance Issue:

DM01 performance has improved by 1.6% in November but remains below the 99% target.

Planned Remedial Actions:

Endoscopy – DM01 in December was 93.2% which is a decrease in performance from November (96.3%). The final weekend of insourcing was 8-9 December, in addition, 50 lists were lost in December due to Bank Holiday and annual leave. All cancer and long-waiting RTT patients are currently being prioritised. Action include changes to dating 6 weeks in advance to reduce FTA and cancellation rates, maximising utilisation

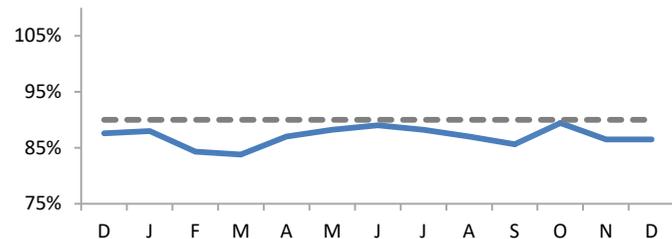
CRV – Activity lost due to flooding in the department. Actions include additional weekend and evening lists, use of locum, additional triage of referrals and validation of patients waiting. Divisions working collaboratively on managing increases in speciality referrals.

English - Number of exams >6 weeks

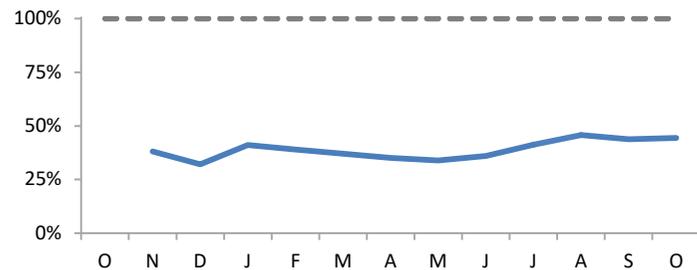
Month End Snapshot	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Magnetic Resonance Imaging	5	5	2	10	12	5	9					1	2
Computed Tomography	1	4						1				1	5
Non-obstetric ultrasound	7	13	6	51	177	207	247	165	120	124	80		17
CRV - Vascular	13	56	29	14	2	14	5	12	70	30	8	64	67
Audiology - Audiology Assessments													
Cardiology - echocardiography	5	10			2			7	72	1	1	6	128
Respiratory physiology - sleep studies	2	2	5	3	3	3	2	3	1			1	
Colonoscopy	8	20	14	19	77	141	192	87	79	64	39	22	25
Flexi sigmoidoscopy	9	3	1	8	3	5	2	1	12	15	34	27	21
Cystoscopy	16	12	17	18	22	49	59	67	120	69	60	23	30
Gastroscopy	18	54	19	12	74	114	100	72	41	43	34	16	24
Total patients waiting	4399	4799	4228	4623	4578	5738	5382	5073	4822	4758	5001	4657	4872
%<6 weeks	98.1%	96.3%	97.8%	97.1%	91.9%	90.6%	88.6%	91.8%	89.3%	92.7%	94.9%	96.5%	93.5%

Exception Report

Performance Trend



% e-discharge letters sent within 24 hours



% Outpatient letters sent within 7 days

Clinical Correspondence

Performance Issue:

Neither of the clinical correspondence targets were achieved in December.

Contributing Factors:

The specialties with the highest number of outpatient letters over 10 days were unchanged: Ophthalmology, ENT, Paediatrics and Trauma & Orthopaedics.

These areas of particular challenge reflect increased demand within these services. Specific action plans have been developed to improve performance relating to correspondence.

Planned Remedial Actions:

eDischarge - actions are being led by Medical Director and Associate Medical Directors. Clinical teams to plan and start to complete the eDischarge before discharge. Daily reports are sent out and reviewed by ward clerks and consultants. Discussions are taking place with the CCG to reflect new mandatory elements to eDischarge letters and ensure compliance with these elements across all specialties. In addition, we are working to agree a sub-set of specialties within which we will work to include additional non-mandatory clinical data for patient benefit.

Outpatient letters – a working group met in October to discuss a breakdown of letters produced by specialties and an analysis of outpatient letter performance by urgency/routine. Both routine and urgent appointments have seen an improvement in performance since June and approximately 70% of urgent letters are now being sent within timescale. We have seen an improvement in timeliness of 10% in the past 6 months and this will further be critiqued and reviewed at the February CCG Elective Care Group.

Ownership:

Executive Lead: Darren Kilroy, Interim Medical Director

Improvement Objective: Achieve target

Improvement Timescale: By March 2019

Appendix 1 Nurse Staffing Compliance

Nurse Staffing Heat Map

Ward Name	Specialty	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Months <95%	Months >100%
Bluebell	EPH Rehabilitation	104%	108%	104%	106%	98%	91%	96%	92%	93%	94%	94%	96%	101%	5	4
Children's	Paediatrics	94%	97%	102%	95%	100%	109%	105%	96%	92%	101%	94%	101%	103%	3	6
ICU	Adult Intensive Care	85%	95%	92%	85%	88%	86%	85%	78%	75%	84%	94%	90%	86%	12	0
Maternity	Maternity	138%	104%	104%	106%	83%	95%	94%	100%	100%	97%	96%	98%	97%	3	5
NNU	Neonatal Unit	81%	89%	86%	83%	67%	89%	97%	97%	91%	100%	92%	94%	98%	9	0
Poppy	Intermediate Care Unit	115%	118%	119%	120%	124%	119%	114%	117%	107%	108%	110%	111%	118%	0	12
Renal	Renal	92%	101%	99%	81%	84%	85%	87%	87%	81%	65%	70%	88%	89%	10	1
Ward 33	Stroke	97%	97%	92%	94%	96%	99%	95%	95%	95%	97%	95%	96%	99%	3	0
Ward 34	Intermediate Care Unit	91%	92%	96%	94%	91%	92%	89%	90%	91%	89%	91%	91%	92%	11	0
Ward 41	Surgery	90%	100%	97%	92%	96%	93%	93%	78%	88%	68%	73%	91%	84%	9	0
Ward 42	Cardiology	102%	110%	102%	102%	110%	98%	100%	104%	109%	105%	99%	103%	100%	0	9
Ward 43	Haematology/Oncology	97%	105%	102%	102%	103%	102%	110%	119%	109%	102%	103%	107%	107%	0	11
Ward 44	Surgery	97%	98%	94%	92%	95%	98%	95%	91%	94%	100%	100%	97%	94%	6	0
Ward 45	Surgery	94%	108%	97%	84%	92%	125%	125%	101%	100%	98%	95%	97%	89%	3	5
Ward 47	Acute Medical Unit	91%	93%	87%	83%	89%	95%	90%	91%	87%	88%	90%	91%	89%	11	0
Ward 48	Respiratory	92%	104%	105%	98%	106%	95%	96%	96%	107%	107%	106%	112%	103%	1	7
Ward 49	Gastroenterology	98%	95%	103%	100%	95%	103%	98%	101%	105%	96%	94%	98%	99%	1	4
Ward 50	Care of the Elderly	95%	105%	109%	98%	108%	108%	102%	110%	112%	106%	110%	117%	117%	0	10
Ward 51	Care of the Elderly	102%	107%	105%	101%	103%	108%	103%	107%	107%	106%	112%	109%	110%	0	12
Ward 52	Trauma & Orthopaedics	93%	95%	96%	98%	102%	103%	110%	115%	109%	108%	109%	108%	103%	1	8
Ward 53	Vascular	90%	99%	97%	85%	89%	83%	86%	90%	93%	90%	94%	95%	94%	10	0
Ward 54	General Medicine	101%	107%	98%	94%	97%	77%	102%	95%	97%	94%	91%	83%	81%	6	3
Ward 60	Haem / Oncology Day Case	84%	87%	87%	88%	95%	96%	92%	84%	92%	93%	87%	86%	81%	10	0
Wards with less than 95% compliance		12	5	6	12	9	9	10	10	11	9	12	9	10		
Wards with more than 100% compliance		6	11	10	6	9	9	9	9	11	9	7	9	8		



Subject	Financial Position – Month 9, December 2018
Date of Meeting	Trust Board 29 th January 2019
Author(s)	Simon Holden, Director of Finance Jennie Birch, Deputy Director of Finance
Annual Plan Objective No.	
Summary	This paper is intended to provide details of the Trust’s financial position, as at 31 st December 2018 (Month 9/Quarter 3)
Recommendation(s)	<p>The Board is asked to note:</p> <ul style="list-style-type: none"> ○ The adverse variance (Month 09) of £5,069k against plan, being made up as follows, namely: <ul style="list-style-type: none"> ○ underlying position before Provider Sustainability Funding (PSF) of £2,220k adverse, being the monitored year to date position; ○ the underlying forecast outturn position for the year, before PSF, resulting in probable outturn of £12.7m deficit (against an agreed deficit plan of £4.3m), being the same forecast outturn as at Month 8 but with potential for further deterioration, given operational pressures currently experienced; ○ The improvement in the delivery of the West Cheshire CCG activity, with the over performance against block moving from £1,246k over to £1,481k over performance year to date (being circa £385k over performance if Therapies changes were excluded); ○ The additional agreed payment from West Cheshire CCG of £242k in recognition of joint financial recovery plan initiatives; ○ The main pressures, which could threaten the forecast outturn, being principally Medical and Nursing pay pressures, particularly given current operational pressures; ○ The cash position of the organisation, and the recent interim revenue distress funding received (£1.6m), together with noting the ongoing cash planning (and

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- probable further drawdown anticipated in March 2019);
- The number of Welsh Delayed Transfers of Care Bed Days, being 2,450 year to date (a deterioration of 23% on the same period last year, previously 26% at Month 08), and a comparable improvement on the Cheshire West & Chester position;
 - The achievement of Months 1 to 6 PSF Finance Funding (of £1,789k), but the anticipated non-receipt for Quarter 3;
 - The level of non-recurrent resource (£3,406k) required to achieve this position;
 - The underlying financial pressures, being consistent with other NHS providers, namely:
 - Winter/additional capacity
 - Growing elective lists
 - National A4C Pay award shortfall
 - Slippage on CRS delivery (Avastin/Lucentis)
 - Embargo on Subsidiary Companies
 - Increase in Agency Spend
 - The critical importance of January, February and March 2019, and the close monitoring of NHS Improvement in maintaining the current forecast position;
 - The underlying significant risks to this current probable forecast outturn, namely:
 - Circa £0.3m additional income within the position for therapies activity not previously charged for; and potentially
 - Circa £1m miscellaneous pressures;All resulting in a “potential” outturn of circa £13.2m deficit (against an agreed deficit plan of £4.3m), pre Provider Support Funding;
 - The absence of confirmation of the Trust’s “urgent and essential” Capital Loan for 2018/19 remains an outstanding risk, although the Trust has recently received confirmation of circa £1.5m with regards to a Light Emitting Diode (LED) lighting bid across the organisation;
 - The recently published financial architecture for 2019/20, which is currently being interpreted, with further updates to the Board planned; and
 - The suggested next steps:
 - Maintaining good governance, and control, over

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	<p>three remaining months; and</p> <ul style="list-style-type: none"> ○ Implementing the identified Turnaround Measures, as matter of urgency, wherever possible, subject to the Quality Impact Assessments (QIAs). 						
<p>Risk Score</p>	<p>N/A</p>						
<p>FOIA Status: <i>FOIA exemptions must be applied to specific information within documents, rather than documents as a whole. Only if the redaction renders the rest of the document non-sensical should the document itself be redacted.</i></p> <p>Applicable Exemptions:</p> <ul style="list-style-type: none"> ▪ Prejudice to effective conduct of public affairs ▪ Personal Information ▪ Info provided in confidence ▪ Commercial interests 	<p>Please tick the appropriate box below:</p> <table border="1" style="margin-left: 20px;"> <tr> <td style="text-align: center;">X</td> <td>A. This document is for full publication</td> </tr> <tr> <td style="text-align: center;"></td> <td>B. This document includes FOIA exempt information</td> </tr> <tr> <td style="text-align: center;"></td> <td>C. This whole document is exempt under the FOIA</td> </tr> </table> <p>IMPORTANT:</p> <p>If you have chosen B. above, highlight the information that is to be redacted within the document, for subsequent removal.</p> <p>Confirm to the Trust Secretary, which applicable exemption(s) apply to the whole document or highlighted sections.</p>	X	A. This document is for full publication		B. This document includes FOIA exempt information		C. This whole document is exempt under the FOIA
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	B. This document includes FOIA exempt information						
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Finance & Integrated Governance Committee

**Financial Position
Month 9 December 2018/19**

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1.1 Overview

	Annual Budget 2018/19 £000s	December YTD Budget 2018/19 £000s	December YTD Actual 2018/19 £000s	December YTD Variance 2018/19 £000s
Pre PSF (Deficit)	4,334	6,157	8,377	2,220
PSF (Provider Sustainability Fund)	(7,297)	(4,743)	(1,789)	2,954
Post PSF Control Total	(2,963)	1,414	6,588	5,174
Donated Asset Transactions	45	34	(71)	(105)
I&E Surplus	(2,918)	1,448	6,517	5,069

The “monitored” financial position i.e. pre Provider Sustainability Fund (PSF) is a **£2,220k adverse variance** at the end of December. The key points to note include:

Income

There is an adverse position on clinical income of £1,123k noting:

- Underlying over performance on the West Cheshire CCG contract is £1,481k, but this is not recognised within the financial position due to the block arrangements;
- The Welsh contract is underperforming by £505k at the end of month 9;
- There is an adverse variance on other English commissioners of circa £618k and is attributable predominantly to critical care activity within the NHS England contract; and
- The loss of the additional £1m funding from West Cheshire CCG, that was included in the plan profiled between October to March, has been accounted for (£500k) to date.

Expenditure

The most significant pressures on the expenditure position continue to be nursing pay and medical pay.

- Nursing pay is £1,000k overspent (of which, agency spend to date is £504k), although it should be noted that the rate of nursing overspend has reduced in December; and
- Medical pay which is £1,141k overspent (including agency spend to date of £2,539k).

The key cost drivers continue to be vacancies, activity pressures, and the number of patients requiring one to one care. Please see Appendices A&B for further details of the pressures being experienced in both areas.

Drug costs also saw a further increase in month of £62k, resulting in a year to date overspend of £323k. This is across a number of specialities and seems to be reflective of current case-mix on the wards.

Cost Reduction Scheme (CRS)

The Cost Reduction Scheme (CRS) is £1,027k behind the profiled plan. The target has been back loaded into later months; if it had been profiled evenly we would be a further £3,181k over spent.

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Reserves

Ward 54 is now open on a permanent basis alongside additional beds on wards 46, 34 and Bluebell. This has utilised in full the Winter Reserve, plus another £263k in year and £331k recurrently from contingency. Further reserves of £695k have been utilised to support the financial position.

Technical Opportunities

Use of non-recurrent resource of £3,406k has been used to support the position to ensure receipt of PSF for the first two quarters of the year.

1.2 Provider Sustainability Funding (PSF)

Provider Sustainability Funding is available to organisations that signed up to deliver the 2018/19 control total, with 70% awarded for financial delivery and 30% awarded for A&E performance. The profile of the funds available is shown in the table below:

Provider Sustainability Funding	Q1	Q2	Q3	Q4	Total
Financial Performance (70%)	766,185	1,021,580	1,532,370	1,787,765	5,107,900
A&E Performance Performance (30%)	328,365	437,820	656,730	766,185	2,189,100
Total	1,094,550	1,459,400	2,189,100	2,553,950	7,297,000
Weighted %	15%	20%	30%	35%	100%

The Trust is required to deliver to financial plan at the end of each quarter to be able to access the associated PSF for financial performance for that period. Therefore, significant non recurrent resource of £3.406m, and deployment of recurrent reserves of £695k, has been specifically released into the position to achieve the required financial performance thus enabling the Trust to access PSF of £1,788k for quarter one and quarter two.

The Trust has an adverse variance on PSF of £2,954k at the end of month 9 with £1,422k loss due to the non-achievement of the required A&E target year to date and £1,532k is due to the non-achievement of the financial performance in Quarter three.

Under achievement of PSF nationally (at year end) is redistributed based on a centrally determined (unknown) funding formula. For 2017/18 this included pound for pound matching for any over performance on the control total and an additional share for all organisations that signed up to the control total irrespective of delivery. It is anticipated that the Trust will not be eligible for any additional PSF due the deterioration of the financial position.

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1.3 Income and Expenditure Summary

The table below summarises the financial position as at December, both pre and post PSF:

KEY VARIANCES	Annual Budget £000s	Dec YTD Budget £000s	Dec YTD Actual £000s	Dec YTD Variance £000s	Dec YTD Variance % of budget	Movement from Nov
INCOME						
Income - England	(180,097)	(135,425)	(134,322)	1,104	-0.8%	(40)
Income - Wales	(24,994)	(19,176)	(18,648)	528	-2.8%	175
Other Clinical Income	(11,513)	(8,660)	(9,431)	(771)	8.9%	26
Non Patient Income	(14,735)	(11,271)	(11,592)	(321)	2.9%	(22)
INCOME	(231,338)	(174,533)	(173,994)	539	-0.3%	139
PAY						
Nursing	59,868	44,787	45,787	1,000	2.2%	32
Medical	47,516	35,728	36,869	1,141	3.2%	154
Admin & Clerical	21,244	15,824	15,504	(319)	-2.0%	(80)
AHP, Therapies, Diagnostics & Pharmacy	23,397	17,413	17,355	(58)	-0.3%	(2)
Other	14,081	10,661	9,879	(782)	-7.3%	(44)
TOTAL PAY	166,106	124,413	125,394	981	0.8%	60
NON PAY						
Drugs	18,925	14,660	14,982	323	2.2%	62
Medical & Surgical Equipment	11,385	8,633	8,745	113	1.3%	16
Depreciation	4,237	3,178	3,178	0	0.0%	0
CNST	8,206	6,155	6,155	0	0.0%	0
Furniture & Office Equipment, Equip Hire & Computers	3,919	2,860	2,900	40	1.4%	(19)
Other	29,383	21,818	21,016	(803)	-3.7%	59
TOTAL NON PAY	76,055	57,303	56,976	(327)	-0.6%	118
CRS	(6,489)	(1,027)	0	1,027		286
TOTAL - PRE PSF & DONATED ASSET TRANSACTIONS	4,334	6,157	8,376	2,219	36.0%	603
PSF (Provider Sustainability Fund)	(7,297)	(4,743)	(1,789)	2,954	-62.3%	730
POST PSF CONTROL TOTAL	(2,963)	1,414	6,587	5,173	365.9%	1,333
DONATED ASSET TRANSACTIONS	45	34	(71)	(105)	-308.8%	(6)
I&E SURPLUS	(2,918)	1,448	6,516	5,068	350.1%	1,327

Please note: (Favourable) / adverse

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2.1 Commissioner Income

A summary of the activity & income variances by Point of Delivery (POD) are shown below:-

Point of Delivery	Activity Variance YTD (actual activity delivered compared to funded baseline where (x)/x is underperformance / overperformance)	Value Variance YTD (financial value variance of activity units delivered compared to funded baseline where (x)/x is underperformance / overperformance)	Block Adjustment relating to West Cheshire CCG where (x)/x represents over performance not paid for / underperformance not penalised for	Value Variance attributable to Welsh and Other English Commissioners (where (x)/x is underperformance / overperformance)	R A G	Movement from Previous Period
Daycases	(18)	(£642,577)	(£407,912)	(£1,050,490)	↓	(£107,712)
Elective Inpatients	(633)	(£1,121,315)	(£416,692)	(£1,538,007)	↓	(£63,086)
Non-Elective Inpatients (exc Maternity)	786	£1,122,401	£553,584	£1,675,986	↑	£63,375
Non-Elective Inpatients - Maternity	(369)	(£1,053,700)	£518,024	(£535,675)	↓	(£42,540)
First Outpatients	2,168	£276,319	(£178,914)	£97,404	↑	£2,373
Follow Up Outpatients	(6,824)	(£504,538)	£310,769	(£193,768)	↓	(£27,682)
Outpatient Unbundled & Procedures	725	£163,075	(£115,789)	£47,286	↓	(£8,905)
Maternity	(823)	(£376,550)	£448,853	£72,303	↑	£26,364
A&E Attendances	1,447	£88,288	£66,075	£154,363	↑	£10,070
Best Practice Adjts	0	£68,322	(£24,616)	£43,706	↑	£17,379
Drugs & Devices	0	(£17,262)	(£551,262)	(£568,524)	↓	(£108,780)
AMD	505	£331,963	(£82,248)	£249,714	↑	£21,992
Adult Crit Care & Neonatal	(1,139)	(£1,208,761)	(£103,984)	(£1,312,745)	↓	(£108,337)
Other Non PBR & CQUIN	0	£1,969,188	(£1,496,570)	£472,618	↑	£74,835
PBR & Non PBR Variance	(4,174)	(£905,147)	(£1,480,682)	(£2,385,829)		(£250,654)
Critical Care Risk		£1,263,004		£1,263,004		£140,334
Total Excluding STF Funding		£357,857	(£1,480,682)	(£1,122,825)		(£110,320)
Sustainability & Transformation funding		(£2,955,285)		(£2,955,285)		(£729,700)
Total Including STF Funding		(£2,597,428)	(£1,480,682)	(£4,078,110)		(£840,020)

At the end of December 2019 (month 9) the total contract income (for all commissioners) is £358k above plan prior to the block adjustment, which when applied results in an overall financial underperformance of £1,123k, thus not recognising £1,481k over performance in the position. This is because the over performance is attributed to West Cheshire CCG which is on a block contract and the under performance has been experienced on Payment by Results (PbR) contracts.

Please note the following key points in relation to income:

- There has been a change in charging for therapies activity, which has previously been counted but not charged for. This change is to ensure consistent treatment in line with neighbouring Trusts, with a value for all commissioners of circa £1,292k for April to December 2018, and circa £1,097k of this relating to West Cheshire CCG;

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- Overall performance on the West Cheshire CCG contract has further improved in month 9 and even excluding the therapies charging change, the West Cheshire CCG contract would be now £384k above the agreed contract baseline;
- Welsh and non-West Cheshire English activity which are paid for via the national tariff are underperforming resulting in a net underperformance within the financial position for month 9 despite improved delivery of (West Cheshire) activity;
- The volume of un-coded activity at month 9 is currently at 5% of total activity. The Trust continues to pursue regular reviews of coding;
- Obstetric deliveries continue to be below plan in December with a cumulative under performance of £1,054k prior to the block adjustment. The pressure within the financial position following the block adjustment is £536k for the first nine months of the financial year and predominantly relates to Welsh activity. Obstetric bookings are also below plan but this is mitigated by the block contract for West Cheshire patients. The previous reduction in the number of Welsh women booking to have their care at the Countess, has started to materialise in the numbers of deliveries;
- The net overall non-PBR position is showing an over performance of £148k following the block adjustment which largely relates to critical care which is explained below; and the loss of the additional £1m funding from West Cheshire CCG that was included in the plan profiled between October to March has been accounted for (£500k); and
- Critical Care and Neonatal bed day activity is £1,209k below (for all Commissioners) the internal funded levels of activity within the plan year to date after the application of the block adjustment. This was in part anticipated and a risk reserve established as part of the 2018/19 budget setting. The application of the risk reserve has resulted in an over performance of £54k.

2.2 Non-Commissioner Income

At the end of December 2018, non-commissioner income is below plan by £2,370k mainly attributable to:-

- The loss of the PSF monies in relation to A&E (£1,422k) and financial performance (£1,532k) totalling £2,954k; and
- A technical non recurrent benefit of £750k in relation to the provision held for Road Traffic Accident income following a review of the accounting policy.

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3.0 Key Variances

The table below summarises the divisional financial performance and identifies the value of the over spend that is attributable to non-delivery of Cost Reduction Scheme (CRS) targets:

Divisional Variances	Dec YTD Var	CRS YTD Var	Pressure exc CRS
	£000s	£000s	£000s
Planned Care	2,319	1,040	1,279
Urgent Care	2,479	734	1,745
D&P	232	108	124
Facilities	(154)	(17)	(137)
Estates	(190)	(55)	(135)
Nurse Management	(45)	(11)	(34)
Corporate Services	(370)	(96)	(274)
Central (CRS)	(676)	(676)	0
Central Services	1,474	0	1,474
Total (before PSF & Donated Assets)	5,069	1,027	4,042

3.1 Agency Spend & Variable Pay

The agency expenditure position as at December 2018 is shown below with a simple straight line projection, which suggests the Trust will be just under the agency ceiling should this expenditure extrapolate in this way. The previous year's full year expenditure figures are also shown for comparison:-

Agency Spend by Staff Group	14/15	15/16	16/17	17/18	18/19 YTD to Dec	18/19 Annual Straight Line Projection
Admin & Clerical	£ 119,858	£ 163,219	-£ 180	£ 85,760	£ 53,152	£ 70,870
Medical	£ 2,531,112	£ 3,911,032	£ 2,743,172	£ 3,268,433	£ 2,538,888	£ 3,385,184
Nursing	£ 830,776	£ 642,734	£ 380,679	£ 747,847	£ 504,117	£ 672,156
Allied Health Professional	£ 177,384	£ 218,871	£ 75,470	£ 171,820	£ 154,756	£ 206,342
Health Care Scientists	£ 115,743	£ 161,736	£ 252,863	£ 99,009	£ 87,170	£ 116,227
Total	£ 3,774,873	£ 5,097,592	£ 3,452,004	£ 4,372,869	£ 3,338,084	£ 4,450,778

Agency Ceiling 2018/19						£ 4,459,000
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The variable pay position for month 9 is shown below, as is the comparison with previous month's performance: -

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	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Additional Clinical Activity (WL)	£ 96,253	£ 72,869	£ 83,557	£ 104,828	£ 140,342	£ 146,800	£ 196,243	£ 157,336	£ 92,498
Medical Bank	£ 170,001	£ 159,831	£ 148,181	£ 174,522	£ 192,785	£ 217,039	£ 187,564	£ 274,953	£ 176,165
Additional Basic Pay	£ 81,765	£ 71,566	£ 77,576	£ 97,283	£ 79,551	£ 78,052	£ 69,408	£ 87,576	£ 91,316
Overtime	£ 172,810	£ 111,476	£ 94,082	£ 85,607	£ 127,253	£ 110,446	£ 104,493	£ 98,706	£ 81,159
Agency Expenditure	£ 375,766	£ 428,800	£ 404,881	£ 306,956	£ 370,401	£ 335,858	£ 310,211	£ 433,894	£ 361,353
Bank Expenditure	£ 391,280	£ 308,742	£ 416,014	£ 632,955	£ 478,748	£ 575,608	£ 455,531	£ 456,548	£ 561,548
Total Variable Pay Expenditure	£ 1,287,875	£ 1,153,283	£ 1,224,290	£ 1,402,151	£ 1,389,080	£ 1,463,803	£ 1,323,452	£ 1,509,013	£ 1,364,039
Pay Budget	£13,193,249	£14,042,665	£13,349,289	£14,125,297	£14,426,390	£13,859,665	£13,917,875	£13,808,892	£13,708,004
Variable Pay as % of Total Budget	10%	8%	9%	10%	10%	11%	10%	11%	10%

	2016/17 Full Year Spend	2017/18 Full Year Spend	2018/19 YTD Spend
Additional Clinical Activity (WL)	£1,136,104	£1,225,459	£1,090,726
Medical Bank	£1,581,579	£2,025,090	£1,701,041
Additional Basic Pay	£1,487,368	£1,200,461	£734,093
Overtime	£1,167,972	£1,530,417	£986,032
Agency Expenditure	£3,452,003	£4,372,869	£3,328,120
Bank Expenditure	£2,809,066	£3,665,410	£4,276,974
Total Variable Pay Expenditure	£ 11,634,092	£ 14,019,705	£ 12,116,986
Pay Budget	£ 155,020,877	£ 157,824,980	£ 124,413,258
Variable Pay as % of Total Pay Budget	8%	9%	10%

3.2 Delayed Transfers of Care

Delayed Transfers of Care (DTOC) continue to cause both an operational and financial pressure for the Trust. The table below shows the number of beddays for the first nine months of the year compared to the same period last year for bed days. There is an overall reduction in Delayed Transfers of Care (DTOC) but note the continued pressure in relation to Welsh patients:

Local Authority	2017/18 YTD Total			2018/19 YTD Total			2018/19 Total Variance		
	Health	Social	Total	Health	Social	Total	Health	Social	Total
Cheshire West & Chester	2,550	2,925	5,475	3,237	1,395	4,632	687	(1,530)	(843)
Wales	1,239	759	1,998	654	1,796	2,450	(585)	1,037	452
Halton	36	45	81	15	22	37	(21)	(23)	(44)
Warrington	55	143	198	79	27	106	24	(116)	(92)
Wirral	90	26	116	22	62	84	(68)	36	(32)
Shropshire	16	4	20	0	0	0	(16)	(4)	(20)
Cheshire East	10	3	13	18	6	24	8	3	11
Wigan	0	3	3	0	0	0	0	(3)	(3)
Stockport	10	0	10	0	23	23	(10)	23	13
Lancashire	0	0	0	0	0	0	0	0	0
West Sussex	0	0	0	0	0	0	0	0	0
Total	4,006	3,908	7,914	4,025	3,331	7,356	19	(577)	(558)

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3.3 Bed Base (Countess of Chester & Ellesmere Port)

Bed occupancy remains high and despite a system wide review which identified a shortfall of 15 beds across the system, Commissioners are yet to respond. Discussions are underway with the CCG regarding winter capacity and the requirement for the cost to be shared across the system.

4.0 Cash Releasing Savings (CRS)

The CRS target for 2018/19 is set at £10,739k, made up as follows: -

Divisional / Central Allocation	£000	%
Operational Challenge (Divisions / Departments)	6,141	3.5%
Central Challenge	4,598	1.3%
Total CRS Requirement	10,739	4.8%

Divisional and departmental targets and performance can be found in section 4.2.

4.1 December 2018 CRS Performance

CRS performance as at the end of December 2018 is £1,027k behind the profiled plan. Reserves of £695k have been released to support the overall financial position and offset against the CRS target.

The profile of the CRS target can be found in the table below:

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
	£000s	£000s											
Total Target	386	386	386	536	536	536	703	703	703	703	703	4,461	£10,739
Monthly Profile	4%	4%	4%	5%	5%	5%	7%	7%	7%	7%	7%	42%	100%
Quarterly Profile			11%			15%			20%			55%	100%

Therefore the CRS performance would be worse by £3,181k if the target had been profiled evenly and hence, the CRS programme would be £4,208k off plan should an even target profile been adopted.

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4.2 In Year & Recurrent CRS Performance

Total CRS schemes delivered in year and recurrently are shown below: -

2018/19 EFFICIENCY PROGRAMME PERFORMANCE AS AT DECEMBER 2018

Division / Department	2017/18 In Year CRS Target	Achieved		Outstanding		IN YEAR			Pipeline
		£	%	£	%	Green	Amber	Red	
Planned Care	£ 2,515,966	£ 927,963	37%	£ 1,588,003	£ 85,543	£ 142,500	£ 528,222	£ 831,737	
Urgent Care	£ 1,754,308	£ 611,475	35%	£ 1,142,833	£ 303,846	£ 123,367	£ 410,000	£ 305,620	
D&P	£ 840,000	£ 608,271	72%	£ 231,729	£ 218,722	£ -	£ 120,000	-£ 106,993	
Estates & Facilities	£ 489,724	£ 547,177	112%	-£ 57,453.21	-£ 0	£ -	£ -	-£ 57,453	
Nurse Mgmt	£ 71,791	£ 69,613	97%	£ 2,178	£ 2,178	£ -	£ -	£ -	
Corporate Clinical	£ 7,756	£ 5,090	66%	£ 2,666	£ -	£ -	£ 2,290	£ 376	
IM&T	£ 167,599	£ 167,599	100%	-£ 0	-£ 0	£ -	£ -	£ -	
HR	£ 106,018	£ 92,405	87%	£ 13,613	£ 12,613	£ 1,000	£ -	£ -	
Trust Administration	£ 108,457	£ 83,129	77%	£ 25,328	£ -	£ -	£ 1,000	£ 24,328	
Finance	£ 52,470	£ 52,470	100%	-£ 0	-£ 0	£ -	£ -	£ -	
PPD	£ 11,328	£ 8,858	78%	£ 2,470	£ -	£ 2,470	£ -	£ -	
Procurement	£ 15,771	£ 132,318	839%	-£ 116,547	£ -	£ -	£ -	-£ 116,547	
Central	£ 4,597,684	£ 943,666	21%	£ 3,654,018	-£ 35,000	£ -	£ 3,650,000	£ 39,018	
TOTAL	£ 10,738,872	£ 4,250,034	40%	£ 6,488,837	£ 587,901	£ 269,337	£ 4,711,512	£ 920,086	
						£ 857,238		£ 5,631,599	
						8%		52%	

2018/19 EFFICIENCY PROGRAMME PERFORMANCE AS AT DECEMBER 2018

Division / Department	2017/18 Recurrent CRS Target	Achieved		Outstanding		RECURRENT			Pipeline
		£	%	£	%	Green	Amber	Red	
Planned Care	£ 2,515,966	£ 268,148	11%	2,247,818	£ 170,000	£ 15,000	£ 612,904	£ 1,449,914	
Urgent Care	£ 1,754,308	£ 638,163	36%	1,116,145	£ 32,000	£ 126,169	£ 410,000	£ 547,976	
D&P	£ 840,000	£ 242,275	29%	597,725	£ 79,592	£ -	£ 170,000	£ 348,133	
Estates & Facilities	£ 489,724	£ 264,184	54%	225,540	£ 5,000	£ 50,000	£ 85,000	£ 85,540	
Nurse Mgmt	£ 71,791	£ 5,000	7%	66,791	£ 5,169	£ -	£ 9,795	£ 51,827	
Corporate Clinical	£ 7,756	£ 5,090	66%	2,666	£ -	£ -	£ 2,290	£ 376	
IM&T	£ 167,599	£ 6,705	4%	160,894	£ 80,007	£ 3,295	£ -	£ 77,592	
HR	£ 106,018	£ 35,464	33%	70,554	£ 19,609	£ 1,000	£ 20,563	£ 29,382	
Trust Administration	£ 108,457	£ 33,027	30%	75,430	£ -	£ -	£ 1,000	£ 74,430	
Finance	£ 52,470	£ 30,251	58%	22,219	£ -	£ -	£ -	£ 22,219	
PPD	£ 11,328	£ 3,000	26%	8,328	£ -	£ -	£ -	£ 8,328	
Procurement	£ 15,771	£ 15,771	100%	-	£ -	£ -	£ -	£ -	
Central	£ 4,597,684	£ 185,832	4%	4,411,852	£ -	£ -	£ 5,100,000	-£ 688,148	
TOTAL	£ 10,738,872	£ 1,732,909	16%	9,005,962	£ 391,377	£ 195,464	£ 6,411,552	£ 2,007,569	
						£ 586,841		£ 8,419,121	
						5%		78%	

	Status	Definition
Blue	Complete	Scheme delivered, budget savings removed for year
Green	Active	Low Risk, Confident of delivery, milestones on track but not removed

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		from budget due to future start date
Amber	Active	Minor risk, Fairly confident of delivery but actions/minor issues to be resolved to ensure delivery within the timeframe
	Active	High Risk, Significant issues to be resolved before savings can be realised e.g. - Opportunity savings identified but plans not yet worked up accurately - Cross divisional issues to address - Potential negative impact on quality/safety - Requires investment?
Black	Yet to be activated	High Risk - Pipeline schemes with no value/milestones etc identified - Unidentified balance

4.3 Next Steps (Delivery of Recovery Plan Schemes)

The Trust submitted a draft Financial Recovery Plan to NHSI in September, with the required Board Assurance Statement (following after it was approved by the Board). The Trust continues to seek a Turnaround Director. In the meantime, an internal turnaround team has supported the identification and delivery of rapid improvements to the 2018/19 financial position, and is in the process of supporting the planning for 2019/20.

Continual reviews of the following are also being pursued to support delivery of the central target: -

- Exploration of Alternative Delivery Models;
- Implementation of Allocate for Medical Workforce;
- Benefits realisation from Teletracking;
- Integrated Care Programme / Collaborations;
- Joint efficiency programme with the CCG;
- Exploration of further income generation opportunities;
- Review of reserves; and
- Review of balance sheet provisions, and the potential to review accounting policies.

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5.0 Forecast

The table below shows the current best, most likely and worst case forecasts for year-end:-

Forecast Position Pre PSF	Dec £k Best	Dec £k Most Likely	Dec £k Worst
Reported Monthly Variance Position	2,220	2,220	2,220
Use of Non Recurrent Resource	3,406	3,406	3,406
Initial Monthly Position	5,626	5,626	5,626
CRS Profile Adjustment	3,181	3,181	3,181
Restated Actual Position	8,807	8,807	8,807
Full Year Variance Projection	11,743	11,743	11,743
Further Risk			
CCG £1m (from Oct 18)	(333)	(333)	(333)
Miscellaneous Pressures		(500)	(1,000)
Potential Mitigations: -			
Add back use of non recurrent resource within position	3,406	3,406	3,406
Use of further balance sheet opportunities (technical)	600	600	600
Use of Reserves	175	175	175
Delivery of further efficiencies	5,611		
Assumes delivery of only green and amber schemes			(21)
Revised Full Year Variance Projection	2,284	8,395	8,916
Planned Deficit Pre PSF	4,334	4,334	4,334
Forecast Deficit Pre PSF	6,618	12,729	13,250
Forecast Position Post PSF	Dec £k Best	Dec £k Most Likely	Dec £k Worst
Forecast Deficit Pre PSF brought forward	6,618	12,729	13,250
Total PSF available	(7,297)	(7,297)	(7,297)
Loss of Q1 A&E Performance PSF	328	328	328
Loss of Q2 A&E Performance PSF	437	437	437
Loss of Q3 A&E Performance PSF	0	657	657
Loss of Q4 A&E Performance PSF	0	766	766
Loss of Q3 Financial Performance PSF	0	1,532	1,532
Loss of Q4 Financial Performance PSF	1,788	1,788	1,788
Forecast Position Post PSF	1,874	10,940	11,461
Control Total Post PSF	(2,963)	(2,963)	(2,963)
Forecast Variance to Control Total Post PSF	4,837	13,903	14,424

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In accordance with NHSI protocol, the Trust is able to change the forecast position at the end of each quarter. As the most likely forecast is a £8.3m variance to a Pre PSF deficit position of £4.3m (resulting in a total Pre PSF deficit of £12.7m), the Trust gave an indication to NHSI at part of quarter two reporting and shared the most likely forecast deficit of £12.7m pre PSF. This position has been re-affirmed as part of the quarter three reporting.

6.0 Model Hospital Update

The following table provides a summary of the work streams for 2018/19 and progress against the associated savings:

Model Hospital Programme	Sum of TARGET In Year	Sum of ACHIEVED In Year	Sum of VARIANCE In Year	Green	Amber	Red	Pipeline
Business as usual	£ 4,635,337	£ 3,417,655	£ 1,217,682	£ 167,172	£ 36,470	£ 1,012,040	£ 2,000
Collaboration & Integration	£ 520,000	£ -	£ 520,000	£ -	£ -	£ 520,000	£ -
Co-ord Centre & Dashboards	£ 21,000	£ 21,000	£ -	£ -	£ -	£ -	£ -
Drugs	£ 2,437,495	£ 277,658	£ 2,159,837	£ 420,722	£ -	£ 1,739,116	£ -
Outpatients	£ 67,104	£ 67,096	£ 8	£ 8	£ -	£ -	£ -
Patient Flow	£ 701,708	£ 61,341	£ 640,367	£ -	£ 90,367	£ 550,000	£ -
Procurement	£ 710,099	£ 224,146	£ 485,953	£ -	£ 2,500	£ 600,000	-£ 116,547
Stranded Patients (DTCOs)	£ 97,625	£ 97,625	£ -	£ -	£ -	£ -	£ -
Theatres	£ 478,957	£ 48,600	£ 430,357	-£ 0	£ 140,000	£ 290,357	£ -
Unidentified	£ 1,069,546	£ 34,913	£ 1,034,633	£ -	£ -	£ -	£ 1,034,633
Grand Total	£ 10,738,871	£ 4,250,034	£ 6,488,837	£ 587,901	£ 269,337	£ 4,711,512	£ 920,086
		40%			8%		52%

6.1 Quality Impact Assessments Update

There have been no new QIAs approved in month 9.

7.0 Capital Expenditure

The slow start to the year in respect of capital spend continues, (predominantly due to the absence of the capital loan) which represents the brought forward items from 2017/18 and the emergency capital approved at CLG, with actual spend of £2.9m by the end of December, compared to the plan of £7.7m.

The 2018/19 capital loan application has been approved by NHSI (local and national) and is now with DHSC awaiting final approval, including a capital reforecast, showing what we can realistically spend by the end of the financial year.

Based on the experience of the previous year, the approval process could prove to be a protracted one, and as in the previous year critical expenditure is being approved “at risk” prior to the loan being approved.

So far this year, the following items have been approved at risk due to the clinical risks outweighing the financial risk:

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Division / Department	Approved at CLG
Planned Care	£ 1,478,894
Urgent Care	£ 435,317
D&P	£ 257,946
Estates & Facilities	£ 1,088,514
IM&T	£ 482,931
Central	£ 919,000
Total	£ 4,662,602

In response to a specific request to all Trusts from NHSI at Month 8, we re-profiled our 2018/19 capital spend in the light of the significant delays inherent in the loan application process. Since then there has been additional slippage notified, and we now anticipate around £5.0m of the main capital program into 2019/20.

In addition, in relation to the PDC funded Cerner project, due to the externally driven delay, the milestones are currently being re-drawn with NHS Digital, with only £1m (of £2.5m planned) expected to be spent this financial year.

The Trust has also secured £1.5m of PDC for 2019/20 to implement LED lighting across the Trust, this will generate revenue savings due to the anticipated reduction in energy usage and will form part of the 2019/20 CRS programme.

8.0 Working Balances and Cash

The closing cash balance at the end of December is £6.4m, which is now £2.7m ahead of plan, primarily due to the interim revenue loan monies of £1.6m being received as well as the Q2 PSF monies of £1m. Other significant payments such as the Meditech annual payment are expected to go out in January 19 instead of December 18.

Following the submission of the 'off control-total' forecast at Month 6, the Trust applied for further interim revenue distress funding, £1.6m has now been approved (January 2019). The latest forecast now projects a total interim revenue requirement for the financial year of between £5-6m, reflecting the worsening financial position and, in particular, the loss of Q3-4 PSF funding, but assuming the capital loan is eventually received.

The £2m recently awarded to renovate the emergency department is to be made available as PDC, and the Trust will be able to draw the cash as the project progresses to mitigate the cash flow impact.

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Cash balances continue to be monitored on a daily basis, feeding into a rolling 13 week cash-flow and the Trust remains in close communication with NHSI to ensure that all future cash funding requirements are clearly identified.

Capital and revenue cash funding and expenditure are clearly segregated as per monitoring and reporting requirements. This includes £2.6m currently held in a separate designated account for the delivery of the Neonatal Unit, which is excluded from the cash figures above.

9.0 Key Risks and Mitigation

The following key risks and mitigation have been identified as at the end of month nine:

- **The CRS target for 2018/19** is a significant risk with a significant proportion unidentified 9% or red rated 44%. Divisions and departments continue to identify and implement schemes, organisation wide schemes are being pursued and a review of reserves and balance sheet opportunities is underway. Model hospital data available on the portal is reviewed monthly within the CRS working Group. The Trust is working with the CCG to identify joint initiatives to aid efficiency across the system. The most likely forecast assumes delivery of all blue, green and ambers schemes and a further £21k;
- **Non Elective Activity and Winter Costs** – Ward 54 is now permanently open fully utilising the Winter Reserve, and part of the contingency. No additional funding has been received from any of the commissioners to support winter pressure despite a system wide demand and capacity review which identified the requirement for additional beds. Bed occupancy remains high compounded by increased A&E attendances and DTOCs. Discussions are underway with the CCG with support from our regulators NHSI to secure additional support for the cost of winter. The most likely forecast assumes costs incurred by the Trust will be a similar rate to that currently experienced;
- **Delayed Transfers of Care (DTOCs)** - remain high, and contribute to the requirement to keep escalation capacity open, with a disproportionate number relating to Welsh patients. Discussion are on-going with Welsh Health and Social Care commissioners including a meeting of both Executive Teams but no financial support has been received to date;
- **Elective activity** – there is an under performance on the elective baseline which has been partly mitigated by the West Cheshire block. This represents a risk going forward into the next financial year. The opening hours of the Jubilee Day Case have been extended from October onwards and capital works have been instructed to enable inpatient elective capacity be ring fenced and thus maintain the position throughout winter. The most likely forecast assumes activity performance will continue at a similar rate for the remainder of the financial year;

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- The nursing and medical pay expenditure is the main source of over spending. Maintaining or reducing the current level of expenditure remains a risk. Senior medical and nurse management colleagues have a number of controls and initiatives in place to keep this to a minimum;
- **The proposed capital programme** looks to replace urgent and necessary items to enable business to continue as usual, however, a loan application will be required to proceed with purchases approved. The proposed application has still not been approved; and
- Potential financial implications of **capital VAT implications** in the absence of establishing an alternative delivery model have not been included within the current financial position and forecast. It is hoped this will be mitigated by the delay in implementation of the capital programme and subsequent depreciation charges.

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Appendix 1: Statement of Financial Position and Cash Flow Statement

December 2018	2018/19 Actual £000	2018/19 Plan £000	2017/18 Out-Turn £000
Statement of Financial Position			
Property, Plant and Equipment			
Opening	97,880	84,759	81,508
Capital Spend	2,866	7,695	7,648
Depreciation	(3,287)	(3,286)	(4,324)
Disposals	(75)	(75)	(73)
Revaluation			13,121
Closing	97,384	89,093	97,880
Current Assets			
Opening Cash Balance	9,112	9,112	7,093
Increase/(Decrease)	(2,747)	(5,408)	2,019
Closing Cash Balance	6,365	3,704	9,112
Inventories	1,681	1,470	1,437
Trade and Other Receivables	12,522	12,803	14,478
Neonatal Designated Account	2,591	1,741	2,591
Total current assets	23,159	29,718	27,618
Liabilities < 1 Year			
Trade and Other Payables and Provisions	(27,929)	(24,519)	(25,282)
Loans (ITFF)	(4,819)	(5,012)	(4,686)
PPP Loan	(37)	(40)	(37)
Total Net Current Assets	(9,626)	(9,853)	(2,387)
Liabilities > 1 Year			
Trade and Other Payables and Provisions	(1,333)	(1,350)	(1,350)
Loans (ITFF)	(30,373)	(28,694)	(31,924)
PPP Deferred Income	(1,609)	(1,608)	(1,658)
PPP Loan	(1,998)	(2,048)	(2,078)
Total Assets Employed	52,445	45,540	58,483
Capital & Reserves			
PDC	64,079	65,105	63,600
Revaluation Reserve	5,625	4,558	5,625
Income & Expenditure Reserve	(17,259)	(24,244)	(10,742)
Total Capital & Reserves	52,445	45,540	58,483

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December 2018	2018/19 Actual £000	2018/19 Plan £000	2017/18 Out-Turn £000
Cash Flow Statement			
Surplus	(2,029)	3,180	7,332
Working Balance Movements	4,207	1,238	(6,942)
Donated / Grant Funded Asset Additions	180	74	182
Disposal Proceeds	66	-	12
PPP Income/Interest - non cash movements	(50)	(50)	(67)
	<u>(2,374)</u>	<u>4,442</u>	<u>517</u>
Other non cash movement	-	850	-
Capital Expenditure	(3,248)	(8,768)	(4,349)
New PDC	479	1,626	266
Purchase of investments	-	-	(2,591)
New Loans	1,638	7,035	14,839
Loan re-payments Principle	(3,190)	(9,939)	(5,129)
PPP Loan Repayments Principle	(27)	(27)	(55)
Interest Payable	(510)	(421)	(590)
Interest Received	76	18	41
PDC Dividend Paid	(339)	(224)	(930)
	<u>(2,747)</u>	<u>(5,408)</u>	<u>2,019</u>
Cash Inflow / (Outflow)			
Opening Cash Balance	9,112	9,112	7,093
	<u>6,365</u>	<u>3,704</u>	<u>9,112</u>
Closing Cash Balance			

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Appendix A - Nursing Pay December 2018						
Cost Centre	Total Budget YTD	Expenditure YTD (Non Agency)	Expenditure YTD (Agency)	Total Expenditure YTD	Variance YTD	Notes
Emergency Department	£ 2,441,168	£ 2,648,468	£ 20,028	£ 2,668,496	£ 227,327	Time Critical Nurses 3.20 wte Band 6 over budgeted establishment in year
Palace Ward (45)	£ 749,152	£ 865,104	£ 11,575	£ 876,679	£ 127,527	Money previously taken to CRS (28 beds to 21 beds) Currently ward back up 28 beds + 1 additional = 29 beds and not funded at this level
Theatres 3 4 And 5 Staff	£ 411,166	£ 524,188	-£ 11	£ 524,177	£ 113,011	Premium payments
Ward 47 - Acute Medical Unit	£ 1,878,931	£ 1,883,068	£ 84,050	£ 1,967,118	£ 88,187	Band 2 covering Band 5 vacancies, plus 1 wte Band 6 over establishment to cover GPU rota
Anaesthetic Support	£ -	£ 85,724	£ 1,361	£ 87,085	£ 87,085	Premium payments
Rapid Response Team	£ 739,500	£ 826,016	£ -	£ 826,016	£ 86,516	Band 6 1.00 wte Respiratory ESD over established & Band 5 1.00 wte over established
Gp Assessment Unit	£ 143,344	£ 215,227	£ 7,437	£ 222,664	£ 79,321	Band 5 0.92 wte over established YTD pressure £25k & Band 4 0.64 wte over established YTD pressure £10k
Bridge Ward (44)	£ 791,961	£ 852,274	£ 18,457	£ 870,731	£ 78,771	4 wte Band 5 vacancies covered by Bank Band 5 & Band 2
Ward 54	£ 718,413	£ 699,439	£ 90,470	£ 789,909	£ 71,496	
Ward 49 - Foregate Ward	£ 830,213	£ 862,963	£ 34,444	£ 897,407	£ 67,194	Pressure relates to previous months when over established on Band 2s £34k YTD pressure
Other	£ 36,083,488	£ 35,820,491	£ 236,306	£ 36,056,797	-£ 26,691	
Grand Total	£44,787,336	£ 45,282,962	£ 504,118	£ 45,787,080	£ 999,744	

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Appendix B - Medical Pay December 2018

Cost Centre	Total Budget YTD	Expenditure YTD (Non Agency)	Expenditure YTD (Agency)	Total Expenditure YTD	Variance YTD	YTD Variance as a % of YTD Budget	Notes
Emergency Department -M	£2,208,081	£2,231,979	£636,198	£2,868,177	£660,096	30%	6 wte Specialty Doctor gaps, 0.30 wte consultant gap, 1.91 wte ST1/2 gaps (£340k) covered by agency £558k. Locums to cover extra work pressures £353k YTD
Urology	£553,494	£581,677	£232,746	£814,423	£260,929	47%	Training monies for 2 wte ST1/2 posts retracted 5/6 years ago and posts still filled, plus in Dec agency cover for consultant
Acute Medicine Staff	£1,119,354	£1,266,630	£62,469	£1,329,099	£209,745	19%	0.07 wte over establishment on consultant £23k YTD, 2 locum consultants in post £35k YTD, currently 1 agency consultant £44k YTD. ST1/2 currently 1.22 wte over established £11k YTD, and £12k over YTD for extra cover work pressures
Ear Nose And Throat	£821,465	£629,012	£394,663	£1,023,675	£202,209	25%	ST3 1.00 wte vacancy & 3.00 wte ST1/2 vacancies covered by agency
Vascular Surgery	£1,092,177	£1,235,257	£51,008	£1,286,265	£194,088	18%	1.40 wte vacancy at ST3+ covered by locum & agency, consultant ACAs £55k, ST1/2 & F2 combined over establishment £99k
Ophthalmology	£1,108,545	£1,185,216	£108,926	£1,294,142	£185,598	17%	Consultant cover costs £82k YTD mainly ACAs, plus staff grade vacancy covered by agency but new starter in Jan
Plastic Surgery	£717,079	£717,123	£181,834	£898,957	£181,878	25%	1.00 wte ST3 vacancy & 2.00 wte ST1/2 vacancies covered by agency
Paediatrics Medical	£1,794,656	£1,826,049	£120,354	£1,946,403	£151,747	8%	ST3 vacancies & ST1/2 vacancy covered by agency
Care Of The Elderly	£1,648,803	£1,778,857	£5,864	£1,784,721	£135,918	8%	
Trauma And Orthopaedics	£1,773,344	£1,785,200	£116,929	£1,902,130	£128,786	7%	1.00 wte ST3 vacancy & 1.00 wte ST1/2 covered by extra duties and agency.
Other	£22,891,360	£21,093,137	£627,897	£21,721,033	(£1,170,327)	-5%	
Grand Total	£35,728,358	£34,330,137	£2,538,887	£36,869,024	£1,140,667		

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Subject	FUTURE NATIONAL NHS PROCUREMENT LANDSCAPE						
Date of Meeting	Trust Board 28 th January 2019						
Author(s)	Andrew O'Connor, Director Of Commercial Procurement Services Simon Holden, Director of Finance						
Annual Plan Objective No.							
Summary	To inform the Board on the structure, and operational make-up, of the new future national Procurement and Supply Chain landscape.						
Recommendation(s)	<p>The Board is asked to note:</p> <ol style="list-style-type: none"> 1. the current work ongoing, both nationally and locally, with regards to the future procurement landscape; 2. the three Future Operating Model (FOM) essential functions, namely : <ul style="list-style-type: none"> • Supply Chain; • Contracting; and the establishment of • NHS Supply Chain Coordination (SCCL) Limited; 3. the emergent new funding model, and associated risks and benefits; and 4. Next steps both locally, and nationally. 						
Risk Score	N/A						
<p>FOIA Status: <i>FOIA exemptions must be applied to specific information within documents, rather than documents as a whole. Only if the redaction renders the rest of the document non-sensical should the document itself be redacted.</i></p> <p>Applicable Exemptions:</p> <ul style="list-style-type: none"> ▪ Prejudice to effective conduct of public affairs 	<p>Please tick the appropriate box below:</p> <table style="border-collapse: collapse;"> <tr> <td style="border: 1px solid black; text-align: center; width: 30px;">X</td> <td>A. This document is for full publication</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"> </td> <td>B. This document includes FOIA exempt information</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;"> </td> <td>C. This whole document is exempt under the FOIA</td> </tr> </table> <p>IMPORTANT:</p> <p>If you have chosen B. above, highlight the information that is to be redacted within the document, for subsequent removal.</p>	X	A. This document is for full publication		B. This document includes FOIA exempt information		C. This whole document is exempt under the FOIA
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<ul style="list-style-type: none">▪ Personal Information▪ Info provided in confidence▪ Commercial interests	<p>Confirm to the Trust Secretary, which applicable exemption(s) apply to the whole document or highlighted sections.</p>
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FUTURE NATIONAL NHS PROCUREMENT LANDSCAPE

Background

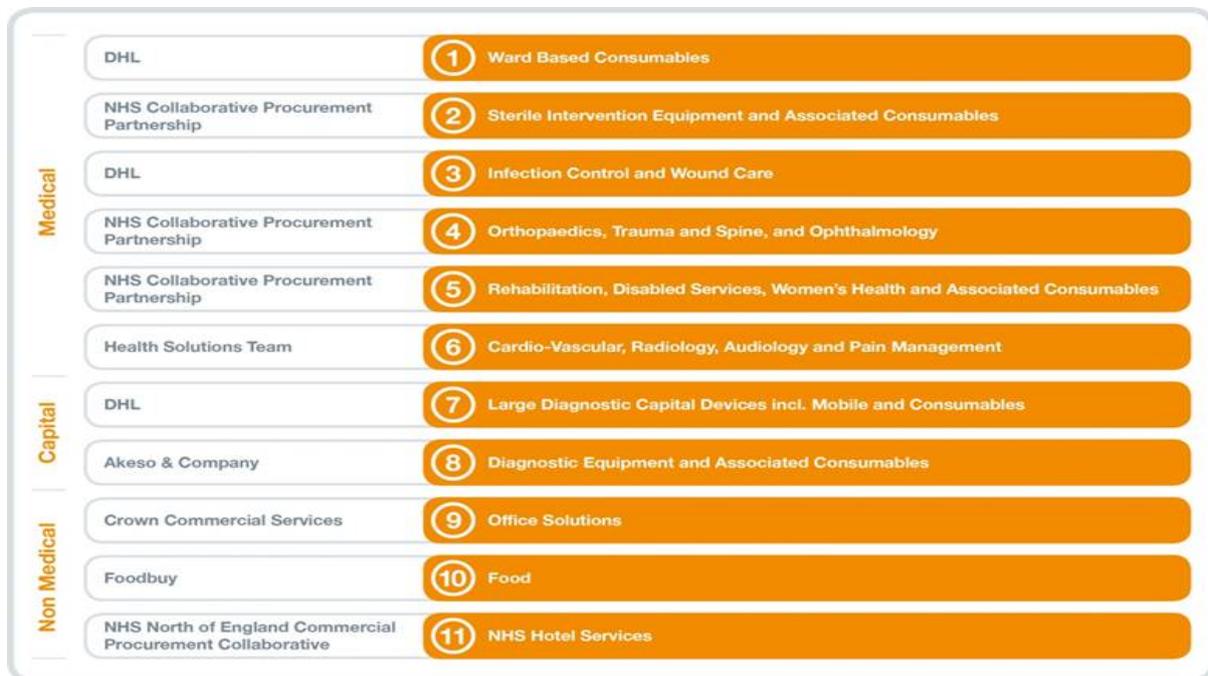
For many years, and certainly since the creation of NHS Supply Chain the failure of the wider NHS to be able to consolidate its volumes for consumables purchasing, and therefore leverage its position in the marketplace, has been questioned. This was a major focus of the Carter review, which set out the need to not only consolidate the NHS demand to deliver efficiencies, but also to reduce clinical variation. Therefore, in order to help facilitate this, it was recommended that a far greater NHS single voice was needed in terms of purchase and supply.

The optimum Procurement operational model has been defined as having 80% of the NHS spend available to take to market. To put this into perspective, and try to define the scale of the task at hand, the Countess of Chester Hospitals current percentage of spend via NHS Supply Chain is 31% (this is the 4th highest in Cheshire and Merseyside).

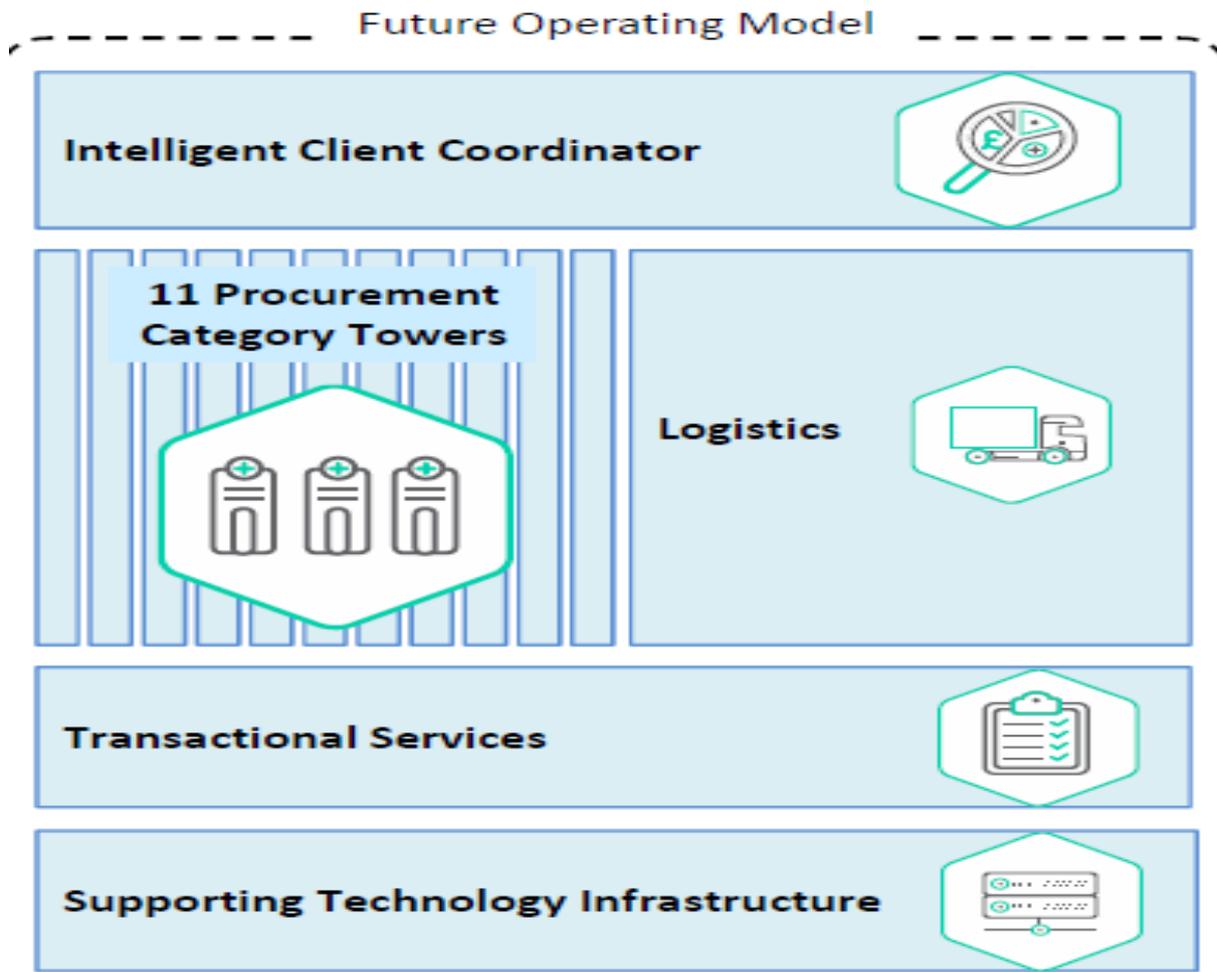
To deliver such a significant change in NHS Procurement, the Future Operating Model (FOM) was designed which has 3 essential functions, namely:

Supply Chain – to have in place the infrastructure to manage the requirements of NHS Trusts in relation to storage, distribution, delivery, and stock management. This has historically been provided by NHS Logistics which was replaced by the current provider DHL, trading as NHS Supply Chain (NHSSC), and as of the 24th February 2019 to be replaced by a partnership between Movianto and Unipart.

Contracting – Eleven Category towers have been created to manage and take the NHS demand to the market based around specific product categories.



(Intelligent Client Coordinator) – Supply Chain Coordination Limited (SCCL) is the new body formed to oversee, and manage, the contracting and supply chain functions and also be the client's (i.e. NHS Trusts), point of contact on an operational basis to ensure the NHS receives the required service, and financial benefit, that has been estimated.



Funding

The annual cost of the funding model nationally is £250,000,000 in year 1 with an estimated cost of £260,000,000 in year 2, (subsequent years have not yet been determined, and therefore communicated to NHS Trusts at this time). In order to fund this initiative NHS Trust's income will be effectively reduced (i.e. tariff top slice reduction). This will be on a percentage basis, variable by the type of NHS Trust (i.e. Acute Trusts 0.36%, Mental Health Trusts 0.10%, Community Trusts 0.05% and Ambulance Trusts 0.08%).

This adjustment equates to a sum in year 1 of circa £871k For the Countess of Chester Hospital

The funding model has been chosen by NHS Improvement (NHSI) in preference to a model similar to the current NHSSC one, whereby the cost to serve is added to each product line as a percentage, therefore allowing the actual true cost of each product to be determined. This has led to NHS Trusts competitioning the value of a central Purchase and Supply Model and

the creation of the current multi-supplier and competitive purchasing landscape. The new model is based on buy price (BP) = sell price (SP) with an overarching funding infrastructure (tariff adjustment). The driver behind this model is compliance, and volume, as the argument is, if the NHS is paying for a national model why would it choose to purchase via other methods?

Whilst Trusts will for the first time see the purchase price, it will no longer understand the true costs of products as the cost to serve will not be attributable to individual consumables. Benchmarking value for money will therefore become extremely difficult, if not impossible.

Potential Benefits

Variation - The drive to standardise, and reduce variation, has long been a recognised, in a bid to deliver clinical safety, quality outcomes, and financial savings for the NHS. The Carter report again highlighted this along with the Get it Right First Time (GIRFT) report, and ongoing work that is associated with this. Through standardisation, and rationalisation, efficiencies are driven and the new Procurement operating model is looking to further galvanise this work through supplier rationalisation in an attempt to deliver efficiencies at pace across the wider NHS.

Savings - In year 1 (2019/20), these have been estimated at £187m across the eleven category towers for the NHS in totality. This has then been divided at a Trust level to help forecast an estimated saving. There are other variables also calculated for example NHS Trusts will share income streams associated with margins which are currently charged to private sector organisations, who will purchase through the new model.

The estimated savings figure for the Countess of Chester Hospital (net/after the £871k tariff adjustment), equates to £273k.

Ongoing work and next steps

As with every change program there are potential benefits, and associated risks, and these fall into 3 main categories, namely clinical, operational, and financial. This is by far the most significant change to the purchasing and supply chain infrastructure in the NHS for decades, if not in its entire history. Not only is the model of purchasing and supply changing, but also the providers of these services. Therefore, the Countess Procurement team in partnership with SCCL are working to understand the full potential benefits, but also perhaps most importantly mitigate any clinical, operational, and financial risk to the Trust.

The most significant piece of work to date has been, and continues to be, the review of Trust's spend currently outside of the current NHS Supply Chain (i.e. direct spend data)

which has been collated and provided to SCCL, in order for them to carry out a product matching and pricing analysis, to enable the Trust in understanding what financial impact there would be in moving to SCCL. This data provided has covered the Financial Year 2017/2018, and the first quarter of 2018/2019. The direct spend provided, represented a value of £7,524,142 (current spend with NHS Supply Chain is circa £4m).

Operational, and clinical, resilience in terms of our supply chain are our number one priority and we are assessing the changes starting with the logistics switch, on February 24th 2019, on an ongoing basis and providing continual feedback into the SCCL team around potential risks.

In addition to the future operating model work, we have been carrying out a review of all Nationally Contracted Products, (a program that has been running for around 2 years as a pre future operating model, to try and standardise the NHS on a number of similar products) has taken place, and detailed where the Trust has adopted or rejected products or and the reasoning for this. This piece of work has been invaluable in allowing us to understand the enormity of the task ahead, and further cement our existing thinking on product adoption and the risks with a blanket approach to these initiatives.

There is a push from SCCL to move as much across to the new operating model prior to 1st April 2019 as possible, and the appetite to do this across the NHS varies, from some Trusts moving products wholesale and subsequently simply absorbing cost pressures, to other Trusts who have still to actually provide any spend data to SCCL to allow them to undertake the options assessment, and then provide these Trusts with impact statements. The Countess of Chester has taken the approach of being a proactive supporter of the new model, and we continue to work closely with SCCL and promote this work to other Trusts. However, we are continually assessing impacts, and risks, and therefore mitigating wherever possible any negative impact on the Trust.

We will continue to review our in house service provision but it is most likely that it will result in a change in operational practice, rather than a reduction in our own teams. It is important to note at this time that the creation of the new national Procurement and Supply chain infrastructure, being a replacement for the current National NHS Supply Chain model and some of the contract provision, from NHS regional hubs and not a direct replacement for Trust Procurement and Supply Chain teams.

However, NHS Improved have recently commissioned Deloitte to review what the future state of NHS Procurement looks like nationally, which will assist in informing our local decisions going forward. It is likely that NHS Improvement's drive for Trusts to collaborate around the Procurement and Supply chain services will be a key recommendation of the report, and our ongoing discussions on regional collaboration are therefore essential in

ensuring we maintain, and further improve, our procurement and supply chain service in the future.

Dates to note

The official go live date of the full initiative is 1st April 2019, although preparatory work has been underway for a number of months, due to the scale and expected impact of the changes, in terms of both service provision and financial impact. As noted earlier in this paper, the actual go live date for the Logistics and Supply Chain functions (Movianto and Unipart) is due to go live 24th February 2019, and we are continually working to minimise any impact on service provision.

Andrew O'Connor
Director of Commercial Procurement Services

Simon Holden
Director of Finance

January 18th 2019