



We are
WHH

Warrington and Halton Hospitals **NHS**
NHS Foundation Trust

WHH Board of Directors Meeting

Wednesday 26th October
1:00pm – 4:00pm
Trust Conference Room



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Warrington and Halton Hospital NHS Foundation Trust Agenda for a meeting of the Board of Directors held in public.

Wednesday 26th October 2016, time 13:00pm -16.00pm

Trust Conference Room, Warrington Hospital

REF BM/16	ITEM	PRESENTER	PURPOSE	TIME	
	Presentation by Digestive Diseases Clinical Business Unit		Information	13:00	N/A
	Quality Improvement Champions		Information	13:30	N/A
/177	Welcome, Apologies & Declarations of Interest	Steve McGuirk, Chairman	N/A	14:00	Verbal
/178	Minutes of the previous meeting held on Wednesday 28 th September 2016	Steve McGuirk, Chairman	Decision	14:02	Encl
/179	Actions & Matters Arising	Steve McGuirk, Chairman	Assurance	14:10	Encl
/180	Chief Executive's Report	Mel Pickup, Chief Executive	Assurance	14:15	Verbal
/181	Chairman's Report	Steve McGuirk, Chairman	Information	14:30	Verbal

Quality

/182	Integrated Performance Dashboard M6 2016-17 Including Trust Engagement Dashboard and Key Issues Reports for October: <ul style="list-style-type: none"> - Quality Governance Committee - Finance & Sustainability Committee - Audit Committee 	All Executive Directors Margaret Bamforth, Committee Chair Terry Atherton, Committee Chair Ian Jones, Committee Chair	Assurance	14:35	Encl
/183	Mortality Review Report October 2016	Simon Constable, Medical Director/ Deputy Chief Executive	Assurance	15:00	Encl

People

/184	Paybill Growth / Agency Staffing	Roger Wilson, Director of HR & OD	Assurance	15:10	Encl
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Sustainability

/185	Quarterly Corporate Risk Register	Medical Director/Deputy Chief Executive	Assurance	15:25	Encl
/186	Quarterly Response to Lord Carter	Director of Finance & Commercial Development	Assurance	15:40	Incl

/187	Any Other Business	Steve McGuirk, Chairman	N/A	15:55	Verbal
Date of next meeting: Wednesday 30 th November 2016					



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Warrington and Halton Hospitals NHS Foundation Trust
Minutes of the Board of Directors meeting held in public on Wednesday 28th September 2016
Trust Conference Room, Warrington Hospital

Present:

BM/16/178

Steve McGuirk	Chairman
Mel Pickup	Chief Executive
Terry Atherton	Non-Executive Director
Margaret Bamforth	Non-Executive Director
Prof Simon Constable	Medical Director & Deputy Chief Executive
Andrea Chadwick	Director of Finance & Commercial Development
Kimberley Salmon-Jamieson	Chief Nurse
Sharon Gilligan	Chief Operating Officer
Ian Jones	Non-Executive Director / Senior Independent Director
Lynne Lobley	Non-Executive Director & Deputy Chair
Anita Wainwright	Non-Executive Director

In Attendance:

Jason DaCosta	Director of IM&T
Lucy Gardner	Director of Transformation
Dr Nick Jenkins	Deputy Medical Director
Roger Wilson	Director of Human Resources and Organisational Development

Apologies

Pat McLaren	Director of Community Engagement
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Agenda Ref BM/	
	The Board Meeting opened with a presentation from, Liz Isles, Clinical Director – John Quinn, CBU Manager – Deb Hatton, Matron – Specialist Medicine Clinical Business Unit
16/160	<p>Welcome, Apologies & Declarations of Interest</p> <p>The Chair opened the meeting and welcomed those attending the meeting, including Governors.</p> <p>Chairman explained that this was the last Board of Directors meeting for Dr Nick Jenkins, Deputy Medical Director and thanked him for all his efforts over the last 18th months.</p> <p>Apologies: Pat McLaren, Director of Community Engagement.</p> <p>Declarations of Interest: none declared.</p>
16/161	<p>Minutes of the Previous Meeting Held on 27th July 2016</p> <p>The minutes of the previous meeting were approved as a true and accurate record of the meeting.</p>
16/162	<p>Action Plan & Matters Arising</p> <p>All actions were reviewed and progress was noted, there were not matters arising for discussion.</p>



16/163

Chief Executive Report

The Chief Executive updated the Board on items that had occurred or progressed since the last meeting at the end of July:

- The AMM took place at Halton Hospital on 22nd September it was well attended with a lot of lively questions and debate. The AMM next year will move back to Warrington.
- The Trust has two teams shortlisted for HJS Awards Speciality Medicine CBU have been shortlisted in the category compassionate care this is a very sort after award nationally and is in recognition of the Forget-me-Not Ward and all the work done across the Trust on Dementia Care. The Chief Executive will be travelling to London with the team on 12th October 2016 to present on their behalf. In the Patient Safety Award category Maternity Services will be pitching to the HSI panel in recognition of the work in reducing still births and learning lessons from safety incidents.
- Volunteering, the Trust has a new approach and the official launch took place on 14th September at Warrington and 20th September at Halton. The Chief Executive stated that the Trust has incredibly capable volunteers who want to give their time to work with nursing staff to enhance patient care and patient experience within the wards and also around the Trust and she is hopeful that new ways of working will embrace this group of people and utilise their time and skills to the best effect.
- The charity event has gathered some momentum and last weekend saw member of staff abseiling down the Post Graduate Centre Building in the name of the Trusts charity 'Making Waves Campaign'.
- The Trust is extremely pleased that industrial action by the Junior Doctors has been avoided. Anita Wainwright, Non-Executive Director informed Board members that the outcome of the judicial review is due out today. The Director of Human Resources and Organisational Development said he would appraise the Board in October on the judicial outcome and NHS Employers Guidance.
- July Regulator NHSI and part enforcement actions and discussions
 - Requirement for turnaround plan
 - STP working with a bigger footprint and the financial problems within the patch
 - Clarity around STP planning guidance. LDS/STP is required to be in financial balance by 2021.

The Board noted the report.

16/164

Chairman's Report

The Chairman gave the Board an update of events since the previous Board confirming:

- AMM the presentation provided by Executive colleagues was extremely good.
- The Trust should be very proud of the units which have been shortlisted in the HJS awards well done and good luck.
- The volunteer's will be very helpful and we welcome them to the Trust.
- The Secretary to Board position is out to advert with interviews planned to take place on 21st October.

The Chairman formally welcomed Kimberley Salmon-Jamieson, Chief Nurse to the Trust.

The Board noted the report.



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16/165

Integrated Performance Dashboard M5 2016-17

The Executive Directors each presented the performance metrics relating to their portfolios of responsibilities, which now included workforce and quality KPIs, and the following points were highlighted:

Quality

- The infection and prevention control and MRSA and the fantastic achievement that there have been no cases of MRSA in the Trust since 17th September 2015.
- Clostridium Difficile cases are at 8 but there has been a robust review and 3 cases have been removed.
- Pressure Ulcers 1 case was avoidable and this was due to antibiotic choice.
- Mortality Rates NHS Digital HSCIC reported on full year 2015 on 31st August 2016 that the Trusts SHMI was above the expected rate the Trust already knew this and a lot of work has been undertaken over the last calendar year to bring the Trust SHMI into range. Mortality rates have undoubtedly been impacted upon by the change in coding practice post Lorenzo implementation the full impact of this is being reviewed.
- HMSR is above range and this has been investigated further with the coding manager's team. The Medical Director explained that the coding team are working extremely hard to ensure coding is correct and with the Mortality Review Group is looking at avoidable deaths and what can be lessons learnt.
- The Medical Director suggested that Non-Executive Directors may wish to attend the Mortality Group meetings and they would be very welcome to do so to understand better the process gone through.
- Advancing Quality includes a new CQUIN's which includes Diabetes.

Performance

- Challenging month but the Trust is meeting the STP improvement trajectory.
- RTT best month since go live
- Achieved Cancer targets with 62 day cancer target achieved every month to date
- Ambulance Turnaround time continue to reduce and are amongst the best in the region.

People

- Sickness Absence for August has deteriorated slightly to 3.90% from the previous month and is just above trajectory. Year to date sickness has marginally increased to 4.42%. The Chief Executive informed the Board that she has attended both Divisions SMT meetings in the last month and was pleased to note the emphasis being placed on plans to improve the "people" indicators.
- Return to work interview compliance was 66.67% for August which is a slight improvement but still continues to fall below the Trust target.
- Nurse Agency spend has decreased in August to its lowest level this financial year of £231k.
- There will be a deep dive into the recruitment process to continue to better understand any delays and seek to overcome these.
- There will be a deep dive session with the CBU into non-contracted pay spend.
- The Director of HR & OD informed the Board of a meeting taking place with NHSI and NHS Employers for the whole of the Cheshire & Merseyside area on



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8th November which will be facilitated by Mike Farrar.

Finance

- Month 5 is on plan financially with £5m deficit and a cash balance of £1.3m and sustainability risk rating of 2. There is still a significant challenge to manage cash on an daily basis the Director of Finance & Commercial Development will provide more detail on cash management to the Finance & Sustainability Committee in October.
- Cost savings plan is £3.1m and £3.2m has been delivered.
- Planned Capital spend is £1.6m with the actual spend being £1.4m.
- The forecast deficit is £7.9m which is within plan.
- A matrix is being developed to ensure all CQUIN's are being managed and this will be provided to the lead Directors for each CQUIN and provide actions plans to improve performance.

Trust Engagement Dashboard

- In the Director of Community Engagements absence the Chairman noted the launch of the Flu Fighter programme for 2016.
- Lynn Lobley, Non-Executive Director raised the issue of the huge variations in comments on the NHS Choices website. The Chief Nurse will liaise with the Director of Community Engagement regarding NHS Choices.

Action: Chief Nurse to liaise with the Director of Community Engagement regarding NHS Choices.

The Board noted the report.

16/166

Key Issues Report from July Quality Committee

The report from Margaret Bamforth, Chair of the Quality Committee was taken as read but the following items were highlighted:

- A Clinical Summit has taken place to review potential patient safety risk posed by Lorenzo there are three main areas of risk:
 - Discharges
 - E-Outcomes
 - Maternity
- National Safety Standards for Interventional Procedures – sets the standard for invasive interventional procedures two Trust workshops have been held and a project group has been set up to meet in September.
- Infection Control DIPC Annual Report was discussed at the Quality Committee and the Committee will explore issues raised. The Associate Director of Nursing Infection Control will attend the Committee in October.
- Quality Dashboard
- SUI Report, review of how data could be presented differently.
- Claims data excellent report showing good record keeping.



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	<ul style="list-style-type: none"> • Safeguarding Gap Analysis – loss of liaison nurse due to CIP was funded through Bridgewater NHS FT. Discussion ongoing with Warrington CCG regarding funding for this post. <p>The Board noted the report and that there were no matters for escalation to the Board.</p>
<p>16/167</p>	<p>Leadership Walkabouts</p> <p>The Chief Nurse presented a report which described the reintroduction of Board Leadership walkabouts on a rolling programme for both clinical and non-clinical areas to engage with staff.</p> <p>There are two options structured and non structured walkabouts.</p> <p>The Board discussed the two options, the Chairman said he would welcome these walkabouts being re-introduced, the Chief Executive raised concern regarding the clinical areas being extremely busy and the walkabouts where forms have to be completed may take longer than 30minutes a more informal approach is received well by staff and issues are still reported back and concerns escalated.</p> <p>The Executive Directors and Non-Executive Directors want to work together to undertake these walkabouts, it was agreed there should be a mixture of informal and formal walkabouts and see how this is received by staff.</p> <p>The Board noted that the report.</p>
<p>16/168</p>	<p>Non-Executive Director Champions Role Descriptions</p> <p>The Trust is required to identify a Board Champion or lead in relation to specific areas of Board responsibility a summary of the areas is attached.</p> <ul style="list-style-type: none"> • Security, Emergency Planning – Terry Atherton Non-Executive Director • Safeguarding Children & Adults and Infection Control – Margaret Bamforth Non-Executive Director • Counter Fraud, Whistleblowing, Ian Jones Non-Executive Director • Equality & Diversity and Maternity Services, Anita Wainwright Non-Executive Director • End of Life Care and Procurement – New Non-Executive Director when appointed <p>The Chairman said he would take this item away and speak to the Director of Community Engagement regarding the gap for the new NED.</p> <p>Action: Chairman to meet with Director of Community Engagement.</p> <p>The Board noted the table.</p>
<p>16/169</p>	<p>Key Issues Report August Strategic People Committee</p> <p>The report from Anita Wainwright, Chair of the Strategic People Committee was taken as read but the following items were highlighted:</p>



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	<ul style="list-style-type: none"> • Employer Relations case report was considered a recommendation from this it was agreed to develop a RAG rating system denoting financial and reputational organisational risk • NHS Workforce Race Equality Standard Report • The committee considered the Emerging Health and Well-Being CQUIN the Trust will look to build on the 2015 flu fighter campaign which was national recognised. <p>The Board noted that there were no matters for escalation to the Board.</p>
16/170	<p>Key Issues Report September Charitable Funds Committee</p> <p>The report from Lynne Lobley, Chair of the Charitable Funds Committee was taken as read but the following items were highlighted:</p> <ul style="list-style-type: none"> • Fund balance is £490k at 30th June 2016 • The appointment of an administration assistant was agreed as this is an existing role and essential to enable the team to function. • It was agreed a small working group of the Committee to include the Director of Community Engagement, members of the Finance Team and a NED to meet to review the presentation and layout of the Finance report to better reflect development in our fundraising operation. <p>Lynne Lobley, comes to the end of her Non-Executive Director tenure at the end of November 2016, Ian Jones, Non-Executive offered to take on the Charitable Funds meeting until a new NED was appointed.</p> <p>The Board noted that there were no matters for escalation to the Board.</p>
16/171	<p>Charities Commission Corporate Trustee Checklist Position Report</p> <p>The Charities Commission has issued new guidance for the Charity Trustee Duties. This checklist is designed to help the Charitable Funds Committee to evaluate its performance a suitable intervals against legal requirements and good practice recommendations within the guidance. It is recommended that the checklist is reviewed twice a year.</p> <p>The Board noted the report.</p>
16/172	<p>Freedom to Speak Up Guardian Briefing</p> <p>The Director of Human Resources & Organisational Development presented a paper on the Freedom to Speak Up (FSU) Guardian role which is to be in place by 1st October 2016</p> <p>This role has been given on an interim basis to Sophie Hunter who is the Trusts Equality and Diversity Lead until a more permanent solution can be found.</p> <p>The purpose of the FSU Guardian is to be an independent member of staff who will provide a point of contact for Trust staff to raise concerns and will address those concerns on their behalf or guide them the appropriate channel.</p> <p>The Trust has already implemented a number of measure to enable staff to raise concerns</p>



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- NHS Staff Survey
- Speak out safely
- Raising Concerns (Whistleblowing Policy)

The Board approved Sophie Hunter being appointed Trust Interim Guardian as of 1st October while the Director of Human Resources & Organisational Development takes forward the recruitment to a permanent post.

16/173

Key Issues Report from the August & September Finance & Sustainability Committee

The reports from Terry Atherton, Chair of the Finance & Sustainability Committee was taken as read but the following items were highlighted:

August Meeting

- All CBU's were overspent mainly due to nursing costs
- Month 3 financial performance was better than plan but Month 4 is on plan at £1.4m
- The Trust cash situation remains tight with £4.9m being drawn by way of an interim facility.
- The Committee reviewed the aged creditor position but the Trusts position is unlikely to improve.
- The Outpatients Turnaround Board meets monthly and through the monthly Corporate Performance Reports the Finance and Sustainability Committee will be able to see progress made.

September Meeting

- Month 5 reviewed and year to date the financial position is on plan.
- Fines and Penalties from Commissioners are disappointing and in Q1 year to date is £1.1m with a significant proportion of the £1.1m relating to discharge summaries. It is looking like there will be additional Commissioners fines and penalties and Q2
- The Ernst & Young Phase 2 Report was presented to the Committee. Given that this was only received on the morning of the Committee meeting the NED members of the Committee agreed to reflect overnight and provide feedback to the Director of Transformation. It was thought the report was satisfactory although slightly biased in relations to the contribution the Trust has made to CIP.
- The Committee received an update on all IM&T activities and issues over the last 12 months.

The Board noted the report and that there were no matters for escalation to the Board.

16/174

Emergency Preparedness , Resilience & Response Annual Report 2016/17

The Chief Operating Officer informed the Board members that the Emergency Preparedness,



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	<p>Resilience and Response Annual Report 2016/17 was circulated in August and is presented here for information and noting by the Board only.</p> <p>The Board noted the report.</p>
16/175	<p>Governors Policy for Engagement with the Board of Directors</p> <p>The Chairman explained the policy was for information and provides guidance to Governors on holding to account and raising concerns with the Board.</p> <p>The Board noted the report.</p>
16/159	<p>Any Other Business</p> <p>There being no further business to discuss, the meeting closed at 16:00.</p> <p>Next Meeting: Wednesday 26th October 2016 in the Trust Conference Room</p>

DRAFT



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**PUBLIC TRUST BOARD
ACTION PLAN – SEPTEMBER 2016**

Meeting Date	Minute Ref BM/	Action	Lead	Date	Status
28 th September 2016	15/165	Chief Nurse to liaise with the Director of Community Engagement regarding NHS Choices.	Chief Nurse	November Board	Ongoing
28 th September 2016	16/168	The Chairman to meet with Director of Community Engagement regarding the gaps in the Champions Role Board responsibilities for the new NED.	Chairman	October Board	Ongoing
29 th June 2016	16/137	Director of HR & OD to present revised People Strategy to August Board.	HRD	October Board	On-going – this has been rescheduled to November
29 th June 2016	16/136	Director of Nursing to present revised Nursing Strategy to October Board.	Chief Nurse	October Board	On-going has been rescheduled for January 2017



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BOARD OF DIRECTORS

AGENDA REFERENCE:	BM/16/182	
SUBJECT:	Integrated Performance Dashboard M6 2016-17	
DATE OF MEETING:	26th October 2016	
ACTION REQUIRED	For Assurance	
AUTHOR(S):	Various Executives and Senior Managers	
EXECUTIVE DIRECTOR SPONSOR:	All Executive Directors	
LINK TO STRATEGIC OBJECTIVES:		
	All	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):		
	All	
FREEDOM OF INFORMATION STATUS (FOIA):		
	Release Document in Full	
FOIA EXEMPTIONS APPLIED: (if relevant)		
	None	
EXECUTIVE SUMMARY (KEY ISSUES):		
	<p>The Integrated Performance Dashboard will continue to be an iterative process with the potential for new metrics to be added.</p> <p>This dashboard contains the following areas:</p> <ul style="list-style-type: none"> • Quality • People • Sustainability including operational activity & performance and finance <p>With a separate dashboard for Engagement</p>	
RECOMMENDATION:		
	The Trust Board is asked to note the trust performance as at M6 2016-17	
PREVIOUSLY CONSIDERED BY:		
	Committee	
	Agenda Ref.	
	Date of meeting	
	Summary of Outcome	

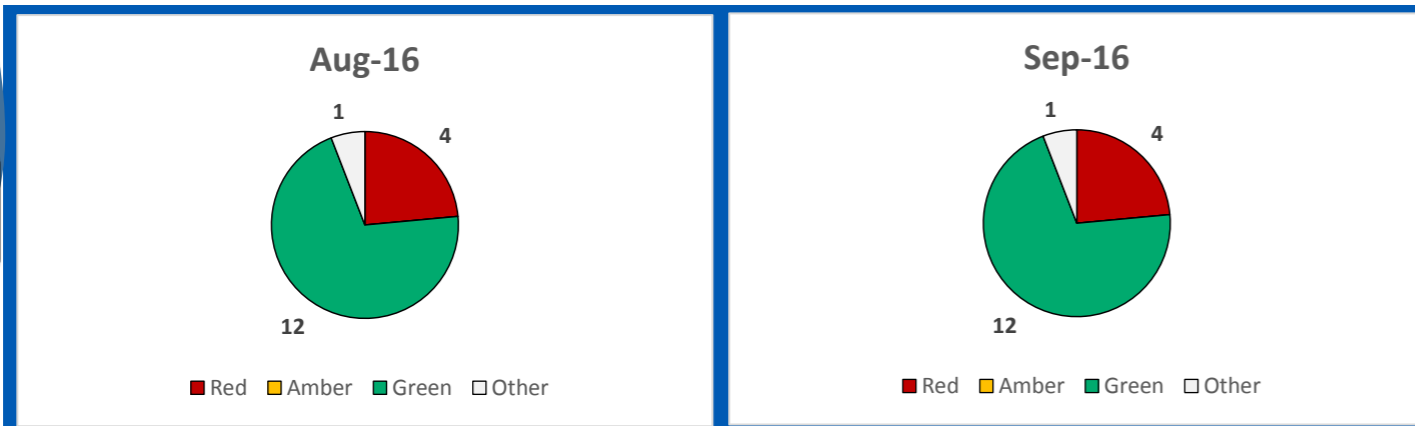
Key Points/Actions

Quality Improvement



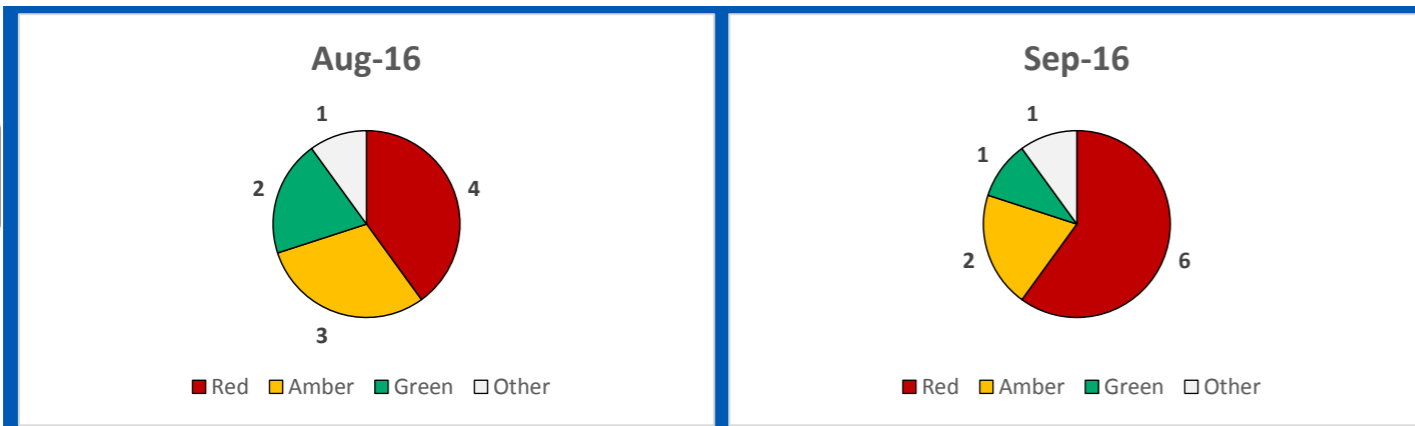
The Trust has reported 3 serious incidents for September. There are 7 serious incidents awaiting the investigation panel review to which some maybe downgraded as a result. The latest HSMR has increased to 113 for July 2015 - June 2016. HSMR is slightly higher than usual due to a coding issue. The SHMI is now 109.9 'as expected' for May 2015 - April 2016. There were no cases of MRSA in September. The Trust has had a rolling 12 months free from hospital apportioned MRSA bacteraemia cases. YTD 8 cases of CDT have been reported, 4 cases have been reviewed by the CCG and 3 cases removed as no lapse in care. The Safety Thermometer audit of inpatients reveals that <3% (based on new harms) had a fall, pressure ulcer, VTE or Catheter acquired infection in September 2016. Since April the Trust has reported 3 confirmed avoidable grade 3 pressure ulcers and 18 approved grade 2 pressure ulcers. The approved falls per 1000 BD for September is below the 5.6 threshold at 3.44. There are compliance issues with the three AQ Measures including incomplete coding. SEPSIS work is on-going ready for the Q2 submission on the 11th November. The Trust has exceeded the AED Friends and Family (F&F) threshold of 87% for patients recommending the Trust. The Inpatient F&F has dipped slightly in August to 94% against a threshold of 95%. Year to date the Trust has received 219 complaints with 6 returned complaints.

Access & Performance



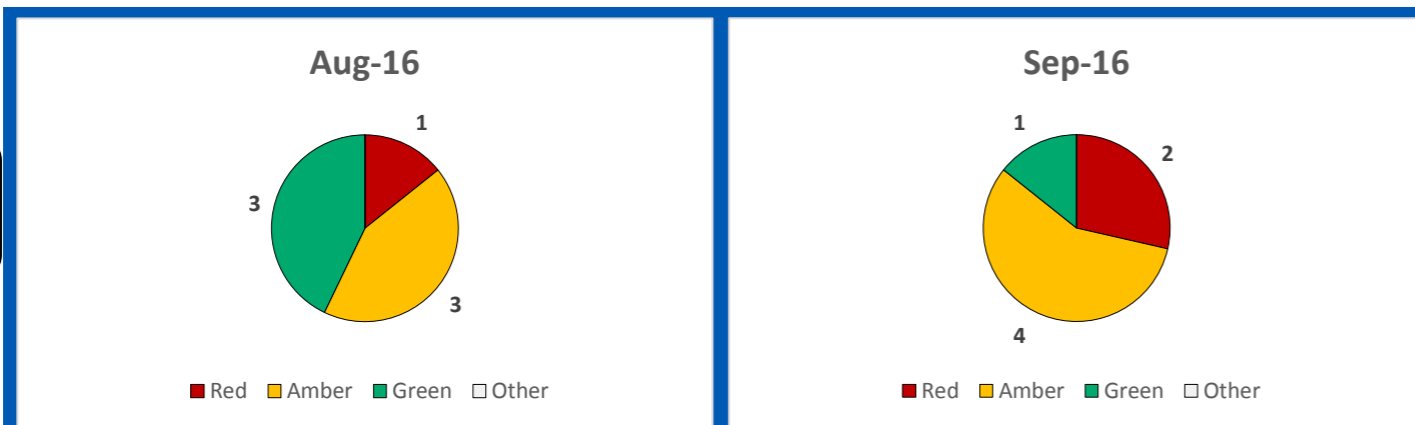
The Trust continues to achieve all improvement trajectories agreed with NHSI.

Workforce



Overall two of the metrics have changed from Amber to Red (Sickness and Medical Agency expenditure). There has been no change with others. Sickness has decreased from the previous month but an issue has been identified with the timely input of absence and the status is now Red. RTW rates have increased but only gradually. Overall recruitment times improve but still room for improvement. Labour turnover continues to fall. Non contracted pay remains high and agency expenditure has increased overall but with improvements in nursing and a significant increase in medical which is now Red. Essential Training, Clinical Training and PDR rates remain stable.

Finance



In September the Trust recorded a deficit of £0.7m which increases the year to date deficit to £5.8m which is in plan with the planned deficit of £5.8m. For the year to date period income is £1.2m above plan, expenses are £1.9m above plan and non operating expenses are £0.7m below plan. To date the capital programme planned spend is £2.1m but the actual spend is £1.6m. Due to the operating position the cash balance remains low and as at 30th September the cash balance is £1.2m. The performance against the Better Payment Practice Code is 28% in the month and 29% to date so is significantly lower than the 95% target. For the period the Trust has recorded a Financial Sustainability Risk Rating of 2 which is better than the planned risk rating of 1. Whilst the financial position remains challenging the Trust is forecasting achievement of the £7.9m deficit control total.

Quality Improvement

Description

Aggregate Position

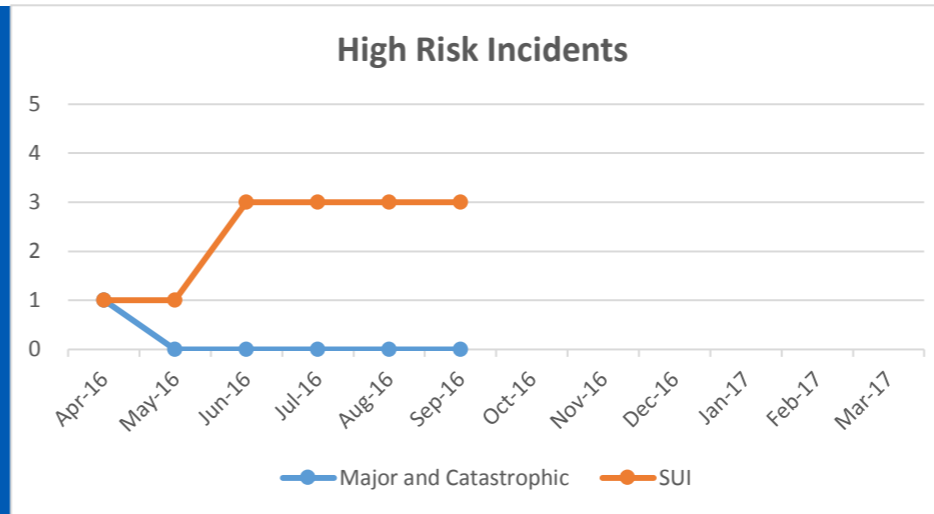
Trend

Variation

High Risk Incidents

Major and Catastrophic Incidents and Serious untoward incidents (SUIs) Level 3

The trust has reported 3 incidents of Major or Catastrophic Harm for September, but the investigations have not yet been completed so cannot be included as approved Major and Catastrophic Harm Incidents.



Along with the 3 unapproved incidents of major or catastrophic harm for September 2016, there remain 7 Ongoing Incident Reviews from April - August (April = 2, June = 2, July = 2, August = 1) currently graded as Major or Catastrophic Harm.

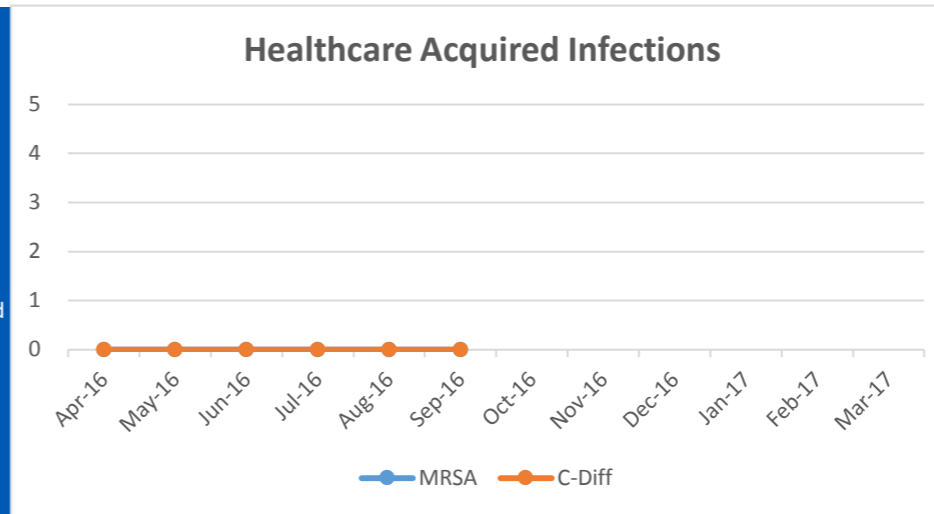
Healthcare Acquired Infections

MRSA
Red: More than 5
Amber: 1 to 5
Green: 0

C-Difficile
Red: More than 2
Amber: 1 to 2
Green: 27 or less per year

MRSA and CLOSTRIDIUM DIFFICILE (due to lapses in care)

There were no cases of MRSA in September. The Trust has had a rolling 12 months free from hospital apportioned MRSA bacteraemia cases the last Trust apportioned MRSA bacteraemia case was identified from a specimen dated 17/09/2015. YTD 8 cases of CDT have been reported. 4 cases have been reviewed by the CCG and 3 cases removed from contractual sanctions as no lapses in care were identified. The April case with lapses in care related to antibiotic prescribing. There are further 4 cases awaiting review.

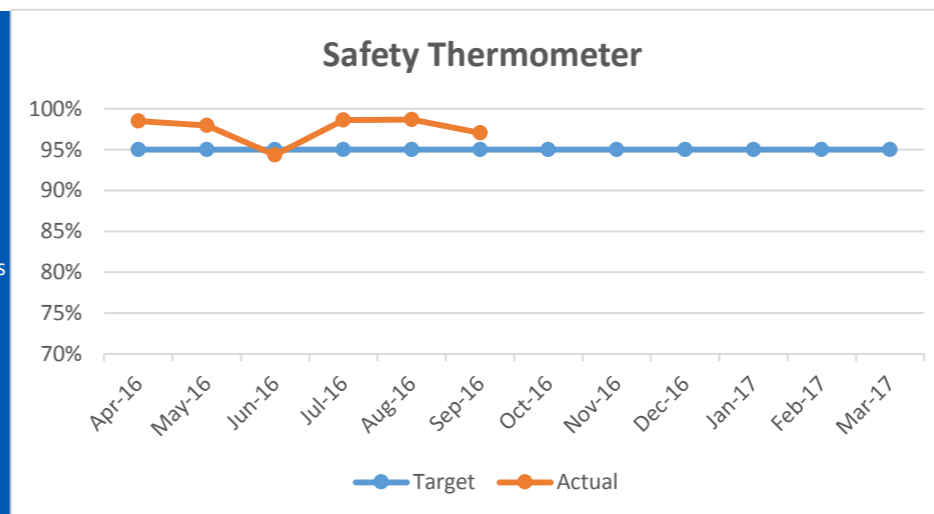


Safety Thermometer

Red: Less than 90%
Amber: 90% to 94%
Green: 95% or more

% of patients free from harm (Safety Thermometer)

Based on monthly snapshot audit of all inpatients, just under 3% had a fall, pressure ulcer, VTE or Catheter acquired infection in September 2016. This is based on new harms.



Quality Improvement

Description

Aggregate Position

Trend

Variation

Mortality Ratios

Red: HSMR or SHMI higher than expected
Amber: HSMR or SHMI over 100
Green: HSMR and

Total Deaths

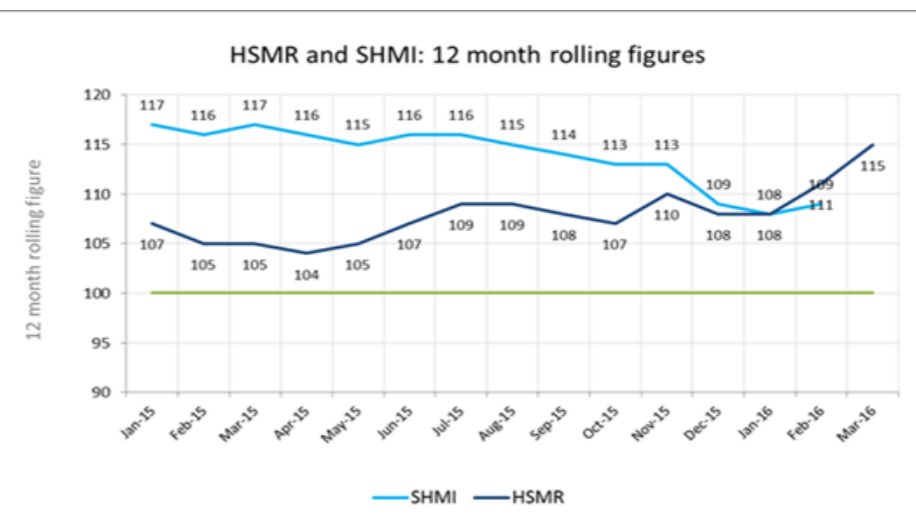
AQ - Diabetes
Red: Less than 50%
Green: 50% or more

AQ - Pneumonia
Q1 - 75%
Q2 - 76%
Q3 - 77% to achieve 78% by Q4

AQ - COPD
Red: Less than 50%
Green: 50% or more

HSMR (12 month rolling)
SHMI (12 month rolling)

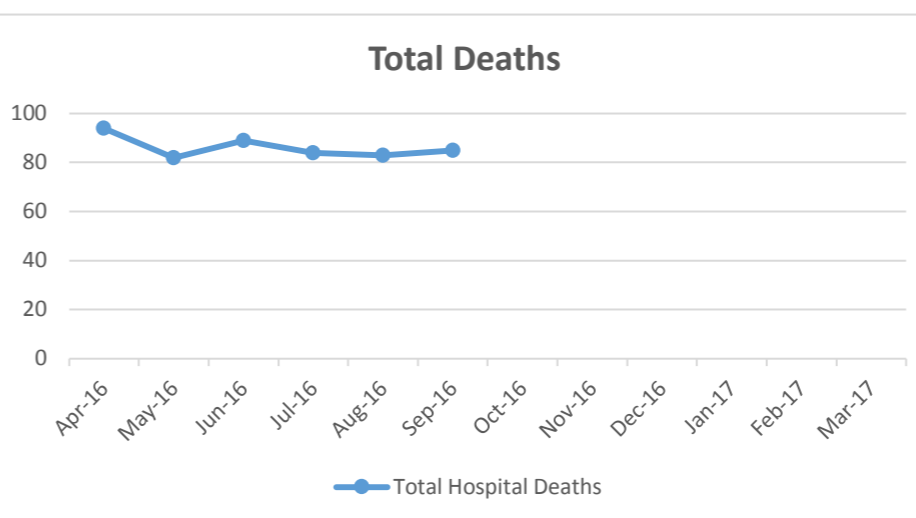
The latest HSMR has increased from 111.75 for June 2015 - May 2016 to 113 for July 2015 - June 2016. HSMR is slightly higher than usual due to a coding issue. We are waiting for data to be rebased which will provide us with a more realistic picture. The SHMI increased for April 2015 - March 2016 to 110.93 but is now 109.9 as expected for May 2015 - April 2016. Following a seasonal rise in deaths in January, February and March, the figures have reduced to 94 in April, 82 in May, 89 in June, 84 in July; 83 in August and 85 in September.



We wanted to be in the 'as expected' range and ideally below 100 for HSMR. Ideally we want to be below 100 for SHMI, however, we are in the 'as expected' range. We are currently awaiting data for SHMI for March.

Total Deaths in Hospital

The death rate was 2.8% for Q4 2015/16. It is 2.1% for 01/04/16 to 16/06/2016

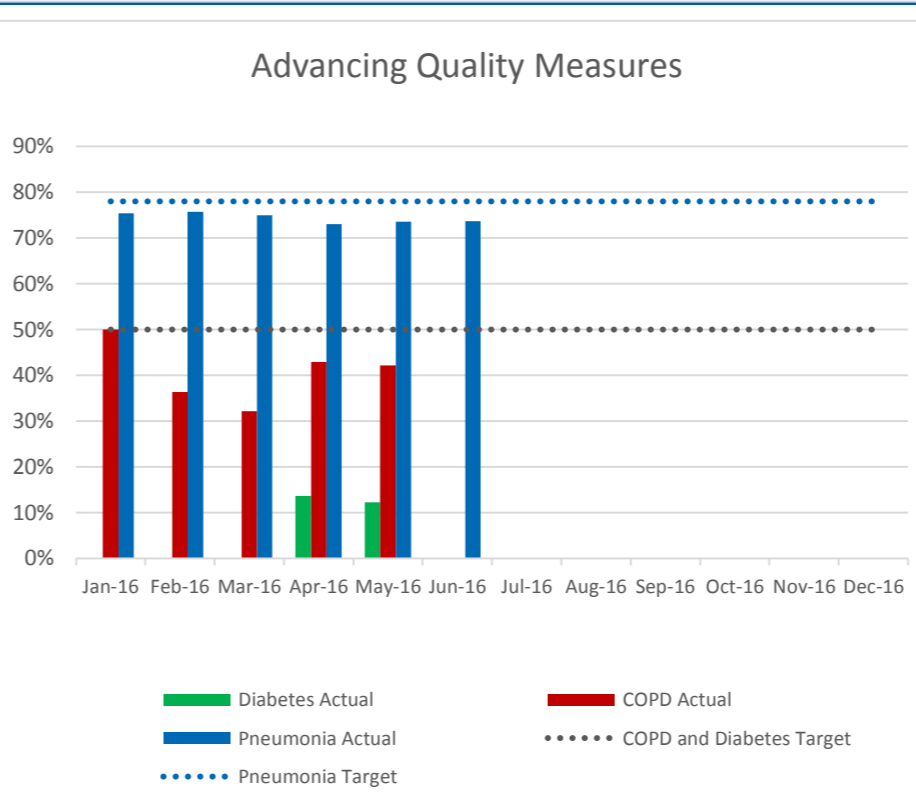


The Mortality Review Group is tasked with interpreting the data for the above and driving improvements

Chronic Obstructive Pulmonary Disease (COPD), Diabetes and Pneumonia

Diabetes was collected from April 2016 discharges. We have failed to achieve the threshold of 50% and the low compliance for April and May indicates possible non-compliance for the quarter. Poor performing measures relate to blood glucose within 30 minutes of hospital arrival, blood tests repeated at least once within 4 hours of DKA detection and foot inspection within 24 hours of hospital arrival. For diabetes 1 (blood glucose within 30 minutes of hospital arrival) denominator = 49 and numerator = 21, gives a score of 42.9%. For diabetes 2, (foot inspection within 24 hours of hospital arrival) denominator = 48 and numerator = 21, gives a score of 43.8%. If we improve our scores for diabetes 1 and 2, we should reach the 50% CQUIN target.

Possible issues with compliance for COPD include smoking cessation / review inhaler technique measures and corticosteroids administered within 4 hours of hospital arrival. The trust now has a smoking cessation advisor who could support this measure.



Last month we reported that we had introduced a quarterly sliding scale to the thresholds for pneumonia and as Quarter One is 75% we had therefore met this threshold. The CCG could not approve this outright and a paper was submitted to their Governance Meeting for approval. Unfortunately the CCG have informed us that they will not approve the sliding scale as such we were non compliant for Q1 against the original threshold of 78%. June results for pneumonia show a further reduction in compliance resulting in overall non-compliance for Q2. Poor performing measures include antibiotic received within 4 hours of hospital arrival and chest x-ray within four hours of arrival. It is anticipated that antibiotics within 4 hours should improve as a result of the SEPSIS work). New processes to improve time to x-ray include requesting a dedicated porter for transferring patients to x-ray and more recently drafting an SOP for Nurses to approve request for x-rays which has been approved and has now commenced. To achieve the AQ CQUINS the Trust needs to achieve 95% coding complete and April - June discharges for all three AQ measures are below 70%.

Quality Improvement

Description

Aggregate Position

Trend

Variation

CQUIN - Sepsis AED Screening
Red: Less than 50%
Amber: 50% to 89.9%
Green: 90% or more

CQUIN - Sepsis Inpatient Screening At Qtr4
Red: Less than 50%
Amber: 50% to 89.9%
Green: 90% or more

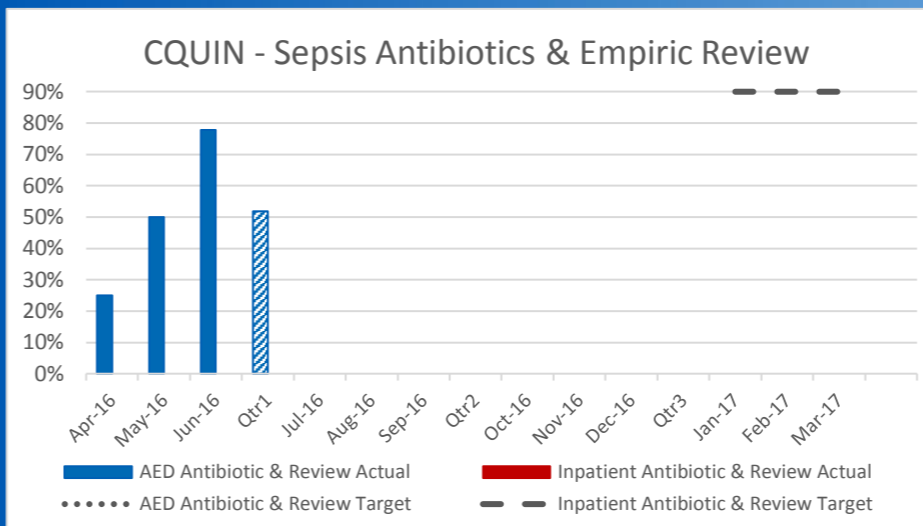
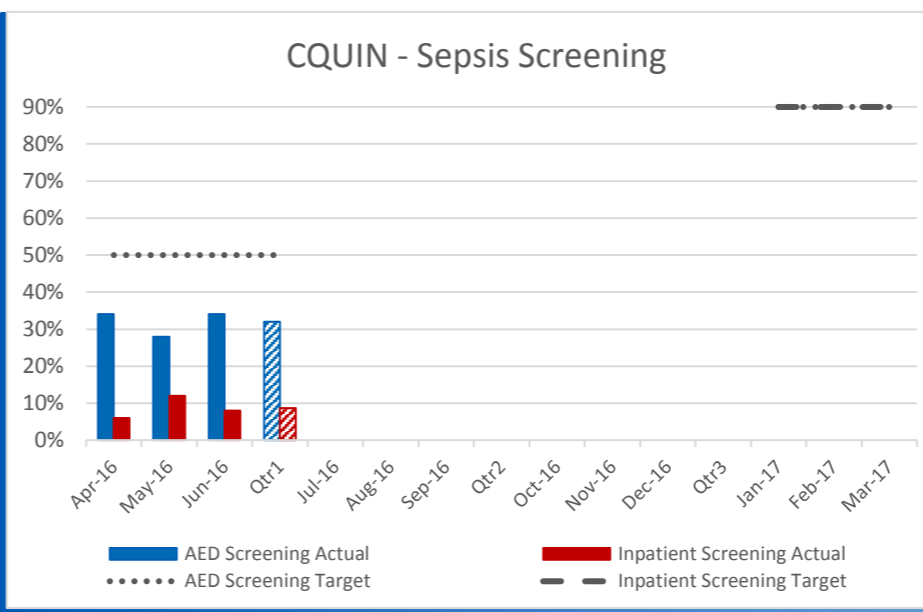
CQUIN - Sepsis AED Antibiotics & Review
Trajectory yet to be agreed with CCG

CQUIN - Sepsis Inpatient Antibiotics & Review At Qtr4
Red: Less than 50%
Amber: 50% to 89.9%
Green: 90% or more

CQUIN - Antimicrobial Resistance and Stewardship

AED Screening - Resource issues in undertaking audit will need to be resolved going forward. Q1 results achieved 32% and payment awarded as follows:-
 <=50%-NO PAYMENT
 50%-89.9%-£10,755
 >=90%-£21,510
 INPATIENT SCREENING - Both process and resource issues in undertaking audit will need to be resolved going forward. Q1 is about establishing with the CCG a local baseline for Q2 and at the end of Q2 for Q3. For Q1 the trust achieved 8.67%. However at risk in when Q4 payment will be based on national thresholds as follows:-
 <=50%-NO PAYMENT
 50%-89.9%-£10,755
 >=90%-£21,510
 AED ANTIBIOTIC & EMPIRIC REVIEW - Both process and resource issues in undertaking audit will need to be resolved going forward. Q1 is about establishing a local baseline with the CCG for Q2 - Q4 based on previous quarterly results. Q1 results = 51.85%.
 INPATIENT ANTIBIOTIC & EMPIRIC REVIEW - Both process and resource issues in undertaking audit will need to be resolved going forward. Q1 is about establishing with the CCG a local baseline for Q2 and at the end of Q2 for Q3.
 For Q1 the trust achieved 0%. However at risk in when Q4 payment will be based on national thresholds as follows:-
 <=50%-NO PAYMENT
 50%-89.9%-£10,755
 >=90%-£21,510
 Submission is due 11th November 2016

Screening of all eligible patients - acute inpatients (*to be validated). Screening of all eligible patients admitted to emergency areas (*to be validated). Inpatient received treatments and empiric review within three days of prescribing antibiotics. Emergency patients received treatment and empiric review within three days of prescribing the antibiotics.



Antimicrobial Resistance and Stewardship - Reduction in antibiotic consumption per 1,000 admissions. Antimicrobial Resistance and Stewardship- Empiric Review of antibiotic prescriptions within 72 hours

The Trust has submitted the baseline data for antibiotic consumption as required for 2013/2014 - 2015/2016 and the 2016/2017 Q1 usage report. This part of the CQUIN relates to a reduction of 1% or more in total antibiotic consumption against the baseline including a reduction of 1% or more in carbapenem and a reduction of 1% or more in piperacillin-tazobactam. The CQUIN requires a quarterly report but payment is made in Q4. The pharmacist has been contacted to request quarterly reports on antibiotic consumption for this dashboard in order to evidence to the board antibiotic usage against baseline. The pharmacist reported that they are reviewing a system called Define which may support the production of these reports going forward. She has reported that they do not envisage problems with evidencing a 1% reduction in carbapenem however use of piperacillin-tazobactam as a first line antibiotic has doubled against the baseline data. The pharmacist has completed the piperacillin-tazobactam audit (submitted to the CCG) which has been registered and sent to the CBU's. She stated that usage is compliant with the formulary and reviews are undertaken appropriately. This report now includes the results of the quarterly empiric antibiotic review which evidences 74.67% compliance against a quarter 1 threshold of 25%. Awaiting the overall quarterly percentage for Q2 but monthly data evidences that the Trust has performed an empiric review for at least 50% of cases in the sample and is therefore compliant.

Quality Improvement

Description

Aggregate Position

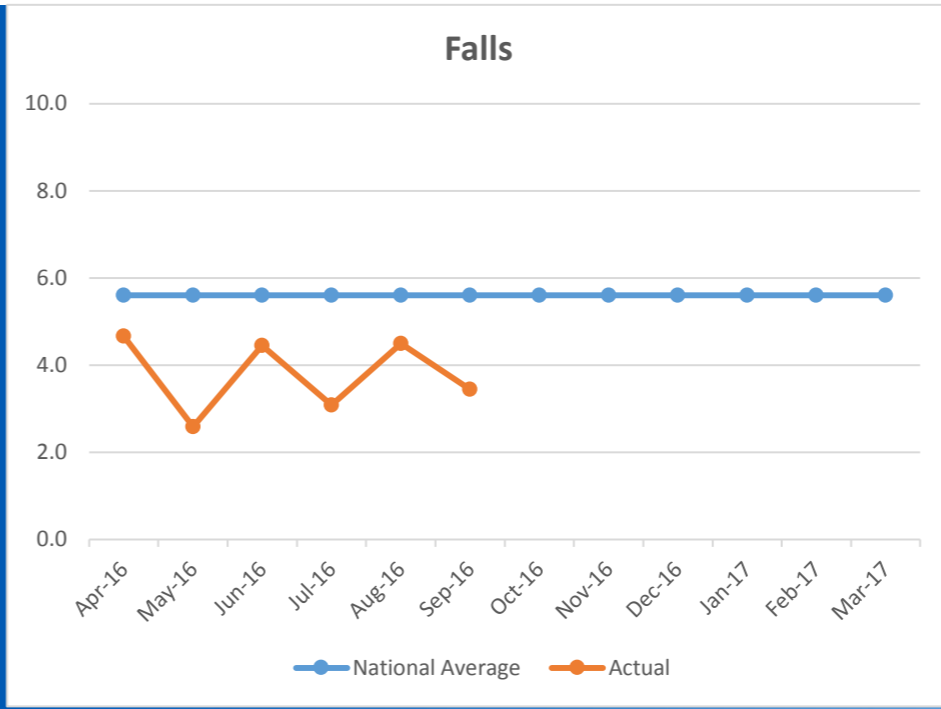
Trend

Variation

Falls
Red: More than 5.6
Green: 5.6 or less

Falls per 1000 bed days

To date we are below the national average of 5.6 approved falls per 1000 bed days. Please note that we only include approved not all falls for this measure, this ensures that falls have been validated before inclusion. Approved falls/1000 BD has been reported in the Quality Report / Account since 2014. The total number of falls per month is obviously higher e.g. There were 77 falls in September with 51 approved and 26 requiring approval as such 3.44 reflects 51 approved falls per 1000 bed days. There is a view that we should record all falls / bed days because the majority would be deemed to be a fall after validation and thus could constitute under reporting. If this was applied to September the falls/bed days rate would increase to 5.19. Quarter 1 data would change as follows April - 5.53; May - 4.71; June - 5.71; July - 4.71 and August 5.79. Please can you confirm if the preferred reporting logic is to base the 1000 bed days on approved (validated) or all falls (not validated). If all falls is the preferred indicator the change will need to be articulated in the Quality Report / Account for 2016/2017.

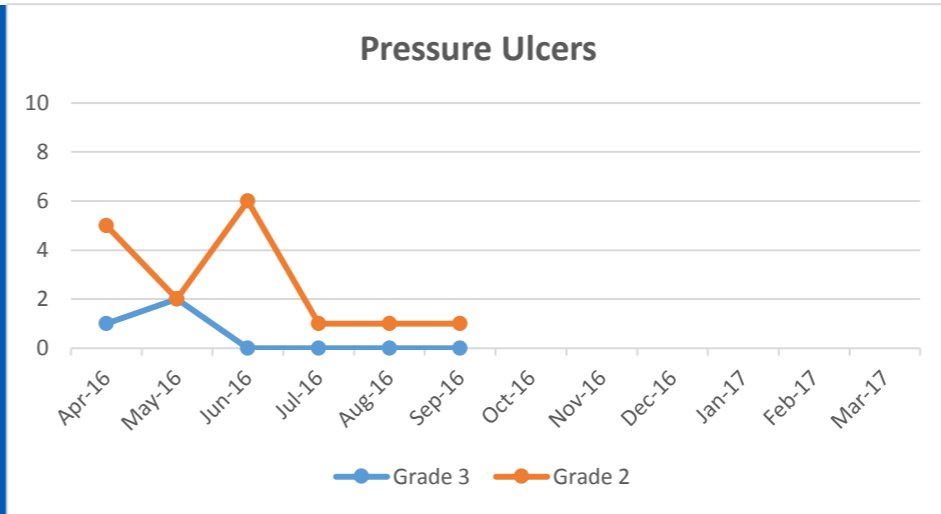


Pressure Ulcers
Grade 3
Red: More than 3
Green: 3 or less
Grade 2
Red: More than 82
Green: 82 or less

Grade 3 hospital acquired (avoidable).

To date we have 3 confirmed avoidable grade 3 pressure ulcers and 18 approved grade 2 pressure ulcers. The Grade 2 threshold of 82 for the year equates to 6 per month and 20.5 per quarter.

Grade 2 hospital acquired (avoidable and unavoidable)

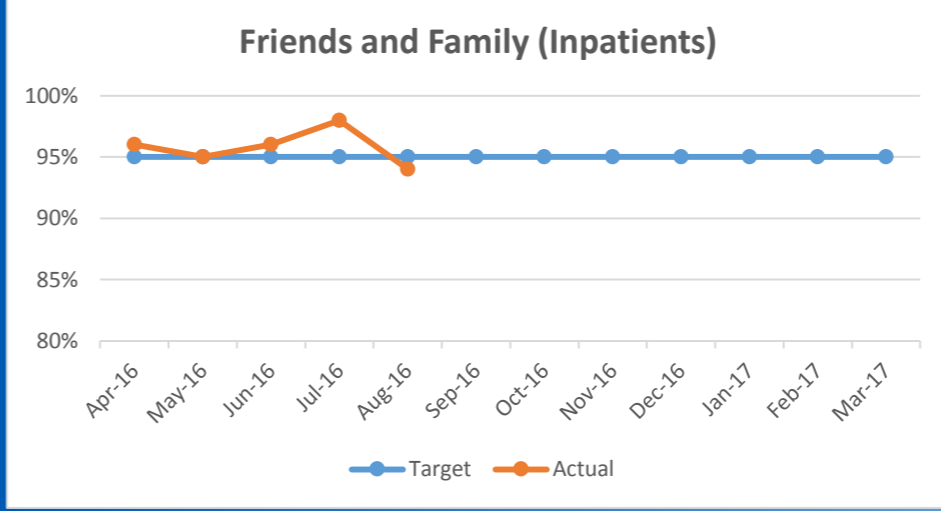


There are 0 cases of Grade 3 pressure ulcers under review from April - September and 13 Grade 2 pressure ulcers under review.

Friends and Family (Inpatients)
Red: Less than 95%
Green: 95% or more

% recommending the Trust : Inpatients.

This data is sourced from NHS England and is one month in arrears. We had met the monthly target until August when it is slightly below the threshold of 95%.



Quality Improvement

Description

Aggregate Position

Trend

Variation

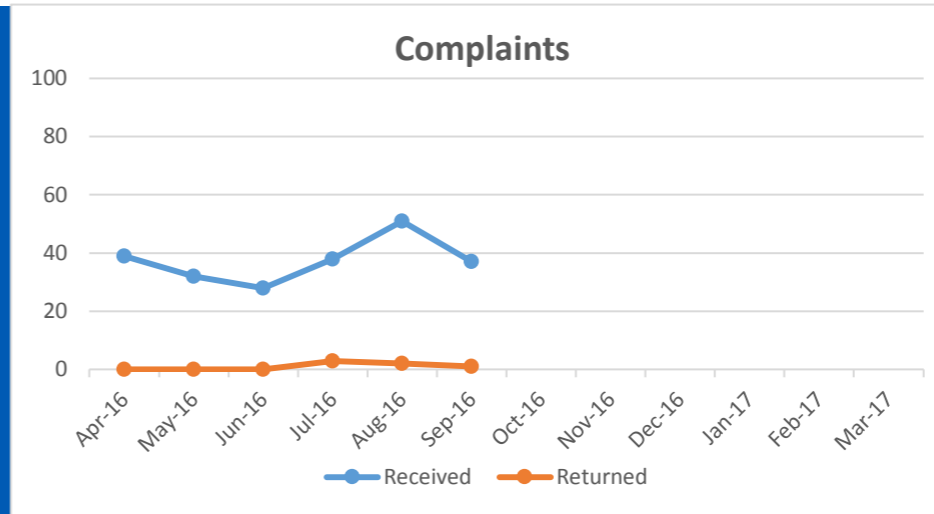
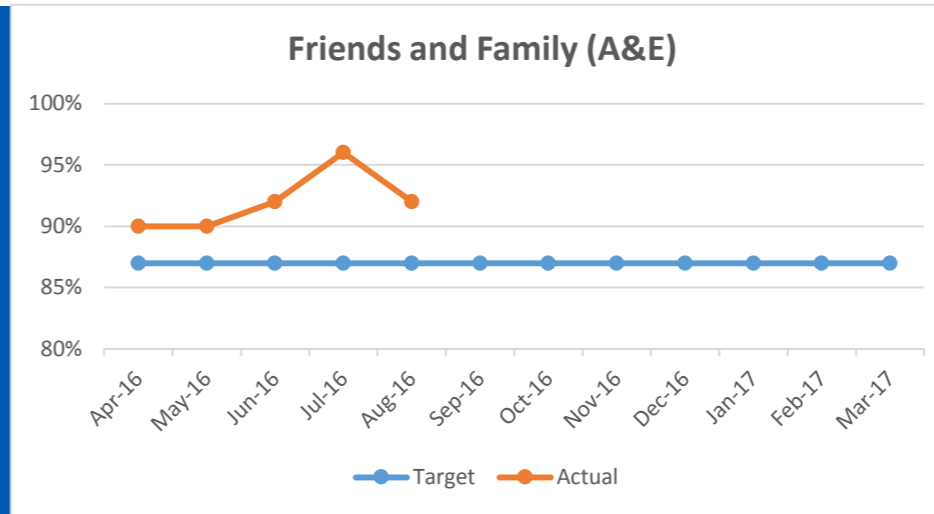
Friends and Family (A&E)
Red: Less than 87%
Green: 87% or more

Complaints

Staffing - Average Fill Rate

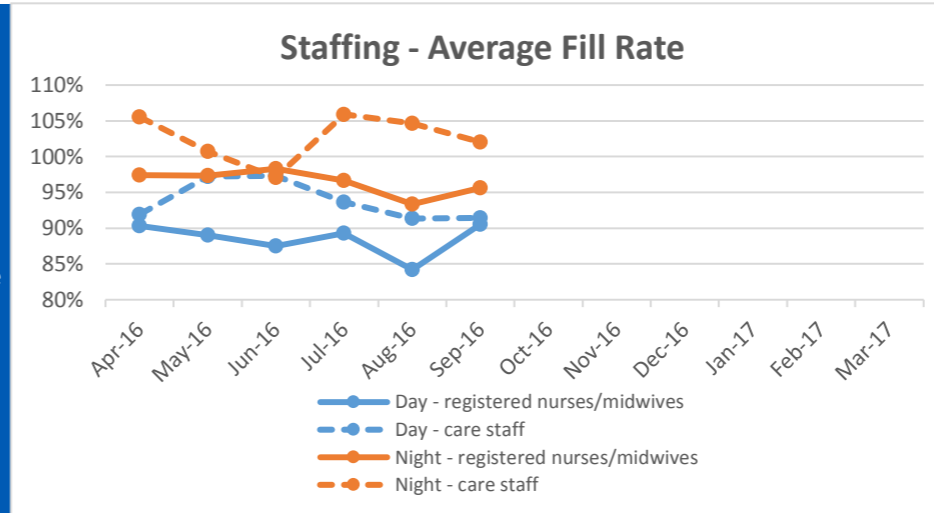
% recommending the Trust : A & E

This data is sourced from NHS England and is one month in arrears. We have exceeded the monthly target to date for 2016.



Percentage of planned verses actual for registered and non registered staff by day and night

We continue to move staff around areas/wards that are short to ensure patient safety at all times. WHH Trust is currently working with Allocate to implement a robust electronic Acuity Tool to monitor staffing levels live. The system will be completed by April 2017.



When numbers are greater than 100% this is usually due to specialising

Quality Improvement

Description

Aggregate Position

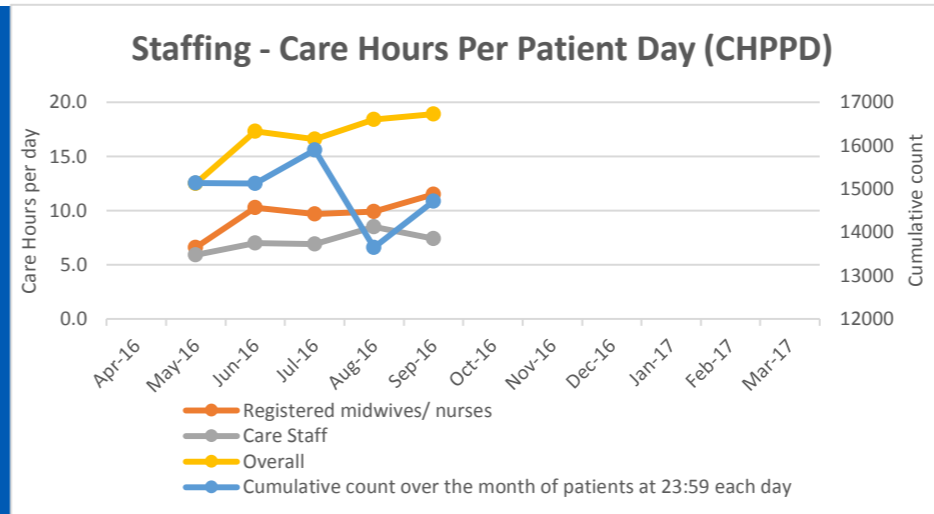
Trend

Variation

Staffing - Care Hours Per Patient Day (CHPPD)

Care Hours Per Patient Day = $\frac{\text{Hours of registered nurses} + \text{Hours of healthcare support workers}}{\text{Total number of inpatients}}$

Trusts to be benchmarked against each other and tolerance agreed by NHSI



Analysis of data from over 1,000 wards, in the pilot stage, found a wide variation in the care hours provided per patient day - ranging from 6.33 to 15.48 hours with an average of 9.1 hours. The data produced excludes CCU, ITU and Paediatrics.

Mandatory Standards - Access & Performance

Description

Aggregate Position

Trend

Variation

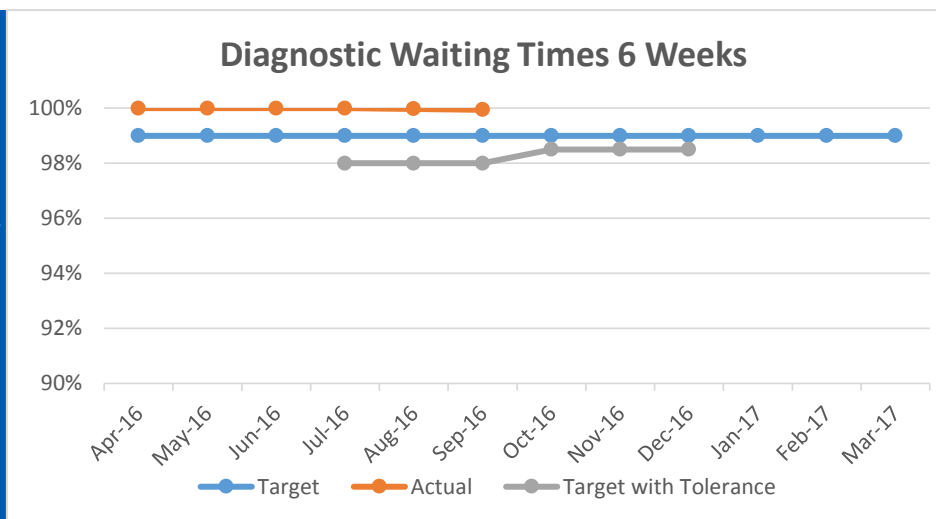
Diagnostic Waiting Times 6 Weeks

All diagnostic tests need to be carried out within 6 weeks of the request for the test being made. The national target is 99% or over within 6 weeks.

This metric also forms part of the Trust's Sustainability and Transformation Plan (STP) Improvement trajectory.

The proposed tolerance levels applied to the improvement trajectories are also illustrated.

The national target of 99% for Diagnostic waiting times has been achieved with actual performance at 99.95%. The Trust has also met the STP Improvement trajectory.



3 breaches of the 6 week standard in Cardiology echocardiography

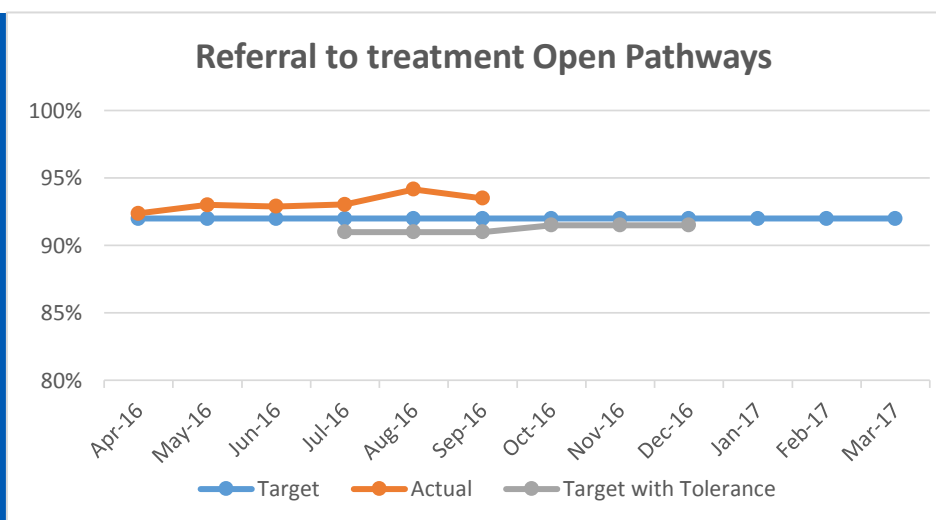
Referral to treatment Open Pathways

Percentage of incomplete pathways waiting within 18 weeks. The national target is 92%

This metric also forms part of the Trust's STP Improvement trajectory.

Open pathways continue to perform above the 92% target. The Trust has also met the STP improvement trajectory.

The proposed tolerance levels applied to the improvement trajectories are also illustrated.



The only specialities not to achieve the target are:

- Urology – 89.60%
- T&O – 86.06%

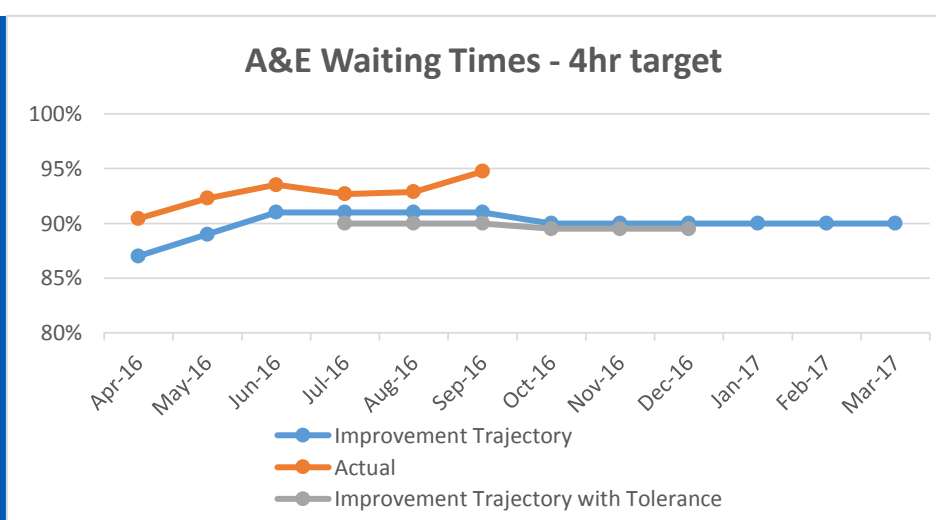
A&E Waiting Times - National Target

All patients who attend A&E should wait no more than 4 hours from arrival to admission, transfer or discharge. The national target is 95%

This metric also forms part of the Trust's STP improvement trajectory.

The Trust is not achieving the 95% national 4 hour target. However the Trust is achieving against the STP improvement trajectory.

The proposed tolerance levels applied to the improvement trajectories are also illustrated.



Whilst the Trust is not achieving the 95% national target improvement in performance continues with the Trust achieving 94.75% in September and meeting the STP Improvement trajectory.

Diagnostic Waiting Times 6 Weeks
Red: Less than 99%
Green: 99% or above

Referral to treatment Open Pathways
Red: Less than 92%
Green: 92% or above

RTT - Number of patients waiting 52+ weeks
Green = 0, otherwise Red

A&E Waiting Times - National Target
Red: Less than 95%
Green: 95% or above

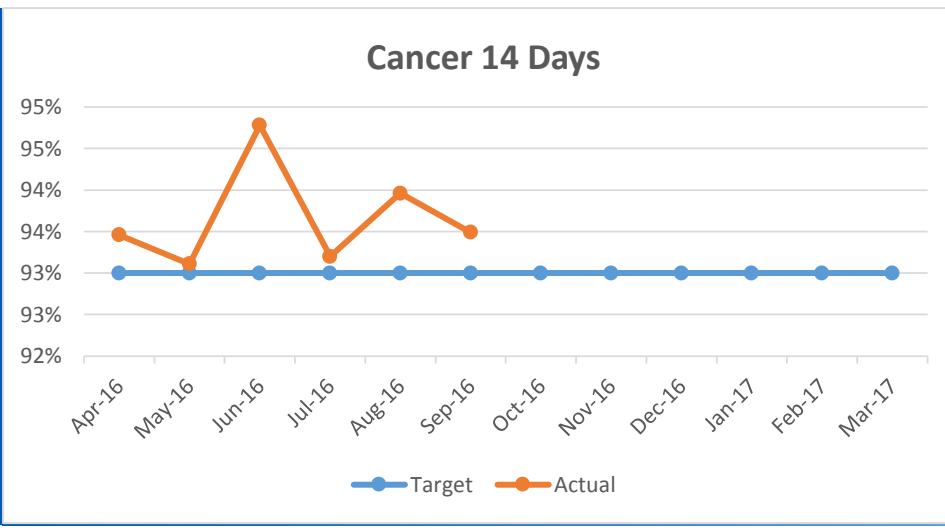
A&E Waiting Times - STP Trajectory
Red: Less than trajectory
Green: Trajectory or

Mandatory Standards - Access & Performance

Description Aggregate Position Trend Variation

Cancer 14 Days
Red: Less than 93%
Green: 93% or above

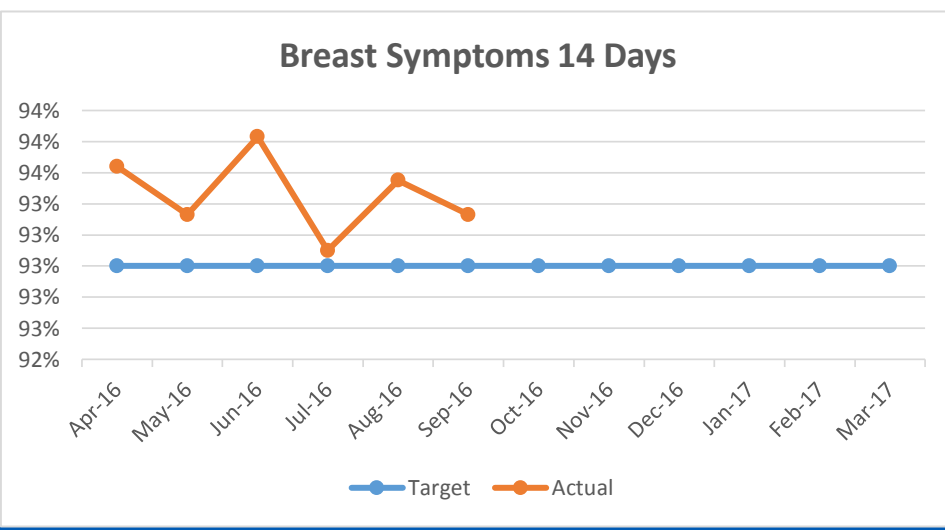
Description
All patients need to receive first appointment for cancer within 14 days of urgent referral. The national target is 93%. This target is measured and reported on a quarterly basis.



Variation

Breast Symptoms 14 Days
Red: Less than 93%
Green: 93% or above

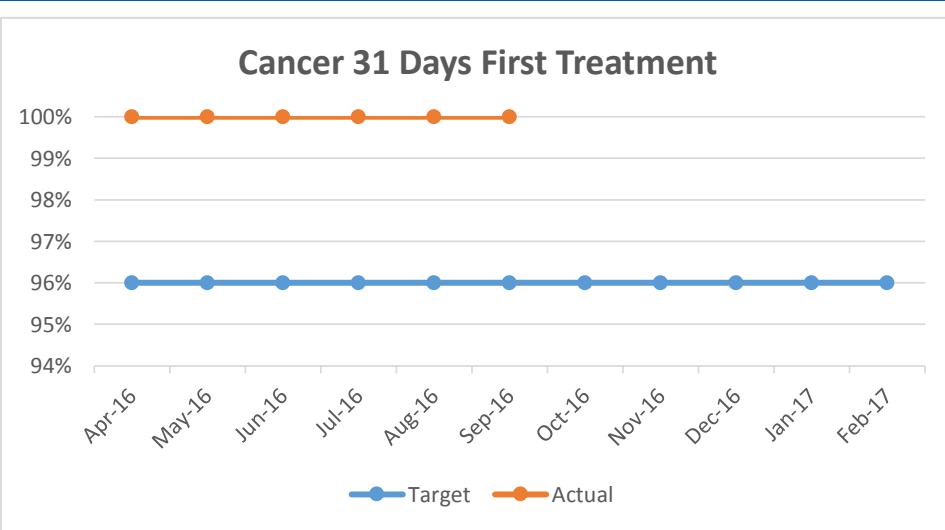
Description
All patients need to receive first appointment for any breast symptom (except suspected cancer) within 14 days of urgent referral. The national target is 93%. This target is measured and reported on a quarterly basis.



Variation
This target is becoming more and more challenging each month due to patient choice and discussions have commenced with GP's aimed at encouraging patients to attend within 14 days.

Cancer 31 Days First Treatment
Red: Less than 96%
Green: 96% or above

Description
All patients to receive first treatment for cancer within 31 days of decision to treat. This national target is 96%. This target is measured and reported on a quarterly basis.



Variation

Mandatory Standards - Access & Performance

Description

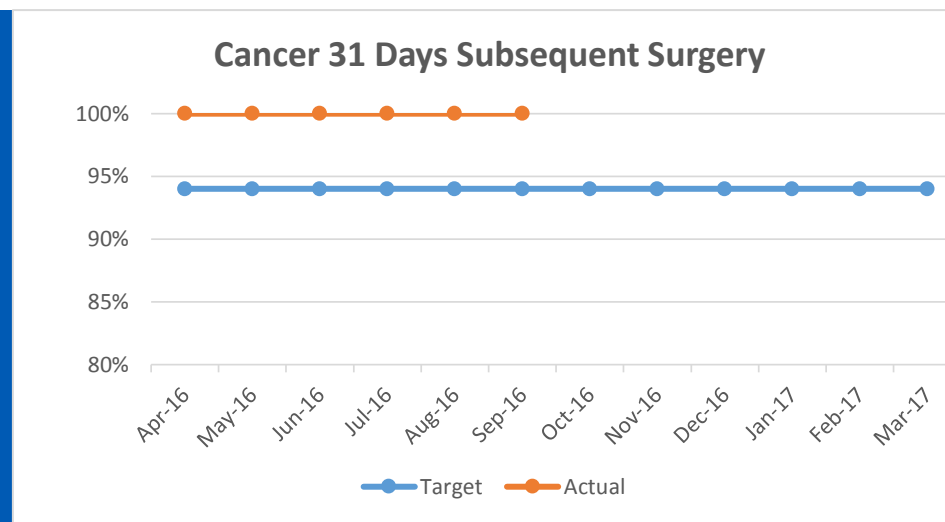
Aggregate Position

Trend

Variation

Cancer 31 Days Subsequent Surgery
Red: Less than 94%
Green: 94% or above

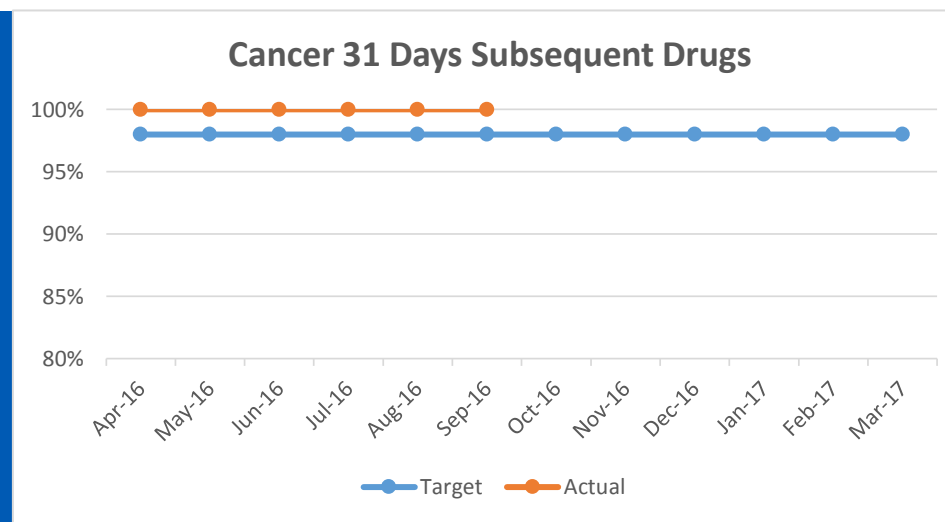
All patients to receive a second or subsequent treatment for cancer within 31 days of decision to treat/surgery. The national target is 94%. This target is measured and reported on a quarterly basis.



Variation

Cancer 31 Days Subsequent Drug
Red: Less than 98%
Green: 98% or above

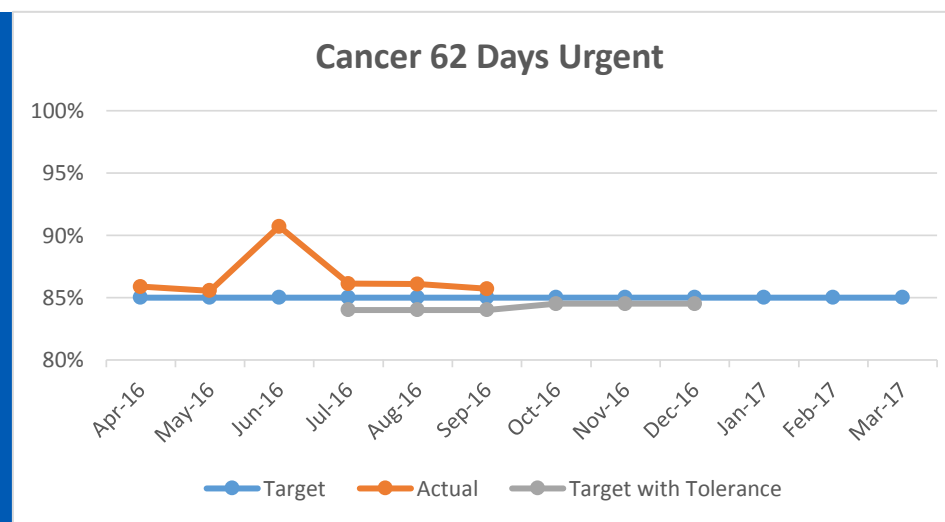
All patients to receive a second or subsequent treatment for cancer within 31 days of decision to treat – anti cancer drug treatments. The national target is 98%. This target is measured and reported on a quarterly basis.



Variation

Cancer 62 Days Urgent
Red: Less than 95%
Green: 95% or above

All patients to receive first treatment for cancer within 62 days of urgent referral. The national target is 85%.
This metric also forms part of the Trust's STP Improvement trajectory.
The proposed tolerance levels applied to the improvement trajectories are also illustrated.



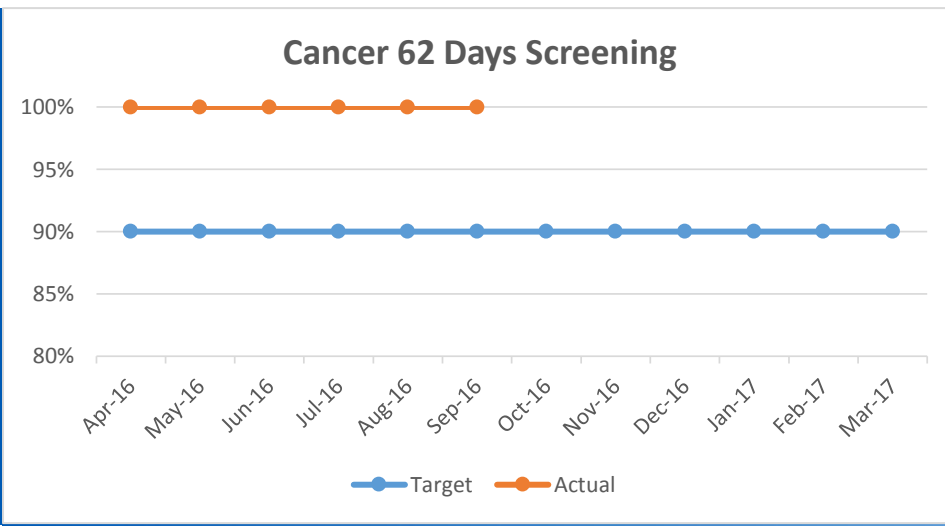
Variation

Mandatory Standards - Access & Performance

Description Aggregate Position Trend Variation

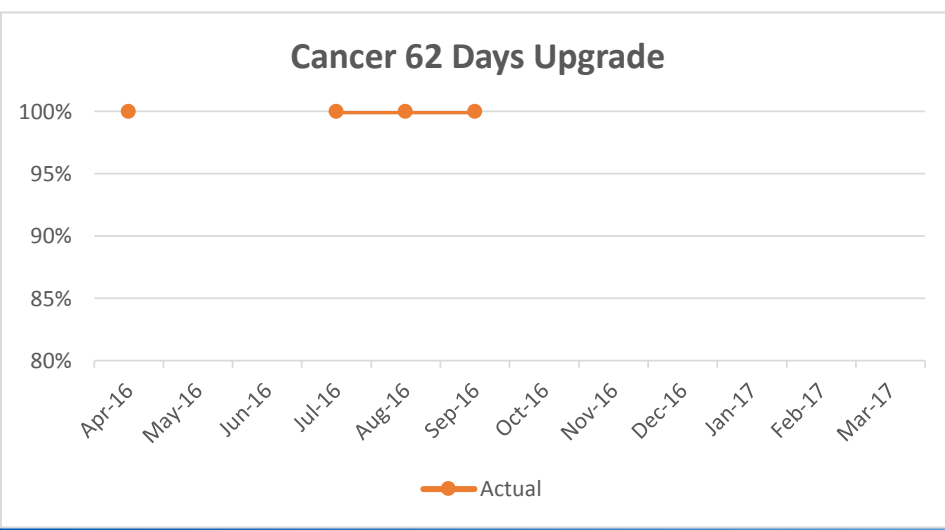
Cancer 62 Days Screening
Red: Less than 90%
Green: 90% or above

Cancer 62 Days Screening
All patients must wait no more than 62 days from referral from an NHS screening service to first definitive treatment for all cancers. The national target is 90%. This target is measured and reported on a quarterly basis



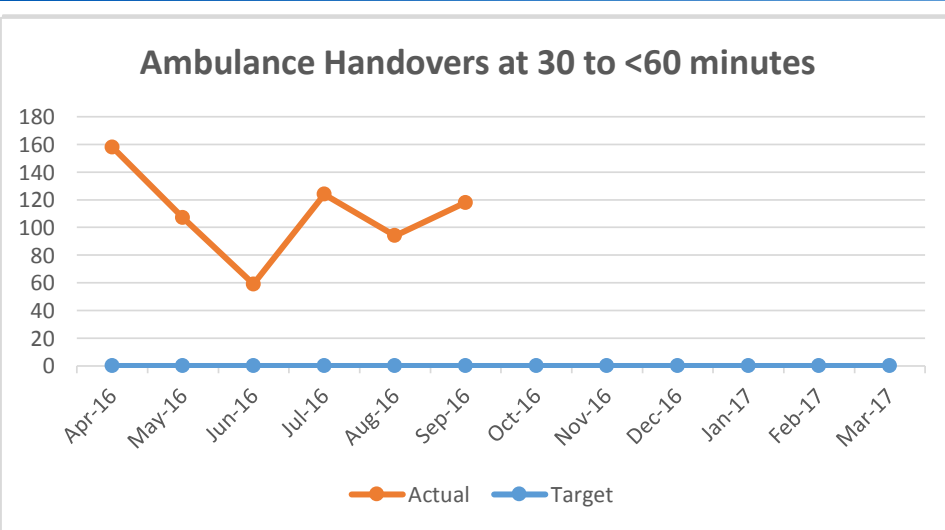
Cancer 62 Days Upgrade

62 day upgrade



Ambulance Handovers 30 to <60 minutes
Red: More than 0
Green: 0

Ambulance Handovers 30 to <60 minutes
Number of ambulance handovers that took 30 to <60 minutes (based on the data record on the HAS system)



The Trust continues to focus on handover times and performance compares favourably to other Trusts in Cheshire and Merseyside.

Mandatory Standards - Access & Performance

Description

Aggregate Position

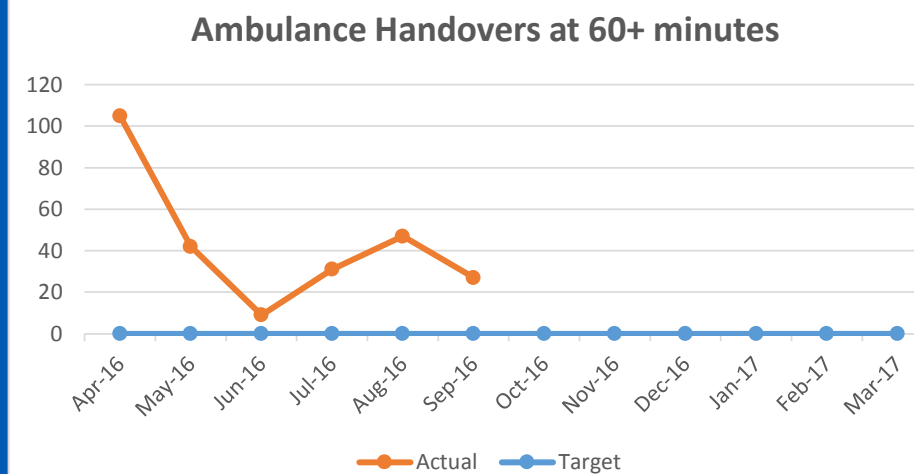
Trend

Variation

Ambulance Handovers at 60 minutes or more

Red: More than 0
Green: 0

Number of ambulance handovers that took 60 minutes or more (based on the data record on the HAS system)

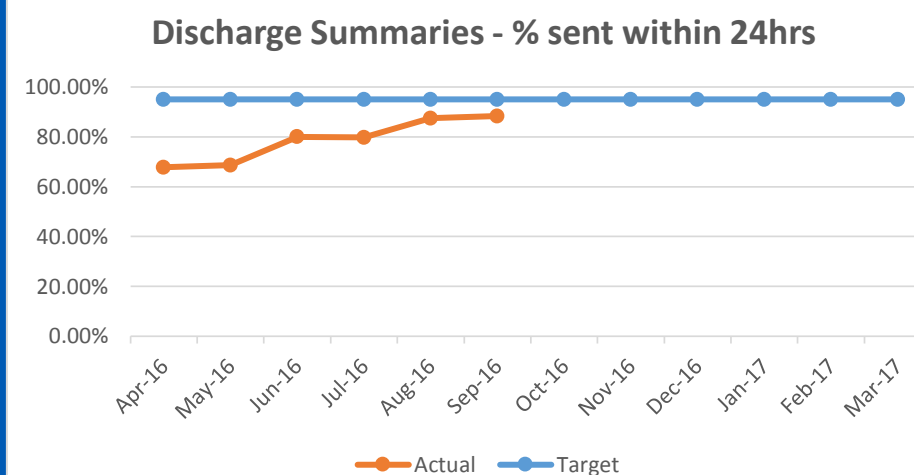


There has been an improvement in the position in quarter 2 when there was 105 patients who waited over 60 minutes, compared to 156 in quarter 1, however focus remains on this key measure of patient experience.

Discharge Summaries - % sent within 24hrs

Red: Less than 95%
Green: 95% or above

The Trust is required to issue and send electronically a fully contractually compliant Discharge Summary within 24 hrs of the patients discharge

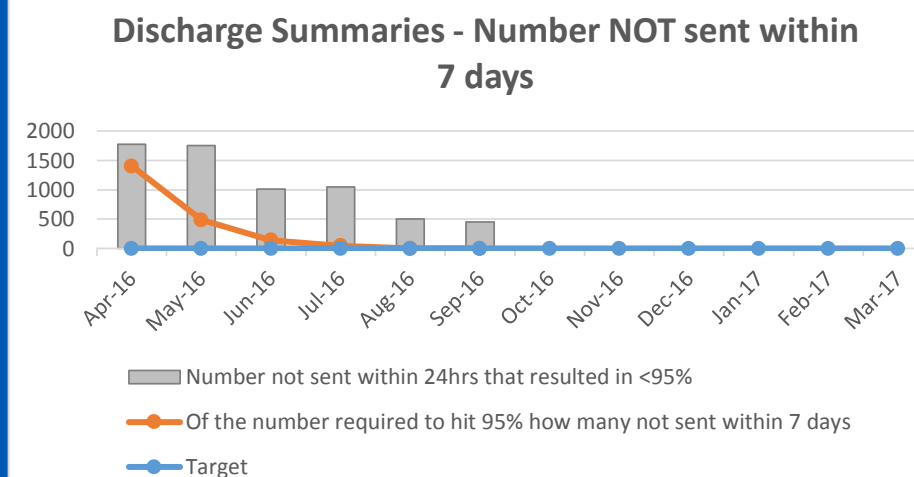


Since Lorenzo go live the way we send discharge summaries has changed, which should support more accurate summaries. However we have seen a reduction in performance since November. We have therefore set up new report enabling each area can measure their performance against the target, and there is also an escalation process in place. We are seeing the impact and improvements have been made in the last month. We are currently investigating an SUI related to a delay in discharge summaries being sent to GPs, the issue was raised through the quality contract meeting and a full investigation is taking place.

Discharge Summaries - Number NOT sent within 7 days

Red: Above 0
Green: 0

If the Trust does not send 95% of discharge summaries within 24hrs, the Trust is then required to send the difference between the actual performance and the 95% required standard within 7 days of the patients discharge



Workforce

Description

Aggregate Position

Trend

Variation

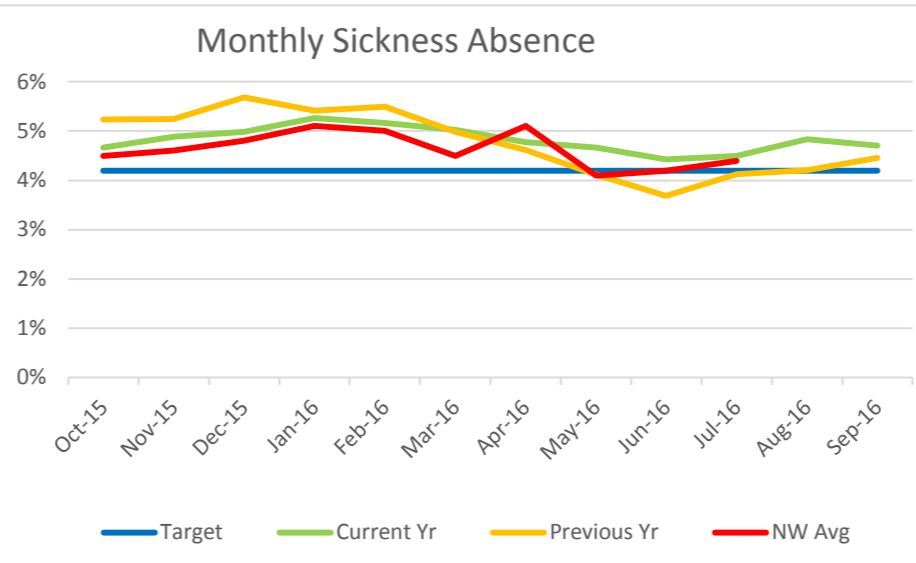
Sickness Absence
Red: Above 4.5%
Amber: 4.2% to 4.5%
Green: Below 4.2%

Sickness absence for September 2016 was 4.70%.

The latest figures (July) for the North West absence performance are 4.4% (WHH was 4.5%)

The YTD sickness has increased to 4.65% against a target of 4.2%

Comparing the monthly sickness absence % with the Trust Target (4.2%) previous year, and North West average



It has been identified that sickness absence data has not been consistently recorded in a timely manner which has meant that previously reported figures are not entirely accurate. In most cases the difference is marginal but in particular August was reported as being 3.9% when this was actually 4.83% and the rate for September is 4.7% which shows an improvement. Managers will be reminded of the need to record absence in a timely manner. WHH is slightly above the North West Average.

Agreement with Staff Side has been reached on the Attendance Management policy and is subject to final Committee approval.

Stress remains the number one reason for absence with 24% of all sickness absence due to stress.

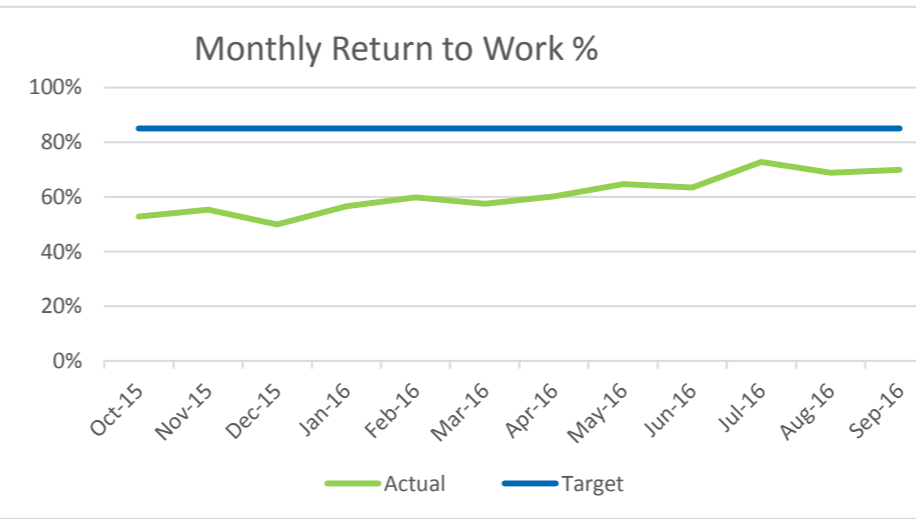
ACS - Sept-16 = 4.71%, YTD = 5.02%
SWC - Sept-16 = 4.82%, YTD = 4.80%
Corp - Sept-16 = 4.39%, YTD = 3.82%

Return to Work
Red: Below 75%
Amber: 75% to 85%
Green: Above 85%

RTW compliance was 69.89% for September which was an improvement but continues to be below the Trust Target. However, the trend is generally upward and from April the increase is almost 10%.

The YTD RTW rate is 61% an increase of 2% from the previous month.

A review of the completed monthly Return to Work Interviews



Completion of RTWs is considered key to good sickness management and is discussed regularly at Divisional SMT meetings. Audits undertaken by HRBPs of RTWs showed that on the whole these are being recorded but in some instances they were being undertaken but not recorded.

For the avoidance of doubt, the RTW can be recorded in either ESR or E-Rostering, there is no need to record the date in both.

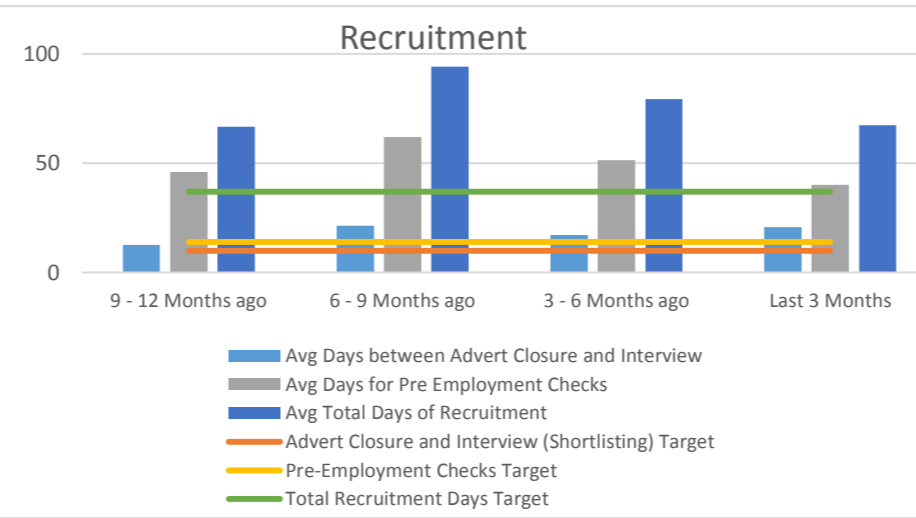
HRBPs continue to support their managers to increase compliance.

Recruitment
Red: Above Target
Green: On or Below Target

Recruitment times continue to reduce to an overall total of 67 days but still below the trust target. Disappointingly as a Trust we are still taking longer to shortlist/interview and to complete employment checks than we would like.

A measurement of the average number of days it is taking to recruit into posts.

It also shows the average number of days between the advert closing and the interview (target 10) to measure if we are taking too long to complete shortlisting and also highlights the number of days for which it takes successful candidates to complete their pre-employment checks



The Employment Services Team have experienced a reduction in capacity in recent months with vacancies, sickness and leave but from 3 October 2016 are fully staffed. This has impacted on the time taken for the pre-employment stage which has increased from 42 to 46 days.

The period taken to shortlist and interview has increased from 20 to 21 days which is not acceptable against a target of 10 days.

Workforce

Description

Aggregate Position

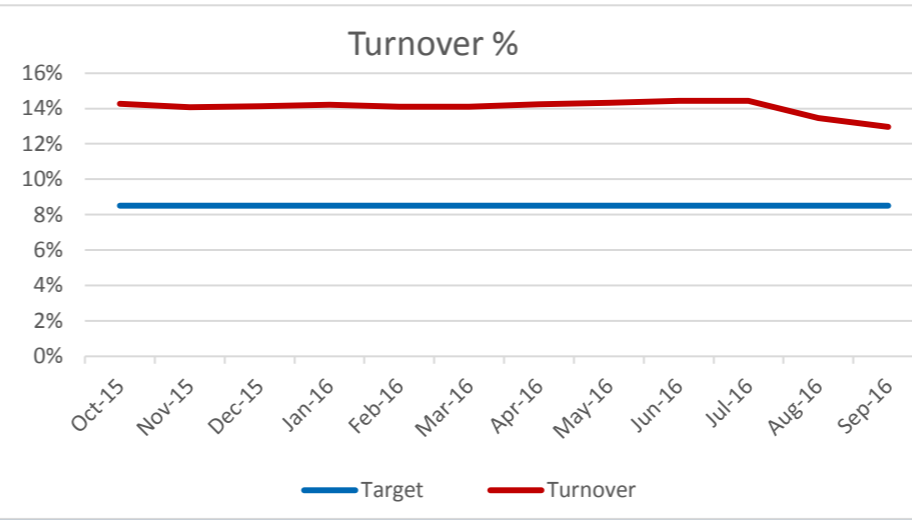
Trend

Variation

Turnover
Red: Below 5%
Above 12%
Amber: 5% to 7% or 10% to 12%
Green: 7% to 10%

A review of the turnover percentage over the last 12 months

Turnover has reduced again from 13.45% to 13% and is the lowest for over 12 months. However this is still above the Trust target of 7 - 10%.



During September there were almost twice as many new starters compared with leavers. Overall there continues to be more starters (40.7 wte) than leavers (38.1 wte)

The main reasons people are leaving WHH is for an improved 'Work Life Balance' (115 people in the last 12 months) which is almost twice the second reason given as 'Relocation' (64).

Work continues within the CBUs to address this.

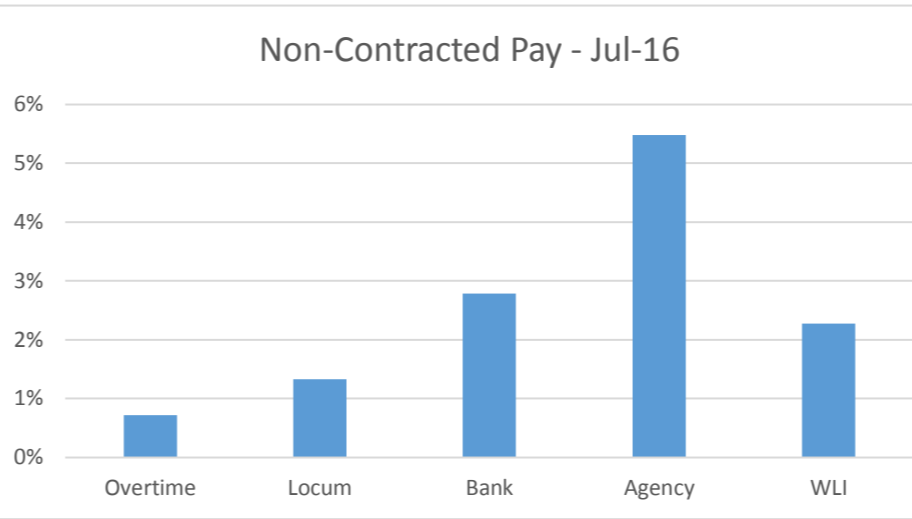
Non Contracted Pay

A review of the Non-Contracted pay as a percentage of the overall pay bill year to date

Agency spend remains the highest element of Non-Contracted pay, accounting for 5.48% of the Trusts overall pay bill year to date but better than the position at April of 5.93%.

Bank spend is 2.79% followed closely by WLI spend at 2.27% of the pay bill.

Overall Non-Contracted pay now makes up 12.58% of the pay bill compared to 13.02% in April.



Work continues on implementing the action plan developed alongside E&Y.

Chief operating officer has agreed that WLI payments will be reduced on a phased basis wef 17 October 2016.

On 8 November an event is being held at Aintree for all of the trusts in Cheshire and Mersey specifically relating to agency expenditure which has been initiated by WHH in conjunction with NHSI.

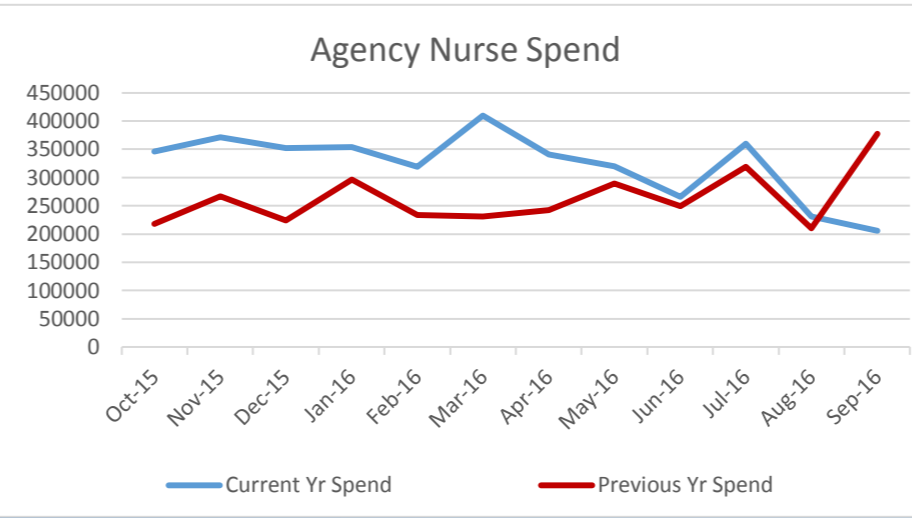
NHI has issued new reporting arrangements relating to 'Strengthening financial performance & accountability in 2016/17' much of which covers agency expenditure and transparency on agency rates. It will also include more detailed information to be reported to the Board.

Agency Nurse Spend

Red: Greater than Previous Yr
Green: Less than Previous Yr

A review of the monthly spend on Agency Nurses

Agency Nurse spend continues to decrease and September was the lowest level this financial year at £205k. Although, expenditure is slightly more than 2015/16 the differential is narrowing.



On-going work continues to reduce the reliance of Agency Nurses and this is reflected in the reduction over the last few months.

As above, an event is taking place on 8 November with NHSI for all trusts in Cheshire and Mersey to concentrate on agency expenditure reduction.

Workforce

Description

Aggregate Position

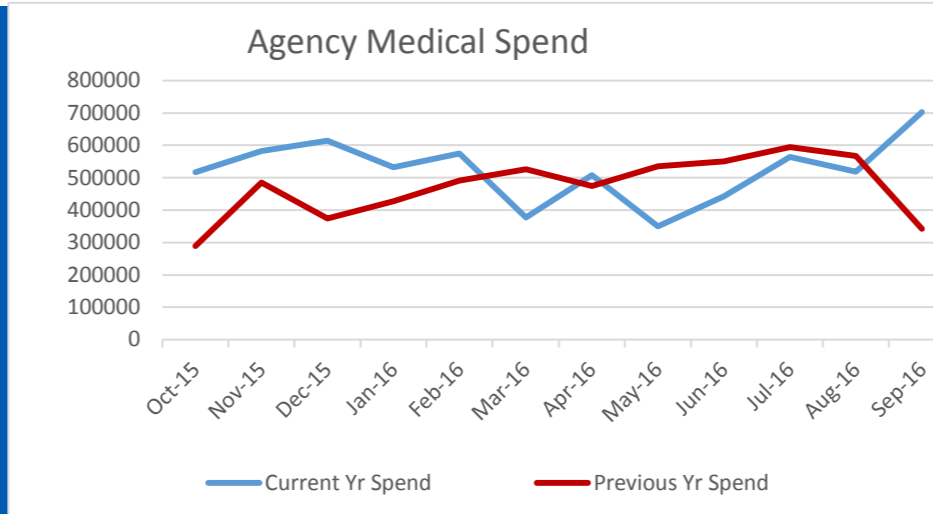
Trend

Variation

Agency Medical Spend
Red: Greater than Previous Yr
Green: Less than Previous Yr

A review of the monthly spend on Agency Locums

Agency Medical spend significantly increased in September by £183k to £702k and was more than double the amount for the same period last year.



Unfortunately the increase in September has meant the trust has now spent more than the same period last year and the status has turned Red. The Divisions are investigating the cause but following the changeover in August there are gaps in some of the rotas which need filling.

Enforcing the Price Cap rules is proving difficult and the majority of our shifts worked each week breach the Price Cap.

The trust has engaged Gatenby Sanderson to try and fill long term medical vacancies.

Essential Training
Red: Below 70%
Amber: 70% to 85%
Green: Above 85%

A summary of the Essential Mandatory Training Compliance, this includes:

- Corporate Induction
- Dementia Awareness,
- Fire Safety
- Health and Safety
- Moving and Handling

The current compliance for September is 85.64% which is marginally above the trust target of 85%



Grouping the Mandatory Training in this method is new way of reporting compliance, historic figures are however not yet available but the September rate was a very slight increase from the previous month and shows an upwards trend.

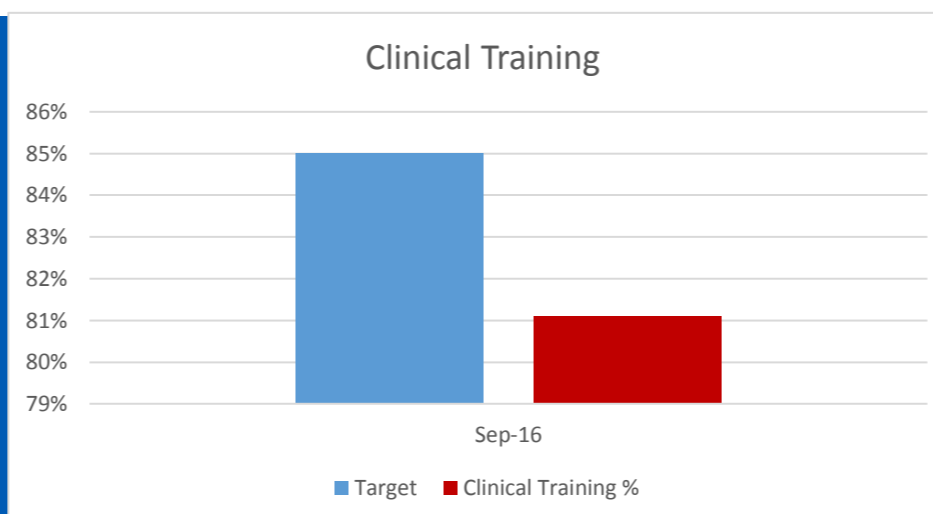
Divisional progress is as follows:
ACS September = 83.99% Amber
SWC September = 84.25% Amber
Corp September = 89.74% Green

Clinical Training
Red: Below 70%
Amber: 70% to 85%
Green: Above 85%

A summary of the Clinical Mandatory Training Compliance, this includes:

- Infection Control
- Resus
- Safeguarding Procedures (Adults) - Level 1
- Safeguarding Procedures (Adults) - Level 2
- Safeguarding Procedures (Children) - Level 1
- Safeguarding Procedures (Children) - Level 2
- Safeguarding Procedures (Children) - Level 3
- SEMA

The current compliance for September is 81.09% but is below the trust target of 85%.



Grouping the Mandatory Training in this method is new way of reporting compliance, historic figures are however not yet available and the September rate was a very slight decrease from the previous month.

Divisional progress is as follows:
ACS September = 77.31% Amber
SWC September = 80.97% Amber
Corp September = 88.62% Green

Workforce

Description

Aggregate Position

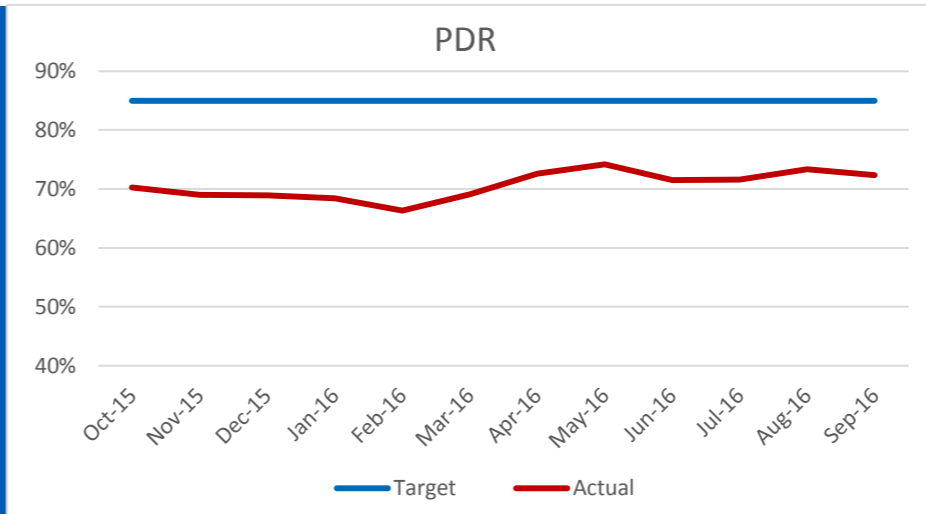
Trend

Variation

PDR
Red: Below 70%
Amber: 70% to 85%
Green: Above 85%

A summary of the PDR Compliance rate

The PDR compliance rate is 73.31% but this is still below the Trust target of 85%.



The HR team are offering further support to managers who are struggling with their PDR Compliance.

Although the Director of HR & OD met with the Divisions during August to emphasise the importance of PDR rates increasing, this has only had a minimal effect and a further meeting is to be arranged.

Divisional progress is as follows:
ACS September = 68.34% Red
SWC September = 71.81% Amber
Corp September = 78.15% Amber

Safely Reducing Costs & Mandatory Standards - Finance

Description

Aggregate Position

Trend

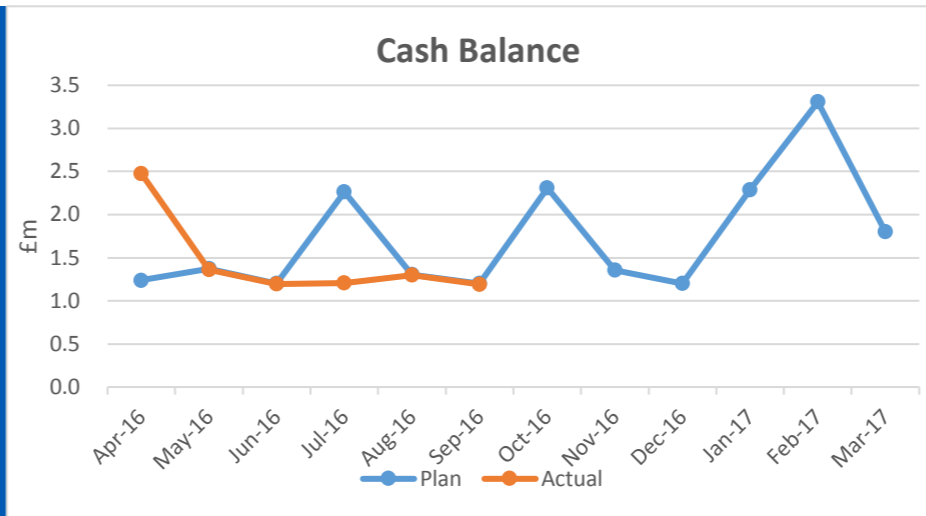
Variation

Cash Balance
Red: Less than 90% or below minimum cash balance per NHSI
Amber: Between 90% and 100% of planned cash balance
Green: On or better than plan

Cash balance at month end compared to plan

Under the terms and conditions of the working capital loan the Trust is required to have a minimum cash balance during the month of £1.2m.

The current cash balance of £1.2m equates to circa 2 days operational cash.

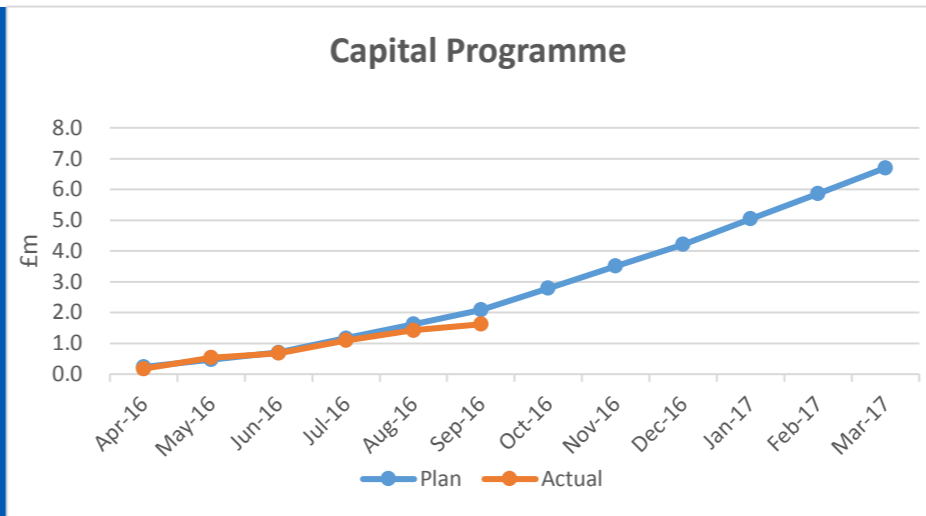


The current cash balance of £1.2m is in line with the planned cash balance of £1.2m

Capital Programme
Red: Off plan <80% - >110%
Amber: Off plan 80-90% or 101 - 110%
Green: On plan 90%-100%

Year to date capital expenditure compared to plan

The actual capital spend in the month is £0.2m which increases the year to date spend to £1.6m

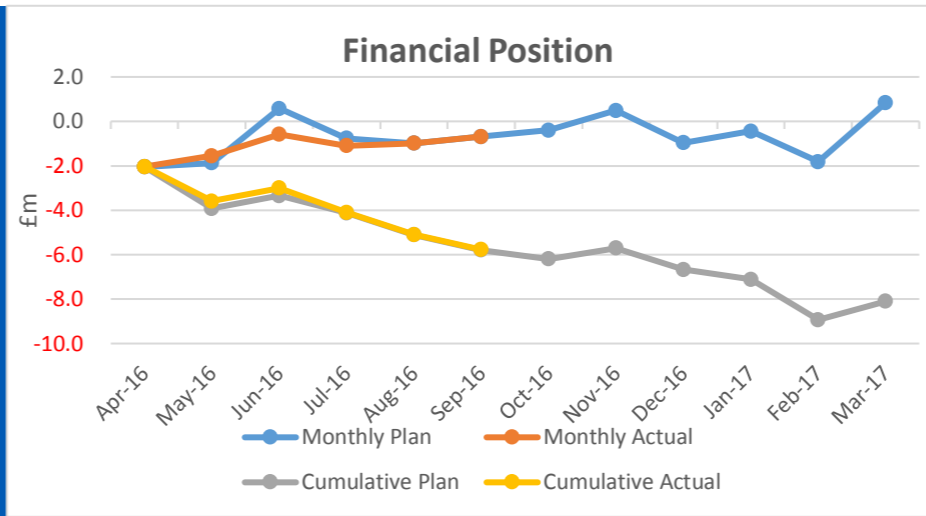


The cumulative capital spend of £1.6m is £0.5m below the planned spend of £2.1m.

Financial Position
Red: Deficit Position
Amber: Actual on or better than planned but still in deficit
Green: Surplus

Year to date surplus or deficit compared to plan.

The actual deficit in the month is £0.7m which increases the cumulative deficit to £5.8m



The cumulative deficit of £5.8m is in line with the planned deficit of £5.8m. Further detail can be found in Appendix 1.

Safely Reducing Costs & Mandatory Standards - Finance

Description

Aggregate Position

Trend

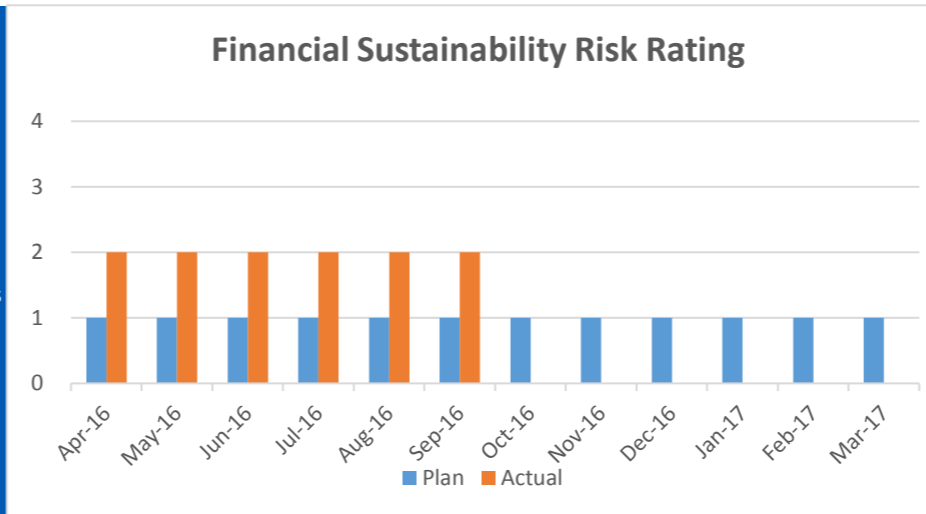
Variation

Financial Sustainability Risk Rating
Red: Risk Rating 1
Amber: Risk Rating 2
Green: Risk Rating 3 or 4

Year to date Financial Sustainability Risk Rating compared to plan.

The current Financial Sustainability Risk Rating is 2.

Capital servicing capacity, Liquidity and I&E margin are all at the highest risk (Level 1) whilst I&E margin as a percentage of plan is at the lowest risk (Level 4).



The current Financial Sustainability Risk Rating of 2 is better than the planned rating of 1.

Cost Improvement Programme - Plans in Progress
Red: Plan is less than 50% of annual plan
Amber: Plan is between 51% and 89% of annual plan
Green: Plan is over 90% of annual plan

Planned improvements in productivity and efficiency.

The Trust has a CIP target of £11m and delivery of £10.7m is currently assumed in the reforecast financial plan. To date the Trust has developed schemes worth £9.033m in year (£9.864m recurrently).

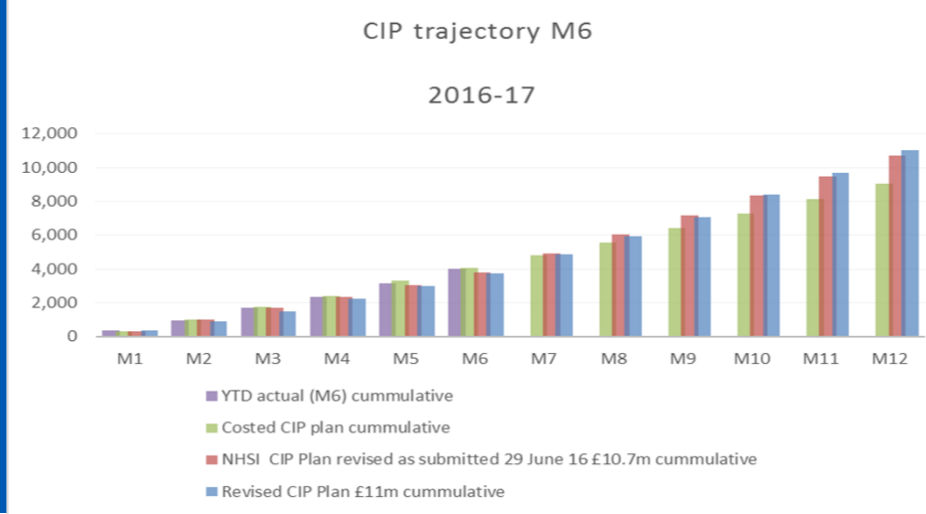
Clinical Business Units/Corporate Support areas	CIP Internal Target £11m £000s	CIP Costed PYE £000s	CIP Costed FYE £000s	% of internal target costed PYE
Surgery Women's & Children's	4,161	3,000	3,870	72%
Acute Care Services	4,516	3,649	3,686	81%
Schemes not allocated to CBUs	0	544	594	-
Controls	277	0	0	0%
Outpatients	121	121	182	100%
Corporate Support Areas	1,925	1,719	1,533	89%
Total Trust	11,000	9,033	9,864	83%

The part year effect of costed schemes is £9.033m which is £1.669m below plan. This is offset by £1.709m part year effect of cost avoidance schemes. The full year effect of costed schemes is £9.864m which is £0.838m below plan.

Cost Improvement Programme - Performance to date
Red: Cumulative savings less than 90% of planned savings
Amber: Cumulative savings between 90% and 100% of planned savings
Green: On or above plan

Year to date cost savings delivered compared to plan.

The savings delivered in month are £0.858m which increases the cumulative savings delivered to £4.028m



The cumulative savings of £4.028m are ahead of the planned savings of £3.785m.

Safely Reducing Costs & Mandatory Standards - Finance

Description

Aggregate Position

Trend

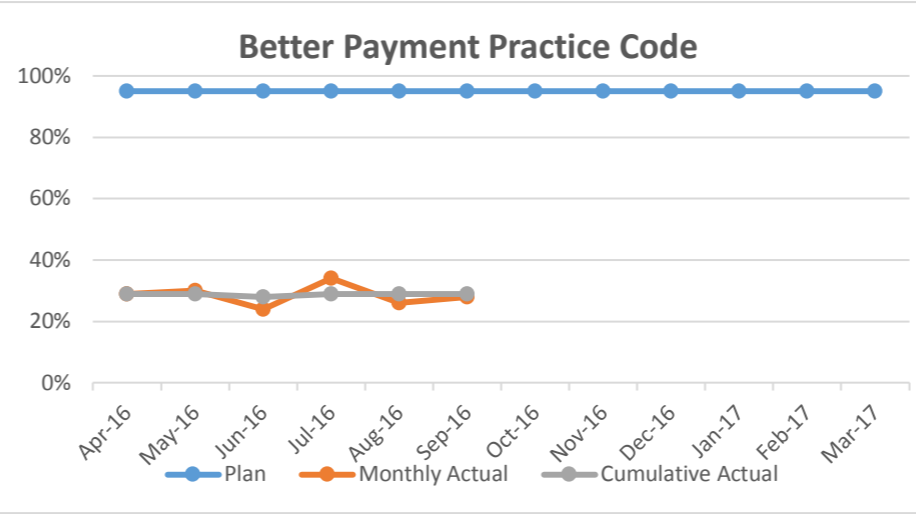
Variation

Better Payment Practice Code

Red: Cumulative performance below 85%
Amber: Cumulative performance between 85% and 95%
Green: Cumulative performance 95% or better

Payment of non NHS trade invoices within 30 days of invoice date compared to target.

In month the Trust has paid 28% of suppliers within 30 days which maintains the year to date performance at 29%.

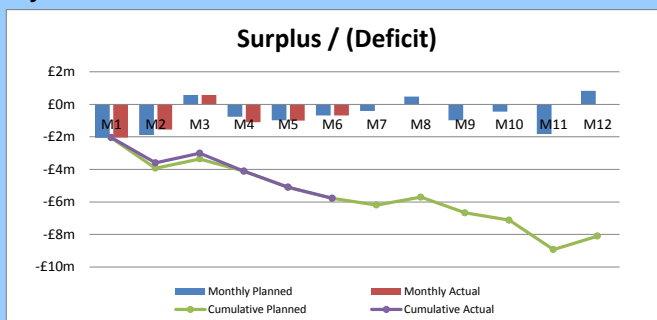
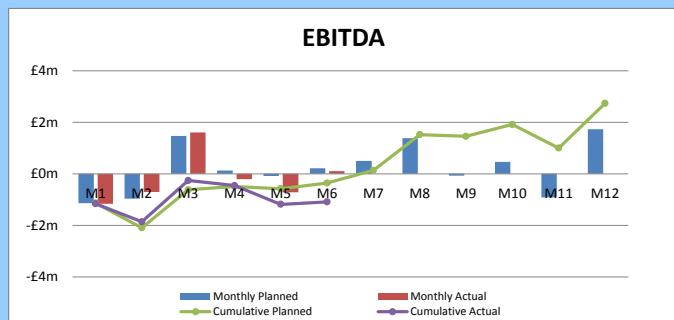


The cumulative position of 29% is 66% below the national standard of 95%, this is due to the low cash balance and the need to manage cash very closely.

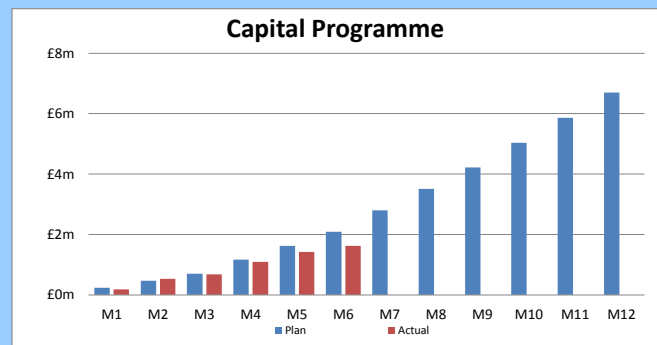
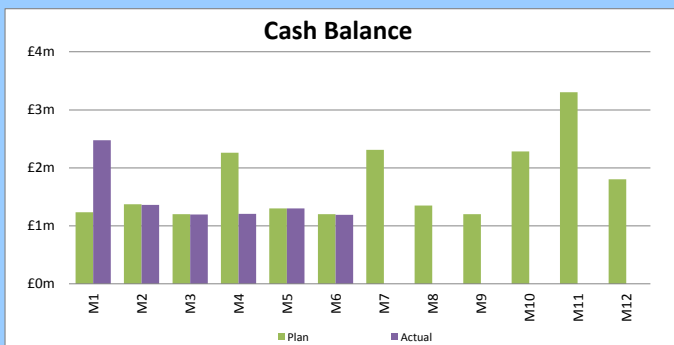
Warrington & Halton Hospitals NHS Foundation Trust

Finance Dashboard as at 30th September 2016 (Part A)

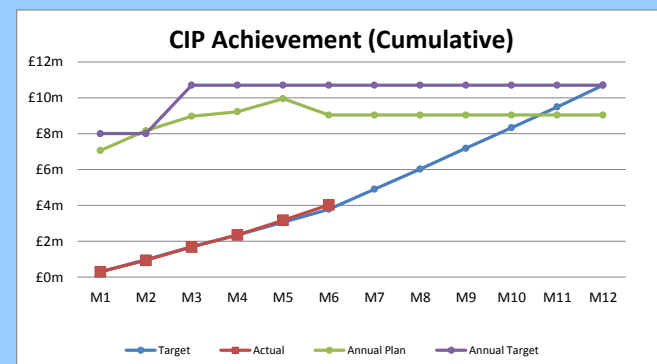
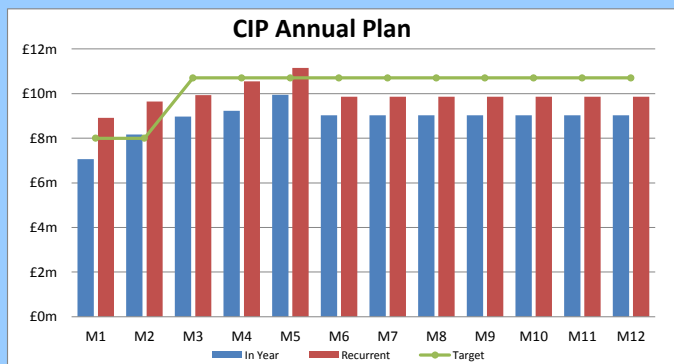
Profitability



Cash and Investment



Cost Improvement Analysis



Divisional Position (net divisional income and expenditure)

Division	Annual Budget £000	Budget in month £000	Actual in month £000	Variance in month £000	Variance in month %	Budget to date £000	Actual to date £000	Variance to date £000	Variance date %
Clinical									
Surgery, Women's & Children's Health	81,843	6,906	7,148	-243	-3.5	42,215	41,903	312	0.7
Acute Care Services	78,199	6,605	6,956	-352	-5.3	39,769	41,882	-2,112	-5.3
Outpatients	3,617	304	300	4	1.5	1,805	1,949	-145	-8.0
Corporate									
Central Operations	150	12	13	-1	-10.6	76	74	2	2.8
Estates and Facilities	14,919	1,180	1,247	-68	-5.7	7,252	7,229	23	0.3
Finance	13,520	1,128	1,146	-18	-1.6	6,690	6,712	-23	-0.3
HR and OD	4,374	361	353	8	2.2	2,179	2,279	-100	-4.6
Information Technology	4,120	342	333	9	2.6	2,033	1,988	45	2.2
Nursing and Governance	1,504	119	123	-4	-3.5	732	775	-43	-5.9
Pharmacy	4,050	341	311	29	8.6	1,971	1,912	59	3.0
PMO	415	36	81	-45	-122.5	198	244	-46	-23.1
Research and Development	56	5	5	0	0.0	27	27	0	0.0
Strategy, Partnerships & Comms	1,166	96	101	-6	-5.9	576	606	-31	-5.4
Trust Executive	2,758	259	203	56	21.7	1,592	1,636	-44	-2.8
Total	210,690	17,693	18,322	-629	-3.6	107,114	109,217	-2,103	-2.0

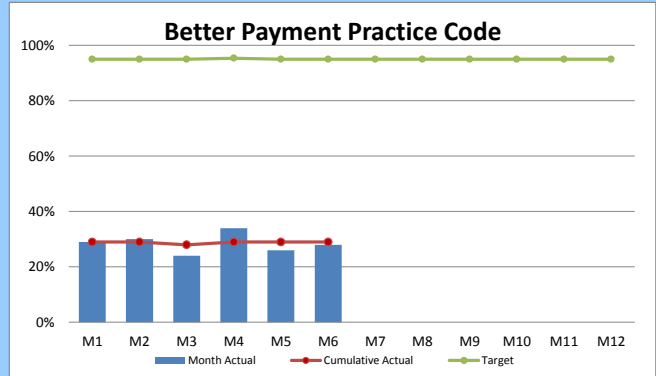
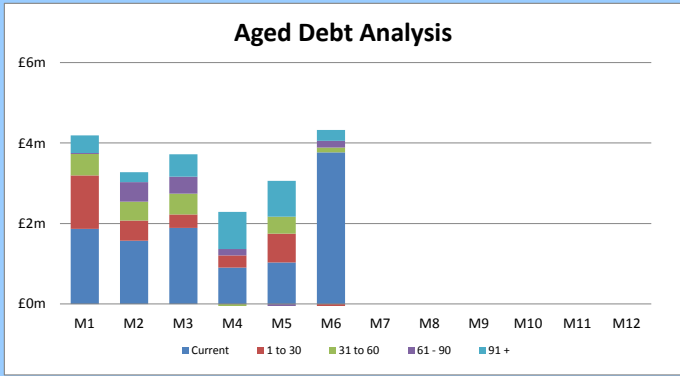
Positive variance = underspend, negative variance = overspend.

Financial Sustainability Risk Rating

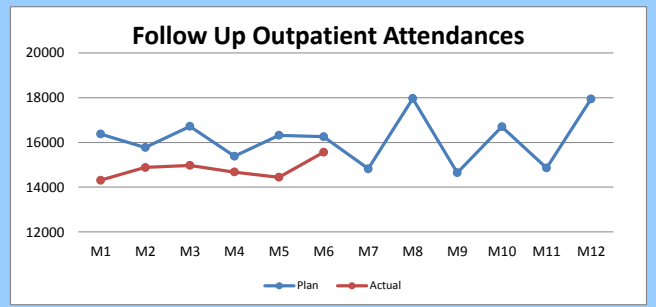
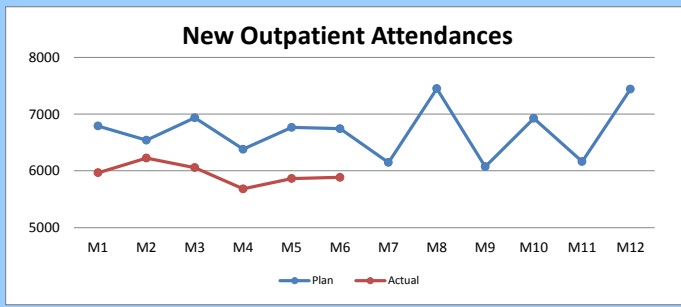
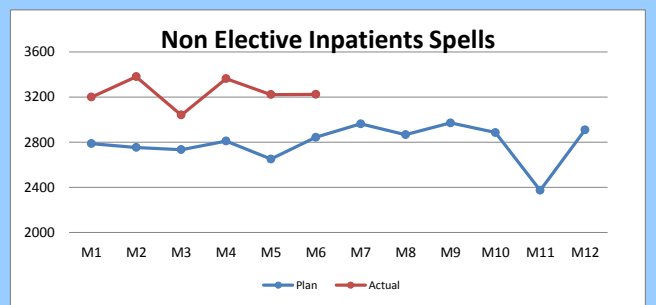
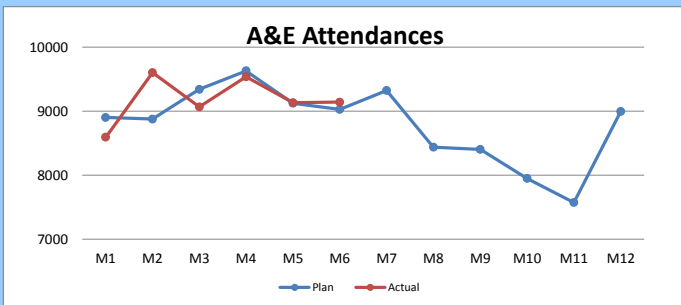
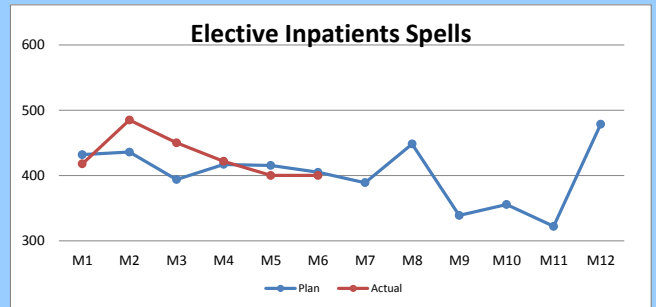
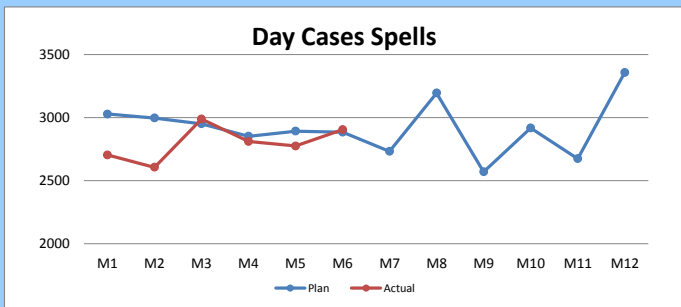
Financial Sustainability Risk Rating	Actual Metric	Actual Rating
Capital Servicing Capacity (times)	-0.5	1
Liquidity Ratio (days)	-28.5	1
Income & Expenditure Margin (%)	-5.0%	1
Income & Expenditure Margin as a % of plan (%)	0.1%	4
Overall Risk Rating		2

Finance Dashboard as at 30th September 2016 (Part B)

Balance Sheet and Liquidity



Activity Analysis



Income Statement, Activity Summary and Risk Ratings as at 30th September 2016

Income Statement	Month			Year to date			Forecast		
	Budget £000	Actual £000	Variance £000	Budget £000	Actual £000	Variance £000	Budget £000	Actual £000	Variance £000
Operating Income									
NHS Clinical Income									
Elective Spells	3,194	3,018	-176	19,331	18,505	-827	38,384	37,887	-497
Elective Excess Bed Days	15	16	1	92	95	3	178	184	6
Non Elective Spells	4,371	4,450	79	25,759	27,628	1,869	51,946	55,006	3,060
Non Elective Excess Bed Days	318	512	194	1,856	2,370	514	3,756	4,797	1,040
Outpatient Attendances	3,036	3,082	46	17,758	17,528	-231	35,877	35,072	-805
Accident & Emergency Attendances	1,026	1,113	87	6,237	6,415	178	12,015	12,554	539
Other Activity	5,515	5,446	-69	32,737	31,812	-924	66,120	65,560	-560
Sub total	17,475	17,637	163	103,771	104,352	582	208,276	211,061	2,784
Non NHS Clinical Income									
Private Patients	9	3	-6	53	43	-10	106	106	0
Other non protected	107	108	1	642	610	-32	1,284	1,284	0
Sub total	116	110	-6	695	653	-42	1,390	1,390	0
Other Operating Income									
Training & Education	600	843	243	3,600	3,866	266	7,200	7,731	531
Donations and Grants	0	0	0	0	0	0	0	0	0
Miscellaneous Income	897	926	29	5,263	5,634	370	10,805	11,611	806
Sub total	1,497	1,769	272	8,863	9,499	636	18,005	19,343	1,338
Total Operating Income	19,087	19,516	429	113,329	114,505	1,176	227,671	231,793	4,122
Operating Expenses									
Employee Benefit Expenses (Pay)	-13,664	-13,985	-321	-81,852	-82,333	-481	-161,957	-163,454	-1,498
Drugs	-1,244	-1,119	125	-7,589	-8,017	-428	-15,029	-15,991	-962
Clinical Supplies and Services	-1,667	-1,761	-94	-10,104	-10,655	-551	-19,754	-21,297	-1,543
Non Clinical Supplies	-2,298	-2,554	-256	-14,147	-14,589	-442	-28,201	-29,789	-1,588
Total Operating Expenses	-18,873	-19,419	-546	-113,691	-115,593	-1,902	-224,941	-230,532	-5,591
Surplus / (Deficit) from Operations (EBITDA)	214	97	-117	-362	-1,088	-726	2,731	1,261	-1,469
Non Operating Income and Expenses									
Profit / (Loss) on disposal of assets	0	0	0	0	0	0	0	0	0
Interest Income	2	1	-1	9	13	4	19	19	0
Interest Expenses	-38	-45	-7	-256	-214	41	-487	-487	0
Depreciation	-495	-433	61	-2,968	-2,601	367	-5,936	-5,202	734
PDC Dividends	-369	-301	68	-2,213	-1,806	407	-4,426	-3,612	814
Restructuring Costs	0	0	0	0	-78	-78	0	-78	-78
Impairments	0	0	0	0	0	0	0	0	0
Total Non Operating Income and Expenses	-900	-779	121	-5,427	-4,686	741	-10,830	-9,360	1,470
Initial Surplus / (Deficit)	-686	-682	5	-5,790	-5,774	14	-8,099	-8,099	1
Less depreciation on donated assets	15	15	0	90	90	0	180	180	0
Final Surplus / (Deficit)	-671	-667	5	-5,700	-5,684	14	-7,919	-7,919	1
Activity Summary	Planned	Actual	Variance	Planned	Actual	Variance	Planned	Actual	Variance
Elective Spells	3,289	3,304	15	20,104	19,365	-739	39,885	39,885	0
Elective Excess Bed Days	70	75	5	431	441	10	832	832	0
Non Elective Spells	2,842	3,224	382	16,573	19,427	2,854	33,536	33,536	0
Non Elective Excess Bed Days	1,461	2,388	927	8,520	10,779	2,259	17,240	17,240	0
Outpatient Attendances	28,230	27,684	-546	167,395	159,564	-7,831	335,701	335,701	0
Accident & Emergency Attendances	9,027	9,141	114	54,900	55,067	167	105,578	105,578	0
Financial Sustainability Risk Ratings	Planned Metric	Actual Metric	Variance Metric	Planned Metric	Actual Metric	Variance Metric	Planned Metric	Actual Metric	Variance Metric
Metrics									
Capital Servicing Capacity (Times)				-0.1	-0.5	-0.4	0.5	0.3	-0.2
Liquidity Ratio (Days)				-22.5	-28.5	-6.0	-26.4	-25.8	0.6
I&E Margin (%)				-5.1%	-5.0%	0.1%	-3.6%	-3.5%	0.1%
I&E Margin as % of plan (%)				-2.6%	0.1%	2.7%	-2.6%	0.1%	2.7%
Ratings									
Capital Servicing Capacity (Times)				1	1	0	1	1	0
Liquidity Ratio (Days)				1	1	0	1	1	0
I&E Margin (%)				1	1	0	1	1	0
I&E Margin as % of plan (%)				1	4	3	1	4	3
Financial Sustainability Risk Rating				1	2	1	1	2	1

Income and Activity to 30th September 2016

Summary by Point of Delivery

Point of Delivery Description	Annual		Year to Date			Year to Date		
	Planned Activity	Planned Income £	ACTIVITY			INCOME		
			Planned Activity	Estimated Activity	Activity Variance	Planned Income £	Estimated Income £	Income Variance £
Elective								
Elective Inpatients	4,832	15,982,630	2,499	2,575	76	8,084,133	7,642,152	-441,980
Elective Inpatients Excess Bed Days		178,369				92,253	95,080	2,826
Daycase	35,053	22,401,000	17,605	16,790	-815	11,247,151	10,862,442	-384,708
SUBTOTAL	39,885	38,562,000	20,104	19,365	-739	19,423,537	18,599,674	-823,862
Emergency								
Non Elective Inpatients	33,536	51,945,780	16,573	19,427	2,854	25,758,760	27,627,524	1,868,764
Non Elective Inpatients Excess Bed Days		3,756,270				1,856,241	2,370,319	514,078
SUBTOTAL	33,536	55,702,050	16,573	19,427	2,854	27,615,001	29,997,843	2,382,842
Outpatients								
New Outpatients	80,341	12,704,094	39,925	35,675	-4,250	6,286,702	5,573,218	-713,484
Follow Up Outpatients	193,757	14,851,457	96,688	88,838	-7,850	7,421,196	7,309,112	-112,085
Outpatient Telephone Clinics	18,070	443,348	9,030	9,736	706	221,541	237,718	16,177
Outpatient Procedures	36,915	7,123,035	18,446	22,662	4,216	3,451,365	4,108,996	657,631
Ward Attenders	6,618	755,297	3,307	2,653	-654	377,422	298,612	-78,810
SUBTOTAL	335,701	35,877,231	167,395	159,564	-7,831	17,758,226	17,527,656	-230,570
Other								
A&E Attendances	105,578	12,015,000	54,900	55,067	167	6,237,415	6,414,949	177,534
Pathology Direct Access	2,657,688	5,069,580	1,328,844	1,398,731	69,887	2,534,790	2,710,050	175,260
Radiology Direct Access (Excluding Unbundled)	31,462	944,420	15,731	17,163	1,432	472,210	564,426	92,216
Radiology Diagnostic Imaging (Unbundled)	30,387	2,322,060	15,418	14,799	-619	1,178,213	1,171,727	-6,487
Outpatient Unbundled Radiology & Echos	39,995	4,512,275	20,294	22,537	2,243	2,334,351	2,158,932	-175,419
Paediatric Diabetes		172,311				86,156	147,681	61,526
CPAP Consumables & Maintenance		146,144				73,072	67,963	-5,109
Critical Care (Neonatal)	4,306	2,453,701	2,153	2,157	4	1,226,851	1,084,858	-141,993
Critical Care Adult (Unbundled)	6,078	7,129,299	3,039	2,827	-212	3,564,649	3,298,505	-266,144
Chemotherapy (Unbundled)	761	212,000	381	331	-50	106,000	100,163	-5,837
Palliative Care (Unbundled)	8,284	993,859	4,142	6,083	1,941	496,930	719,340	222,410
Maternity Pathway	7,822	11,410,000	3,903	3,967	64	5,712,996	5,796,644	83,648
Excluded Drugs		9,026,000				4,513,000	5,156,506	643,506
All Other Services (including CQUIN)		21,728,350				10,437,337	8,835,536	-1,601,801
SUBTOTAL	2,892,362	78,135,000	1,448,805	1,523,662	74,857	38,973,969	38,227,279	-746,690
Total	3,301,483	208,276,280	1,652,876	1,722,018	69,142	103,770,732	104,352,452	581,720

Income and Activity to 30th September 2016

Summary by Division / Specialty

Division	Clinical Business Unit and Specialty	Annual		Year to Date			Year to Date		
		Planned Activity	Planned Income £	ACTIVITY			INCOME		
				Planned Activity	Estimated Activity	Activity Variance	Planned Income £	Estimated Income £	Income Variance £
Acute Care Services	<u>Airway, Breathing and Circulation</u>								
	Anaesthetics	413	27,488	206	223	17	13,736	17,748	4,012
	Cardiology	17,386	5,629,316	8,682	8,910	228	2,801,924	2,437,612	-364,313
	CPAP	0	146,144	0	0	0	73,072	67,963	-5,109
	Adult Critical Care	6,078	7,129,299	3,039	2,827	-212	3,564,649	3,298,505	-266,144
	Critical Care	877	882,005	434	667	233	436,422	700,557	264,135
	Respiratory Medicine	14,898	2,565,513	7,444	8,238	794	1,280,573	1,483,511	202,938
	Clinical Business Unit Block Income (ABC)	0	554,656	0	0	0	277,328	277,328	0
	SubTotal	39,652	16,934,420	19,805	20,865	1,060	8,447,704	8,283,223	-164,481
	<u>Diagnostics</u>								
	Haematology	58,355	3,038,581	29,169	25,794	-3,375	1,520,978	1,510,119	-10,859
	Direct Access Pathology	2,657,688	5,069,580	1,328,844	1,398,731	69,887	2,534,790	2,710,050	175,260
	Imaging - Direct Access Radiology (Excl U/B)	31,462	944,420	15,731	17,163	1,432	472,210	564,426	92,216
	Imaging - Direct Access Radiology Unbundled	30,387	2,322,060	15,418	14,799	-619	1,178,213	1,171,727	-6,487
	Imaging - Echo's and OP U/B	39,995	3,812,275	20,294	22,537	2,243	1,934,351	2,158,932	224,581
	CIP	0	700,000	0	0	0	400,000	0	-400,000
	Clinical Business Unit Block Income (D)	0	1,941,956	0	0	0	970,978	970,978	0
	SubTotal	2,817,888	17,828,872	1,409,456	1,479,024	69,568	9,011,520	9,086,232	74,712
	<u>Specialist Medicine</u>								
	Diabetic Medicine	11,930	1,105,114	5,961	5,150	-811	552,225	449,854	-102,371
Endocrinology	2,507	368,425	1,253	1,197	-56	184,189	176,110	-8,079	
Elderly Care	1,394	374,145	694	971	277	185,761	264,224	78,463	
Palliative Care Medicine (U/B)	108	22,935	54	44	-10	11,459	10,639	-820	
Sexual Health	2,807	419,783	1,403	1,355	-48	209,766	204,414	-5,352	
Stroke Medicine	1,006	184,602	503	493	-10	92,245	80,121	-12,125	
Clinical Business Unit Block Income (SM)	0	24,712	0	0	0	12,356	19,358	7,002	
SubTotal	19,751	2,499,715	9,867	9,210	-657	1,248,002	1,204,721	-43,281	
<u>Urgent and Emergency Care</u>									
Emergency Medicine	114,561	16,731,327	59,357	62,342	2,985	8,569,922	10,644,884	2,074,962	
General Internal Medicine	32,102	26,826,259	15,929	18,515	2,586	13,267,019	14,054,943	787,924	
Clinical Business Unit Block Income (UEC)	0	3,096,139	0	0	0	1,578,070	1,315,645	-262,425	
SubTotal	146,663	46,653,726	75,285	80,857	5,572	23,415,010	26,015,471	2,600,461	
Surgery, Women's & Children's	<u>Digestive Diseases</u>								
	Endoscopy	12,142	5,547,167	6,095	5,302	-793	2,787,392	2,363,541	-423,852
	Gastroenterology	10,813	2,286,621	5,405	4,988	-417	1,141,013	1,227,605	86,592
	General Surgery	26,472	12,850,243	13,223	13,389	166	6,426,376	7,171,171	744,795
	Clinical Business Unit Block Income (DD)	0	38,826	0	0	0	19,413	19,413	0
	SubTotal	49,426	20,722,857	24,723	23,679	-1,044	10,374,194	10,781,730	407,535
	<u>Musculoskeletal Care</u>								
	Pain Management	3,043	1,205,182	1,524	1,566	42	604,717	697,053	92,337
	Rheumatology	10,036	1,322,920	4,661	5,241	580	594,656	642,465	47,809
	Therapies	0	0	0	0	0	0	0	0
	Trauma and Orthopaedics	55,669	24,688,155	27,844	29,216	1,372	12,483,703	12,599,543	115,839
	Clinical Business Unit Block Income (MC)	0	2,922,023	0	0	0	1,461,012	1,461,012	0
	SubTotal	68,748	30,138,280	34,028	36,023	1,995	15,144,088	15,400,072	255,985
	<u>Specialist Surgerv</u>								
	Audiology	0	0	0	0	0	0	0	0
	ENT	16,691	3,284,027	8,343	7,587	-756	1,645,357	1,603,357	-42,000
	Maxillofacial Surgery	7,040	1,521,097	3,522	3,519	-3	762,704	758,898	-3,806
	Ophthalmology	47,557	7,478,949	23,779	22,956	-823	3,746,759	3,672,593	-74,166
	Ophthalmology - ARMD	5,264	2,150,751	2,636	2,956	320	1,076,986	1,211,122	134,136
	Ophthalmology - Halton Cataracts Contract	724	176,738	362	272	-90	88,669	36,703	-51,966
Optometry & Orthoptics	12,240	743,211	6,116	5,774	-342	371,376	359,349	-12,027	
Orthodontics	5,267	599,274	2,632	2,585	-47	299,457	311,550	12,093	
Urology	14,259	4,482,461	7,141	5,943	-1,198	2,253,827	2,068,702	-185,125	
Clinical Business Unit Block Income (SS)	0	1,228,230	0	0	0	614,115	523,893	-90,222	
SubTotal	109,041	21,664,737	54,532	51,592	-2,940	10,859,251	10,546,168	-313,083	
<u>Women's and Children's Health</u>									
Breast Surgery	8,199	2,013,591	4,102	3,537	-565	1,016,879	602,571	-414,308	
Maternity (Pathway)	7,938	11,428,813	3,961	3,985	24	5,722,363	5,813,456	91,093	
Obstetrics	151	139,731	74	90	16	69,195	66,831	-2,364	
Gynaecology	22,430	4,835,319	11,255	11,226	-29	2,475,044	2,431,281	-43,763	
Paediatrics	22,357	6,976,887	11,139	10,993	-146	3,461,620	3,470,857	9,237	
Neonatal Critical Care	4,306	2,453,701	2,153	2,157	4	1,226,851	1,084,858	-141,993	
Clinical Business Unit Block Income (WCH)	0	454,546	0	0	0	227,273	315,608	88,335	
SubTotal	65,381	28,302,588	32,684	31,988	-696	14,199,226	13,785,463	-413,763	
OTHER	OTHER Block Income								
	Ophthalmology - (Betsi Activity)	0	-1,335	0	0	0	-670	0	670
	CIP	0	2,703,280	0	0	0	1,095,836	0	-1,095,836
	Balance	147	-276,004	34	0	-34	-116,598	0	116,598
	BPT - Fracture NOF	0	322,062	0	0	0	159,154	102,290	-56,864
	BPT - Stroke	0	244,315	0	0	0	120,734	152,077	31,343
	BPT - Heart Failure	0	84,693	0	0	0	41,853	82,906	41,053
	NEL Readmissions	0	-876,053	0	0	0	-432,920	-433,433	-513
	NEL Average price provision	0	0	0	0	0	0	150,000	150,000
	Non Elective Marginal Rate	0	0	0	0	0	0	-140,956	-140,956
	STAR Excess Bed Days Income	2,858	664,550	1,412	0	-1,412	328,401	0	-328,401
	Paediatrics - Provision	0	0	0	0	0	0	0	0
	OPPROC Coding Provision	0	0	0	0	0	0	100,000	100,000
	Adjustment	0	0	0	0	0	0	0	0
	Paediatric Diabetes Best Practice Tariff	0	172,311	0	0	0	86,156	147,681	61,526
Excluded Drugs (including Blood Products)	0	9,026,000	0	0	0	4,513,000	5,156,506	643,506	
Income Risk Provisions	0	75,984	0	0	0	-418,846	-934,435	-515,590	
Contract Penalties, Challenges, AQNs and CQUIN Penalties	0	0	0	0	0	0	-1,083,240	-1,083,240	
CQUIN (Agreed Contract Value)	0	4,476,677	0	0	0	2,238,339	2,238,336	-3	
SubTotal	3,005	23,531,083	1,447	0	-1,447	11,071,738	9,249,373	-1,822,365	
TOTAL	3,319,556	208,276,280	1,661,826	1,733,238	71,412	103,770,732	104,352,452	581,720	

Divisional Position (net divisional income and expenditure) to 30th September 2016

Division	Annual Budget £000	Budget in month £000	Actual in month £000	Variance in month £000	Variance in month %	Budget to date £000	Actual to date £000	Variance to date £000	Variance date %
Clinical									
Surgery, Women's & Children's Health									
Digestive Diseases	32,259	2,629	2,789	-160	-6.1	16,488	16,119	369	2.2
Musculoskeletal Care	19,758	1,750	1,734	16	0.9	10,530	10,384	146	1.4
Women's and Children's Health	18,707	1,546	1,578	-32	-2.1	9,274	9,358	-84	-0.9
Specialist Surgery	10,577	943	1,015	-73	-7.7	5,637	5,803	-166	-2.9
Divisional Administration	541	37	32	5	14.2	285	240	45	15.8
Total Surgery, Women's & Children's Health	81,843	6,906	7,148	-243	-3.5	42,215	41,903	312	0.7
Acute Care Services									
Urgent and Emergency Care	15,367	1,279	1,471	-192	-15.0	7,671	8,181	-509	-6.6
Diagnostics	24,910	2,212	2,151	61	2.8	12,955	13,052	-97	-0.7
Airway Breathing and Circulation	20,106	1,667	1,781	-114	-6.8	10,017	10,275	-258	-2.6
Specialist Medicine	15,688	1,300	1,398	-98	-7.5	8,028	9,255	-1,227	-15.3
Discharge / Patient Flow	933	80	80	0	-0.6	445	456	-12	-2.6
Divisional Administration	1,195	66	75	-9	-12.8	653	663	-10	-1.6
Total Acute Care Services	78,199	6,605	6,956	-352	-5.3	39,769	41,882	-2,112	-5.3
Outpatients	3,617	304	300	4	1.5	1,805	1,949	-145	-8.0
Total Operational	163,659	13,815	14,404	-590	-4.3	83,788	85,734	-1,946	-2.3
Corporate									
Central Operations	150	12	13	-1	-10.6	76	74	2	2.8
Estates and Facilities	14,919	1,180	1,247	-68	-5.7	7,252	7,229	23	0.3
Finance	13,520	1,128	1,146	-18	-1.6	6,690	6,712	-23	-0.3
HR and OD	4,374	361	353	8	2.2	2,179	2,279	-100	-4.6
Information Technology	4,120	342	333	9	2.6	2,033	1,988	45	2.2
Nursing and Governance	1,504	119	123	-4	-3.5	732	775	-43	-5.9
Pharmacy	4,050	341	311	29	8.6	1,971	1,912	59	3.0
PMO	415	36	81	-45	-122.5	198	244	-46	-23.1
Research and Development	56	5	5	0	0.0	27	27	0	0.0
Strategy, Partnerships & Comms	1,166	96	101	-6	-5.9	576	606	-31	-5.4
Trust Executive	2,758	259	203	56	21.7	1,592	1,636	-44	-2.8
Total Corporate	47,031	3,879	3,918	-39	-1.0	23,325	23,483	-158	-0.7
Total	210,690	17,693	18,322	-629	-3.6	107,114	109,217	-2,103	-2.0

Cash Flow Statement as at 30th September 2016

	Actual April £000's	Actual May £000's	Actual June £000's	Actual July £000's	Actual August £000's	Actual September £000's	Forecast October £000's	Forecast November £000's	Forecast December £000's	Forecast January £000's	Forecast February £000's	Forecast March £000's	Annual Position £000's
Surplus/(deficit) after tax	(2,024)	(1,538)	600	(1,083)	(973)	(666)	(387)	499	(952)	(427)	(1,799)	831	(7,918)
Non-cash flows in operating surplus/(deficit)													
Finance (income)/charges	21	26	30	33	46	45	42	42	42	42	42	58	468
Donations & grants received of PPE & intangible assets (not cash)													0
Depreciation and amortisation	418	417	607	480	170	419	490	490	490	490	490	797	5,756
Impairment losses/(reversals)													0
(Gain)/loss on disposal of property plant and equipment													0
PDC dividend expense	369	369	369	369	29	301	369	369	369	369	369	776	4,426
Other increases/(decreases) to reconcile to profit/(loss) from operations	12	19	1	0	0	3	(90)	(3)	(3)	(3)	(3)	(55)	(122)
Non-cash flows in operating surplus/(deficit), Total	820	831	1,007	882	245	768	810	897	897	897	897	1,575	10,528
Operating Cash flows before movements in working capital	(1,204)	(707)	1,607	(201)	(728)	102	423	1,397	(54)	470	(902)	2,407	2,609
Increase/(Decrease) in working capital													
(Increase)/decrease in inventories	(17)	12	(40)	139	238	(189)						(143)	0
(Increase)/decrease in NHS Trade Receivables	(1,201)	1,215	(511)	1,145	263	(2,179)	25	25	25	25	25	2,343	1,200
(Increase)/decrease in Non NHS Trade Receivables	220	(288)	(140)	464	(211)	(40)						(5)	0
(Increase)/decrease in other related party receivables	(282)	221	26	(86)	133	(44)						32	0
(Increase)/decrease in other receivables	712	5	(194)	(518)	(57)	115						(63)	0
(Increase)/decrease in accrued income	2,047	(173)	(2,523)	(1,547)	1,265	1,087	2,606	(2,327)	(863)	2,638	11	(2,221)	0
(Increase)/decrease in prepayments	(1,958)	166	(126)	(223)	34	(264)	100	100	100	100	100	1,871	0
Increase/(decrease) in Deferred Income (Govt. Grants)	(1,643)	(1,198)	(167)	15	16	409						667	1,901
Increase/(decrease) in Current provisions	7	5	3	(16)	0	4						0	(42)
Increase/(decrease) in Trade Creditors	2,739	(2,273)	(127)	425	(218)	461	(2,823)	600	1,281	(1,407)	1,962	(2,131)	(1,511)
Increase/(decrease) in Other Creditors	(99)	4	192	(85)	24	1,167						(1,203)	0
Increase/(decrease) in accruals	(209)	517	391	235	(858)	763						(839)	0
Increase/(decrease) in other Financial liabilities (borrowings)	(27)	23	(28)	(29)	(20)	62						19	0
Increase/(decrease) in Other liabilities (VAT, Social Security and Other Taxes)	319	(52)	120	(121)	(1,011)	(81)						826	0
Increase/(decrease) in Other liabilities (charitable assets)													0
Increase/(Decrease) in working capital, Total	608	(1,816)	(3,124)	(202)	(402)	1,271	(92)	(1,602)	543	1,356	2,765	345	(350)
Increase/(decrease) in Non-current provisions	(23)	6	5	(23)	5	6	(16)	(17)	(17)	(17)	(17)	(89)	(197)
Net cash inflow/(outflow) from operating activities	(619)	(2,517)	(1,512)	(426)	(1,125)	1,379	315	(222)	472	1,809	1,846	2,663	2,063
Net cash inflow/(outflow) from investing activities													
Net cash inflow/(outflow) from investing activities													
Property - new land, buildings or dwellings	0	0	0	0	0	0	0	0	0	0	0	0	0
Property - maintenance expenditure	(123)	(237)	(150)	(81)	(58)	(131)	(150)	(150)	(150)	(170)	(170)	(230)	(1,800)
Plant and equipment - Information Technology	(47)	(48)	7	(163)	(266)	(49)	(110)	(110)	(110)	(160)	(170)	(94)	(1,320)
Plant and equipment - Other	0	(77)	0	(178)	0	(18)	(425)	(425)	(425)	(465)	(490)	(1,077)	(3,580)
Plant and equipment - AUC	(7)	7	0	0	0	0							0
Increase/(decrease) in Capital Creditors	10	155	(135)	69	(28)	56	60	60	60	75	75	243	700
Net cash inflow/(outflow) from investing activities, Total	(167)	(200)	(278)	(353)	(352)	(142)	(625)	(625)	(625)	(720)	(755)	(1,158)	(6,000)
Net cash inflow/(outflow) before financing	(786)	(2,717)	(1,790)	(779)	(1,477)	1,237	(310)	(847)	(153)	1,089	1,091	1,505	(3,937)
Net cash inflow/(outflow) from financing activities													
Net cash inflow/(outflow) from financing activities													
Public Dividend Capital received													0
Public Dividend Capital repaid													0
PDC Dividends paid	0	0	0	0	0	(1,205)	0	0	0	0	0	(3,221)	(4,426)
Interest (paid) on non-commercial loans	0	(68)	0	0	(17)	(44)	0	(107)	0	0	(16)	45	(207)
Interest element of finance lease rental payments - other	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(5)	(41)
Capital element of finance lease rental payments - other	(31)	(31)	(31)	(31)	(31)	(31)							186
Interest received on cash and cash equivalents	3	2	2	2	2	2	2	2	2	1	1	(1)	19
Drawdown of non-commercial loans	608	1,753	1,728	762	1,636	0	1,431	0	0	0	0	0	7,918
Repayment of non-commercial loans					(53)	(64)	0	0	0	0	(53)	64	(106)
(Increase)/decrease in non-current receivables	103	(52)	(71)	62	34	0						(76)	0
Other cash flows from financing activities													0
Net cash inflow/(outflow) from financing activities, Total	680	1,601	1,625	792	1,568	(1,345)	1,429	(109)	(2)	(2)	(71)	(3,008)	3,156
Net increase/(decrease) in cash	(107)	(1,116)	(165)	13	91	(108)	1,120	(956)	(155)	1,087	1,020	(1,504)	(781)
Opening cash	2,583	2,476	1,361	1,196	1,208	1,299	1,191	2,311	1,355	1,199	2,286	3,306	2,583
Closing cash	2,476	1,361	1,196	1,208	1,299	1,191	2,311	1,355	1,199	2,286	3,306	1,802	1,802
Forecast cash position as per Original Monitor plan	1,238	1,371	1,200	2,261	1,303	1,200	2,311	1,355	1,200	2,286	3,306	1,802	
Actual cash position	2,476	1,361	1,196	1,208	1,299	1,191	2,311	1,355	1,199	2,286	3,306	1,802	
Variance	1,238	(11)	(4)	(1,053)	(4)	(9)	(0)	(0)	(0)	0	(0)	1	

Statement of Position as at 30th September 2016

Narrative	Audited position as at 31/03/16 £000	Actual Position as at 31/08/16 £000	Actual Position as at 30/09/16 £000	Monthly Movement £000	Forecast Position as at 31/03/17 £000
ASSETS					
Non Current Assets					
Intangible Assets	2,319	2,147	2,114	-33	734
Property Plant & Equipment	133,041	132,466	132,265	-201	145,555
Other Receivables	1,275	1,199	1,199	0	1,336
Impairment of receivables for bad & doubtful debts	-281	-264	-264	0	-131
Total Non Current Assets	136,354	135,548	135,314	234	147,494
Current Assets					
Inventories	3,435	3,103	3,292	189	3,312
NHS Trade Receivables	2,083	1,172	3,351	2,179	3,126
Non NHS Trade Receivables	890	845	885	40	564
Other Related party receivables	426	414	458	44	585
Other Receivables	1,737	1,809	1,702	-107	1,864
PDC Dividend debtor	379	0	0	0	0
Impairment of receivables for bad & doubtful debts	-385	-422	-430	-8	-321
Accrued Income	3,241	4,172	3,085	-1,087	882
Prepayments	1,261	3,368	3,632	264	1,698
Cash held in GBS Accounts	2,566	1,269	1,159	-110	1,777
Cash held in commercial accounts	0	0	0	0	0
Cash in hand	17	30	32	2	25
Total Current Assets	15,650	15,760	17,166	1,406	13,512
Total Assets	152,004	151,308	152,480	1,172	161,006
LIABILITIES					
Current Liabilities					
NHS Trade Payables	-1,994	-2,840	-2,601	239	-1,801
Non NHS Trade Payables	-6,802	-6,502	-7,202	-700	-10,582
Other Payables	-1,899	-1,866	-3,055	-1,189	-1,853
Other Liabilities (VAT, Social Security and Other Taxes)	-2,718	-1,973	-1,892	81	-2,906
Capital Payables	-126	-197	-253	-56	-2,299
Accruals	-6,662	-6,738	-7,501	-763	-5,765
Interest payable on non commercial int bearing borrowings	-46	-115	-93	22	0
PDC Dividend creditor	0	-1,126	-222	904	-76
Deferred Income	-4,624	-1,647	-2,056	-409	-974
Provisions	-364	-363	-367	-4	-256
Loans non commercial	-107	-6,540	-6,593	-53	0
Borrowings (finance lease)	-323	-347	-347	0	-185
Total Current Liabilities	-25,665	-30,254	-32,182	-1,928	-26,697
Net Current Assets (Liabilities)	-10,015	-14,494	-15,016	-522	-13,185
Non Current Liabilities					
Loans non commercial	-15,693	-15,694	-15,641	53	-23,614
Provisions	-1,334	-1,304	-1,310	-6	-1,198
Borrowings (finance lease)	-1,008	-845	-817	28	-703
Total Non Current Liabilities	-18,035	-17,843	-17,768	75	-25,515
TOTAL ASSETS EMPLOYED	108,304	103,211	102,530	-681	108,794
TAXPAYERS AND OTHERS EQUITY					
Taxpayers Equity					
Public Dividend Capital	87,742	87,742	87,742	0	87,742
Retained Earnings	-13,707	-18,800	-19,481	-681	-24,025
Sub total	74,035	68,942	68,261	-681	63,717
Other Reserves					
Revaluation Reserve	34,269	34,269	34,269	0	45,077
Sub total	34,269	34,269	34,269	0	45,077
TOTAL TAXPAYERS AND OTHERS EQUITY	108,304	103,211	102,530	-681	108,794

Aged Debt Analysis as at 30th September 2016

Current month

	No. of Invoices	Current	1-30 - Overdue	31-60 - Overdue	61-90 - Overdue	91-120 - Overdue	121-180 - Overdue	181-360 - Overdue	361+ Overdue	Total Debt
NHS		3,293,690	-202,215	86,917	155,776	342	36,626	-31,137	24,169	3,364,169
Non NHS		475,315	118,078	28,944	16,300	27,293	59,187	39,475	113,599	878,191
	729	3,769,005	-84,136	115,860	172,076	27,635	95,814	8,338	137,768	4,242,360
Percentage debt - by age (individual)		89%	-2%	3%	4%	1%	2%	0%	3%	100%
Percentage debt - by age (cumulatively)		89%	87%	90%	94%	94%	97%	97%	100%	
Previous month	794	1,030,435	714,745	424,828	-45,802	99,602	661,247	-9,836	143,098	3,018,317
Change on previous month (-ve is a reduction on last month)	-65	2,738,570	-798,881	-308,968	217,877	-71,967	-565,434	18,174	-5,330	1,224,043

Customer	No. of Invoices	Current	1-30 - Overdue	31-60 - Overdue	61-90 - Overdue	91-120 - Overdue	121-180 - Overdue	181-360 - Overdue	361+ Overdue	Total Debt	Paid to 05.10.16	Revised Debt
NHS WARRINGTON CCG	3	1,118,545	0	0	0	15,915	0	0	0	1,134,460		1,134,460
NHS ENGLAND	36	746,404	44,970	18,579	77,653	45,615	11,506	28,660	0	973,387	-386,875	586,512
HALTON BOROUGH COUNCIL	6	320,169	0	0	0	0	1,441	0	0	321,611		321,611
WARRINGTON BOROUGH COUNCIL	11	6,213	109,675	15,207	24,216	15,609	0	0	46,036	216,957	-104,400	112,557
BRIDGEWATER COMM HEALTHCARE FOUNDATION TRUST	38	104,743	60,900	12,873	24,306	4,306	0	1,128	4,953	213,209	-66,813	146,396
5 BOROUGH PARTNERSHIP NHS FT	19	84,228	-9,522	0	20,000	0	0	8,213	18,481	121,400	-91,339	30,061
NHS WIGAN BOROUGH CCG	1	116,690	0	0	0	0	0	0	0	116,690		116,690
ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST	10	107,870	0	51	0	4,876	0	0	0	112,797		112,797
NHS HALTON CCG	9	432,159	-334,243	7,091	32	0	0	0	0	105,039		105,039
NHS WEST CHESHIRE CCG	1	94,320	0	0	0	0	0	0	0	94,320		94,320
NHS VALE ROYAL CCG	2	65,585	0	0	0	1	0	0	0	65,586		65,586
ST HELENS AND KNOWSLEY HOSPITALS NHS TRUST	11	60,472	0	0	0	0	0	0	0	60,472	-153	60,318
NHS TRAFFORD CCG	2	62,547	0	0	0	-7,378	0	0	0	55,169		55,169
THE WALTON CENTRE NHS FOUNDATION TRUST	9	20,304	29,498	1,189	0	0	0	0	0	50,991		50,991
THE CLATTERBRIDGE CANCER CENTRE NHS FT	11	47,389	0	0	-83	0	0	234	735	48,275		48,275
Other Debtors	560	381,368	14,586	60,870	25,951	-51,309	82,866	-29,898	67,564	551,998		551,998
	729	3,769,005	-84,136	115,860	172,076	27,635	95,814	8,338	137,768	4,242,360	-649,580	3,592,780

Analysis of Aged Creditors as at 30th September 2016

Current month

	No. of Invoices	Current	1-30 Overdue	31-60 Overdue	61-90 Overdue	91+ Overdue	Total
NHS	658	583,419	339,426	577,194	341,074	759,939	2,601,052
Non NHS Trade	6,248	3,218,659	2,283,094	842,593	391,900	465,445	7,201,692
Non NHS Other	21	931	28,282	33,497	24,493	19,642	106,845
	6,927	3,803,009	2,650,802	1,453,284	757,468	1,245,026	9,909,589
Percentage Credit - by age (individual)		38.4%	26.7%	14.7%	7.6%	12.6%	100%
Percentage Credit - by age (cumulatively)		38.4%	65.1%	79.8%	87.4%	100.0%	
Previous month	7,225	3,810,829	2,807,995	1,262,513	317,684	1,229,930	9,428,951
Change on previous month (-ve is a reduction on last month)	-298	-7,820	-157,193	190,772	439,784	15,096	480,638

Analysis of the largest 15 creditors (by value (£)) as at 30th September 2016

	Current	1-30 Overdue	31-60 Overdue	61-90 Overdue	91+ Overdue	Total	Paid to 06.10.16	Revised Value
NHS PROFESSIONALS LTD	748,349	322,573	0	0	0	1,070,922	-695,956	374,966
ST HELENS & KNOWSLEY HOSPITALS NHS TRUST	307,728	106,762	327,405	146,492	151,233	1,039,620	-140,444	899,176
NHS SUPPLY CHAIN	214,202	166,312	164,695	0	0	545,209	-166,312	378,897
JOHNSON & JOHNSON MEDICAL LTD	108,730	53,546	86,673	39,085	-4,589	283,445	-71,723	211,722
ROYAL LIVERPOOL&BROADGREEN UNIVERSITY HOSPITALS NHS TRUST (THE)	49,883	33,878	26,770	53,777	41,378	205,685	-12,505	193,180
COMMUNITY HEALTH PARTNERSHIPS	0	0	0	0	177,203	177,203		177,203
CYNERGIN	175,614	0	0	0	0	175,614		175,614
COUNTESS OF CHESTER HOSPITAL NHS FOUNDATION TRUST	544	2,639	36,339	1,085	126,940	167,546	-117,101	50,445
WIRRAL UNIVERSITY TEACHING HOSPITAL NHS FOUNDATION TRUST	25,272	4,011	14,989	0	108,277	152,548		152,548
ERNST & YOUNG LLP	0	4,686	1,333	144,535	0	150,554		150,554
LIVERPOOL HEART & CHEST HOSPITAL NHS TRUST	27,034	22,207	32,453	44,504	20,296	146,494	-20,296	126,198
BAYER PLC	0	118,269	20,593	0	0	138,861		138,861
NOVARTIS PHARMACEUTICALS UK LTD	27,325	109,962	0	0	0	137,287	-20,593	116,695
AINTREE UNIVERSITY HOSPITALS NHS FOUNDATION TRUST	7,184	4,119	10,095	5,161	105,297	131,856	-6,744	125,112
CENTRAL MANCHESTER UNIVERSITY HOSPITALS NHS FOUNDATION TRUST	21,963	13,519	12,397	22,936	60,911	131,725	-22,835	108,890
OTHER CREDITORS	2,089,183	1,688,317	719,542	299,893	458,081	5,255,017	-992,407	4,262,610
Total	3,803,009	2,650,802	1,453,284	757,468	1,245,026	9,909,589	-2,266,916	7,642,673

Analysis of the largest 15 creditors (by volume) as at 30th September 2016

	Current	1-30 Overdue	31-60 Overdue	61-90 Overdue	91+ Overdue	Total	Paid to 06.10.16	Revised Volume
JOHNSON & JOHNSON MEDICAL LTD	106	93	101	42	5	347	-77	270
MAWDSLEY BROOKS & CO LTD	55	127	25	0	0	207	-11	196
DEPUY SYNTHES	21	46	48	15	11	141	-21	120
MAX20 LTD	71	59	1	0	0	131	-17	114
PHOENIX HEALTHCARE DISTRIBUTION LTD	51	75	1	0	0	127	-23	104
H JENKINSON & CO LTD	42	48	20	2	6	118	-5	113
ONE TO ONE (NORTH WEST) LTD	9	12	7	10	71	109		109
THOMAS STONER SUPPLIES LTD	93	5	3	0	4	105	-14	91
PULSE HEALTHCARE LTD	55	42	0	0	0	97	-22	75
HEALTHCARE AT HOME LTD	86	3	0	0	0	89	-73	16
JJR ORTHOPAEDIC SERVICES	66	22	0	0	0	88	-22	66
ROYAL LIVERPOOL&BROADGREEN UNIVERSITY HOSPITALS NHS TRUST (THE)	14	13	11	13	26	77	-9	68
BOSTON SCIENTIFIC LTD	10	33	23	7	0	73	-16	57
ALLOGA UK LTD	41	32	0	0	0	73	-2	71
CENTRAL MANCHESTER UNIVERSITY HOSPITALS NHS FOUNDATION TRUST	6	7	11	10	38	72	-16	56
OTHER CREDITORS	2,079	1,592	711	287	404	5,073	-799	4,274
Total	2,805	2,209	962	386	565	6,927	-1,127	5,800



FINANCE AND SUSTAINABILITY COMMITTEE

Choose an item.

SUBJECT:	Finance Report as at 30th September 2016	
DATE OF MEETING:	19 th October 2016	
ACTION REQUIRED	For Discussion	
AUTHOR(S):	Steve Barrow, Deputy Director of Finance	
EXECUTIVE DIRECTOR:	Andrea Chadwick, Director of Finance & Commercial Development Choose an item.	
LINK TO STRATEGIC OBJECTIVES:	SO1: Ensure all our patients are safe in our care SO3: To give our patients the best possible experience SO4: To provide sustainable local healthcare services	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):	SO1/1.1 Risk of failure to achieve agreed national and local targets of all mandatory operational performance and clinical targets as defined in the Monitor Risk Assessment Framework SO4/4.2 Failure to maintain a liquidity ratio and capital servicing capacity necessary to deliver a financial sustainability risk rating of 3 on a quarterly basis; remain a going concern at all times; remain solvent and comply with section G6 of the licence. SO4/4.3 Failure to manage key contracts appropriately resulting in contract penalties or reduction in service standards; and failure of operational processes to deliver service to agreed contract targets, outputs or standard	
FREEDOM OF INFORMATION STATUS (FOIA):	Release Document in Full	
FOIA EXEMPTIONS APPLIED:	Choose an item. Choose an item. Choose an item.	
EXECUTIVE SUMMARY (KEY ISSUES):	For the period ending 30 th September 2016 the Trust has recorded a deficit of £5.8m, a cash balance of £1.2m and a Financial Sustainability Risk Rating score of 2. For year ending 31 st March 2017 the Trust is forecasting delivery of the £7.9m deficit control total.	
RECOMMENDATION:	<i>The Finance and Sustainability Committee is asked to note the contents of the report and the changes to the capital programme.</i>	
PREVIOUSLY CONSIDERED BY:	Committee	Choose an item. Not applicable
	Agenda Ref.	
	Date of meeting	
	Summary of Outcome	Choose an item.

FINANCE REPORT AS AT 30th SEPTEMBER 2016

1. PURPOSE

This report sets out the financial position of the Trust as at 30th September 2016.

2. EXECUTIVE SUMMARY

Year to date performance against key financial indicators is provided in the table below and further supplemented by the dashboard (Appendix A) and schedules (Appendices B to I) attached to this report. The planned key financial indicators have been updated to reflect the reforecast plan submitted to NHS Improvement on 29th June 2016.

Key financial indicators:

Indicator	Monthly Plan £m	Monthly Actual £m	Monthly Variance £m	YTD Plan £m	YTD Actual £m	YTD Variance £m
Operating income	19.1	19.5	0.4	113.3	114.5	1.2
Operating expenses	(18.9)	(19.4)	(0.5)	(113.7)	(115.6)	(1.9)
EBITDA	0.2	0.1	(0.1)	(0.4)	(1.1)	(0.7)
Non-operating income and expenses	(0.9)	(0.8)	0.1	(5.4)	(4.7)	0.7
Surplus / (deficit)	(0.7)	(0.7)	0.0	(5.8)	(5.8)	0.0
Cash balance	-	-	-	1.2	1.2	0.0
CIP target	0.7	0.8	0.1	3.8	4.0	0.2
Capital Expenditure	0.5	0.2	0.3	2.1	1.6	0.5
Financial Sustainability Risk Rating	-	-	-	1	2	1

Headlines:

- The monthly position is a deficit of £0.7m which is on plan. The year to date position is a deficit of £5.8m which is also on plan and delivers a Financial Sustainability Risk Rating score of 2.
- The annual cost savings target is £11.0m of which £10.7m is included within the reforecast financial plan. To date the planned savings target is £3.8m and £4.0m has been delivered (See agenda item Cost Improvement Report for further details).
- The planned capital expenditure to date is £2.1m and the actual spend to date is £1.6m (section 4).
- The cash balance is £1.2m per the planned balance of £1.2m. (section 5).
- The Better Payment Practice Code performance is 28% for the month and 29% for the year to date period (section 5).
- The value of aged debt is £4.2m (section 7).
- The value of aged creditors is £9.9m (section 8).
- The Trust has applied for a working capital loan of £7.9m in 2016/17 and until this application is approved the Trust has access to an interim revolving working capital facility. No loan was drawn down in September but £6.5m has been drawn down year to date (section 9).

- The Trust has not applied for a capital loan in 2016/17 (section 10).
- The forecast deficit is £7.9m which is in line with plan (section 12).

3. INCOME AND EXPENDITURE (APPENDIX B)

In September the Trust has recorded a deficit of £0.7m which is on plan. Year to date the deficit is £5.8m which is also on plan.

Operating Income

In month operating income is £0.4m above plan which increases the year to date operating income to £1.2m above plan. An analysis by income category is summarised in the table below.

Table: Analysis of monthly and year to date income variance by category.

Narrative	Monthly Variance £m	YTD Variance £m
NHS Clinical Income	0.1	0.6
Non NHS Clinical Income	0.0	0.0
Other Operating Income	0.3	0.6
Total Operating Income	0.4	1.2

Positive variance = above plan, negative variance = below plan.

Contracts Update

The performance access standards and improvement trajectories have now been agreed and the criteria to access the Sustainability and Transformation fund have been confirmed. The access standards cover the following targets:

- A&E 4 hour performance
- Referral to Treatment Times (RTT)
- 62 Day Cancer Waits
- 6 Weeks Diagnostics.

These targets will not be subject to national penalties in 2016/17 but in order to secure the appropriate share of the Sustainability and Transformation fund the Trust needs to deliver the agreed milestones included in the plan. All other national and local targets are subject to fines and penalties by commissioners.

The financial position does not include any fines or penalties relating to the STP trajectory (as described above). An assessment of non STP fines and penalties and non-achievement of CQUIN has been undertaken estimated at £1.1m year to date which is included in the financial position. Key areas are patient data errors, discharge summaries, cancelled operations and CQUIN schemes. Lead directors for have been assigned to each contract target to ensure greater focus on compliance leading to reduced fines and penalties. The incurrence of additional penalties, and/or non delivery of CQUIN are a risk to

delivery of the Trust’s control total. The value of the fines and penalties provision has not increased since last month which reflects the additional focus in this area.

Clinical Income

Sustainability & Transformational Fund

Access to the Trust’s £8.0m fund is dependent upon the Trust achieving a number of criteria that cover performance against both financial control totals and access standards. The financial control totals are a binary on/off switch to secure funding, in other words if the financial control total is not achieved then no funding is allocated for the access standards.

The £8.0m funding is split between financial control totals (70%) and access standards (30%) with the access standards weighted against RTT (12.5%), A&E (12.5%) and cancer days (5%). Diagnostics has been included as an improvement trajectory but carries a 0% weighting.

The funding is allocated at the end of every quarter based on performance and the amount due in each quarter against each standard is summarised in the table below.

Table: analysis of fund by category by quarter.

Category	Quarter 1 £m	Quarter 2 £m	Quarter 3 £m	Quarter 4 £m	Total £m
Financial	1.4	1.4	1.4	1.4	5.6
RTT	0.25	0.25	0.25	0.25	1.0
A&E	0.25	0.25	0.25	0.25	1.0
Cancer	0.1	0.1	0.1	0.1	0.4
Total	2.0	2.0	2.0	2.0	8.0

Tolerances on delivery of the access standards exist which are weighted towards the earlier part of the year when current performance is expected to be turned around. The tolerances are of 1.0% in quarter 2 and 0.5% in quarter 3 there is no tolerance in quarter 4. There are no tolerances around the quarterly finance control totals.

The finance aspect of the fund will operate on a cumulative basis so that if the trust misses the year to date control total in a quarter but achieves the control total in a subsequent quarter it could receive the full amount of funding. There is also the ability to recover the previous month’s access target for both RTT and A&E.

The clinical income plan for the month and year to date now includes the share of funding relating to the Sustainability and Transformation funding which increases the monthly plan by £0.7m each month. The actual income for the month and year to date assumes that the Sustainability & Transformation funding (£0.7m in month and £4.0m year to date) will be received in full as the control total for the period has been delivered and the trajectories for the access targets have been agreed and exceeded.

As at 30th September there are 2,780 uncoded elective, day case and non elective spells. This is an increase of 157 uncoded spells from the position as at 31st August. There are plans in place to ensure that the level of uncoded activity at month end reduces.

In month NHS clinical income is £0.1 above plan which increases the year to date NHS clinical income to £0.6m above plan with the variances across the points of delivery summarised in the table below.

Table: Analysis of monthly and year to date NHS clinical activity and income variances by category.

Narrative	Monthly Variance Activity	Monthly Variance £m	YTD Variance Activity	YTD Variance £m
Elective Spells	15	(0.2)	(739)	(0.8)
Elective Excess Bed Days	5	0.0	10	0.0
Non Elective Spells	382	0.1	2,854	1.9
Non Elective Excess Bed Days	927	0.2	2,259	0.5
Outpatient Attendances	(546)	0.0	(7,831)	(0.3)
Accident & Emergency Attendances	114	0.1	167	0.2
Other Activity	-	(0.1)	-	(0.9)
Total NHS Clinical Income	-	0.1	-	0.6

Positive variance = above plan, negative variance = below plan.

The non elective year to date over performance of £1.9m includes £1.8m year to date for ambulatory care with zero length of stay. This is part of an interim agreement up to 3rd September and both the trust and commissioners are in discussion regarding contracting arrangements on how this will work going forward.

The monthly and year to date variance by Division is summarised in the table below.

Table: Analysis of monthly and year to date income variances by Division.

Narrative	Monthly Variance £m	YTD Variance £m
Acute Care Services	0.1	2.5
Surgery, Women's and Children	0.0	(0.1)
Non divisional	0.0	(1.8)
Total	0.1	0.6

Positive variance = above plan, negative variance = below plan.

A year to date analysis of NHS clinical income by category and Division, Clinical Business Unit and specialty is available at Appendices C and D. The main headlines for each division are as follows:

Acute Care Services

The year to date position of £2.5m above plan is due to an over performance in Urgent & Emergency Care both in Emergency Medicine and General Internal Medicine. The over performance in Emergency Medicine relates to ambulatory care activity and income which is charged at a local tariff but no income target was included in the 2016/2017 plan.

Surgery, Women's and Children

The year to date position of £0.1m below plan is due to variances in the following CBUs:

Digestive Diseases – the year to date position of £0.4m above plan is mainly due to over performance in General Surgery however this includes elements of Breast Surgery activity. This is caused by the classification within Lorenzo but the CBU and Information team are seeking a solution.

Musculoskeletal Care – the year to date position of £0.2m above plan is mainly due to over performance in Trauma and Orthopaedics outpatient procedure and Pain Management activity.

Specialist Surgery – the year to date position of £0.3m below plan is mainly due to under performance in ENT, Ophthalmology and Urology activity partially offset by over performance in AMRD activity.

Women's & Children's Health – the year to date position is £0.4m below plan mainly due to Breast Surgery (see comment above) and Neo Natal Critical Care activity partially offset by an overperformance in Maternity activity.

Non divisional

The main reason for the year to date variance relates to the £1.1m provision for potential fines and penalties.

Non Mandatory / Non Protected Income

Year to date Private Patients and the Compensation Recovery Unit income is £0.04m below plan, mainly resulting from the number of claims submitted for recovery against the Compensation Recovery Unit.

Other Operating Income

Year to date other operating income is £0.6m above plan mainly due to an over recovery on the training and education target (as the draft 16/17 LDA has now been issued) and miscellaneous income relating to a range of service level agreements and recharges.

Operating Expenses

In month operating expenses are £0.5m worse than plan which has increased the year to date variance to £1.9m worse than plan. An analysis by expense type is summarised in the following table.

Table: Analysis of monthly and year to date income variance by category.

Narrative	Monthly Variance £m	YTD Variance £m
Pay	(0.3)	(0.5)
Drugs	0.1	(0.4)
Clinical Supplies	(0.1)	(0.6)
Non Clinical Supplies	(0.2)	(0.4)
Total Operating Expenses	(0.5)	(1.9)

Positive variance = below plan, negative variance = above plan.

Pay Costs

Pay costs in month are £14.0m which is £0.3m above plan and £0.6m more than August. The increase occurs in both substantive and temporary staffing. The year to date pay costs are £82.3m which is £0.5m above plan.

The pay spend includes the continued cost of temporary staffing including Bank, Agency and Locum costs, Waiting List Initiatives and additional hours paid at both plain time and overtime rates. To date the total cost of temporary spend is £11.1m which equates to £22.2m per annum. Reduction in temporary spend is a key feature of the cost savings target so it is vital that these costs are minimised as much as possible.

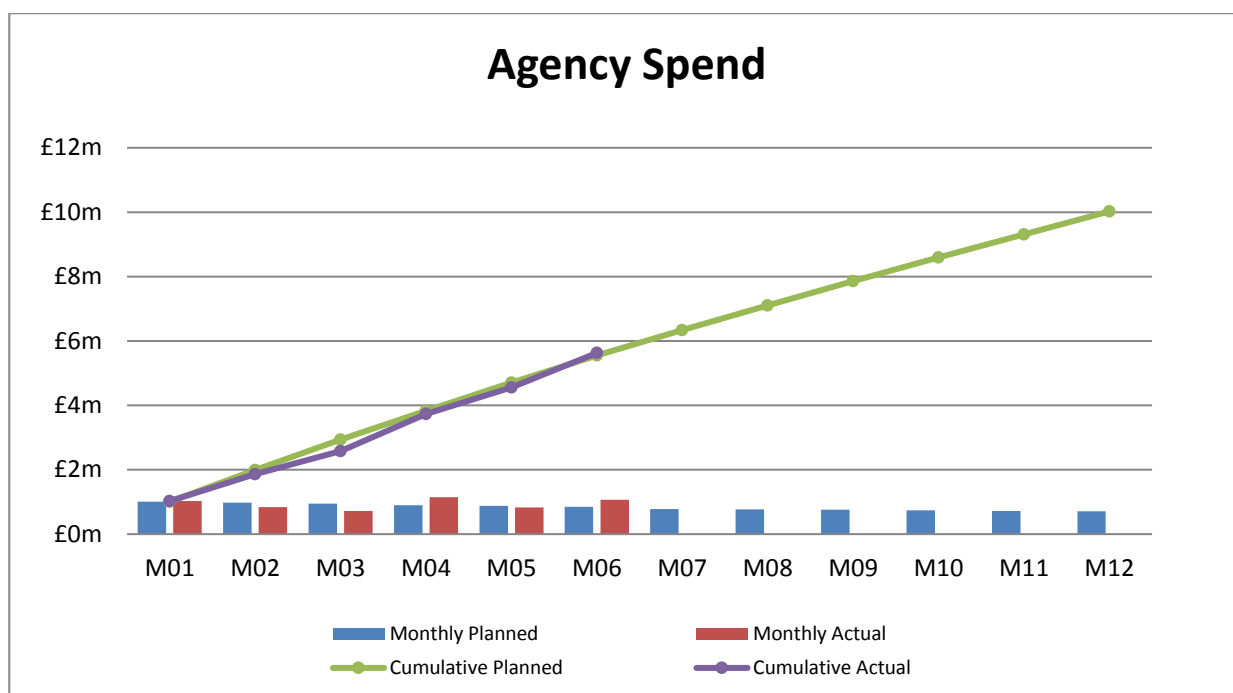
It should be noted that there are no recurrent cost pressures resulting from the move from the old divisional structure to the new CBU structure in respect of management, nursing and AHPs. The exercise relating to the medical staff has occurred in parallel to a protracted and complex job planning round for 2015/2016 however some smaller roles (with a proportionately smaller PA allocation have yet to be finalised. It has been proscribed that at worst the exercise is cost neutral however a number of other different areas have been addressed at once (including the strict application of the job planning policy and conversion of regular WLIs into additional PAs) and a paper that summarises the impact of management structures and job planning will be presented to the Committee in November.

The pay position for the period includes funding to cover two service pressures to 30th September 2016, namely the Anaesthetics Medical Staff on call and Acute Medical Unit rotas. As there is no funding earmarked for these pressures from 1st October onwards it is vital that alternative working solutions are introduced to eradicate these costs and avoid any unfunded cost pressures. Continuation of the current position will result in cost pressures of £0.5m for the period 1st October 2016 to 31st March 2017.

Agency

The annual plan submitted to NHSI included an annual agency spend (including locums) across all staff groups of £10.0m. To date the actual expenditure is £5.6m which is £0.1m above the £5.5m cumulative agency control total for the period. A reduction in agency spend is a key feature of the cost savings target so it is vital that agency costs are minimised across all divisions. The following graph summarises the monthly and year to date agency spend against the planned spend.

Graph: Analysis of monthly and cumulative agency spend.



It is important to note that with effect from 1st October 2016 the Finance and Use of Resources Risk Rating (that replaces the Financial Sustainability Risk Rating) now includes an agency ceiling metric so agency expenditure above the year to date ceiling may adversely affect the overall rating depending on performance in the other metrics.

Drugs Costs

Drug costs in month are £1.1m which is £0.1m below plan. The year to date cost is £8.0m which is £0.4m above plan. This overspend relates to excluded PbR drugs which are funded by commissioners, with the additional income shown against other income within NHS clinical income.

Clinical Supplies and Services

Clinical Supplies and Services costs in month are £1.8m which is £0.1m above plan. The year to date cost is £10.7m which is £0.6m above plan. This mainly relates to the over spend on pathology and radiology consumables and maintenance contracts and payments to Platform 7 for patient activity. These costs are being offset by additional income.

Non Clinical Supplies

Non Clinical Supplies costs in month are £2.6m which is £0.3m above plan. The year to date cost is £14.6m which is £0.4m above plan, mainly due to building and engineering works.

Divisional Performance

The financial position (net divisional income and expenditure) as at 30th September across all divisions is an over spend of £2.1m as summarised in the following table.

Table: Analysis of monthly and year to date divisional financial positions.

Division	Monthly Budget £m	Monthly Actual £m	Monthly Variance £m	YTD Budget £m	YTD Actual £m	YTD Variance £m
Acute Care	6.6	7.0	(0.4)	39.8	41.9	(2.1)
Surgery, Women's & Children's	6.9	7.1	(0.2)	42.2	41.9	0.3
Outpatients	0.3	0.3	0.0	1.8	1.9	(0.1)
Corporate	3.9	3.9	0.0	23.3	23.5	(0.2)
Total	17.7	18.3	(0.6)	107.1	109.2	(2.1)

Positive variance = below plan, negative variance = above plan.

An analysis of the monthly and year to date income and expenditure position by each division is included in the dashboard attached at Appendix A and an analysis by each Clinical Business Unit and Corporate Division is attached at Appendix E. The main headlines are as follows:

Acute Care Division

The year to date divisional expenditure overspend is £2.1m. However clinical income is over recovered by £2.5m and therefore the net position is a surplus of £0.4m.

All Clinical Business Units are overspent and the main reasons are due to nursing pay costs resulting from one to one nursing care (£0.5m), A4 escalation beds (£0.3m), Warrington Intermediate Care Unit (£0.4m), the Ambulatory Care Unit (£0.3m), covering vacancies and rota gaps in the Acute Medical Unit (£0.3m) and external diagnostic tests (0.2m).

Surgery, Women's and Children's Division

The year to date divisional expenditure underspend is £0.3m. However clinical income is under recovered by £0.1m and therefore the net position is a surplus of £0.2m.

Musculoskeletal Care and Digestive Diseases are underspent although this is partially offset by over spends in Specialist Surgery and Women's and Children's Health. The under spend is mainly due to the number of medical and non medical vacancies across the division.

Outpatients

The overspend is due to agency costs necessary to cover vacancies. A recruitment process to appoint substantive staff has commenced.

Corporate Divisions

The corporate divisions are £0.2m above plan year to date. The main overspends are within Human Resources & Organisational Development, Nursing & Governance, Programme Management Office and Trust Executives but are partly offset by underspends within Estates & Facilities, IT and Pharmacy.

It is vital that all managers take corrective action as soon as possible in order to ensure that services remain within the allocated resources.

Reserves

The Trust started the year with reserves of £19.9m including £9.1m related to high cost drugs that are funded non recurrently on a monthly basis dependent upon the spend. The remaining balance of £10.8m covers both committed reserves (£8.7m) and uncommitted reserves (£2.1m).

Committed Reserves - to date £6.1m has been transferred to divisions to fund agreed cost pressures leaving a balance of £2.6m of which £0.4m is not yet committed.

Uncommitted Reserves – to date £1.3m has been transferred to divisions to fund agreed costs pressures and developments leaving a balance of £0.8m of which £0.4m is not yet committed.

The annual and year to date position is summarised in the following table.

Table: Analysis of committed and uncommitted reserves (excluding high cost drugs).

Narrative	Committed £m	Uncommitted £m	Total £m
Annual Position			
Opening balance as at 1 st April	8.7	2.1	10.8
Transfer to Divisions (April to August)	(6.1)	(1.0)	(7.1)
Reserve balance as at 31st August	2.6	1.1	3.7
Transfer to Divisions (September)			
- Additional funding for IM&T	0.0	(0.2)	(0.2)
- Additional funding for EY work	0.0	(0.1)	(0.1)
Total Transfer to Divisions	0.0	(0.3)	(0.3)
Reserve balance as at 30 th September	2.6	0.8	3.4
Commitments	(2.2)	(0.4)	(2.6)
Reserve Balance Available	0.4	0.4	0.8

Non Operating Income and Expenses

Non operating income and expenses in month is £0.8m which is £0.1m below plan. The year to date cost is £4.7m which is £0.7m below plan. The variance is due to the reforecast of depreciation charges and PDC dividends. There is a £0.1m unfunded cost for restructuring expenses due to MARS payments however this is offset by a £0.1m underspend on interest expenses.

4. CAPITAL

The annual capital programme for the year is £6.7m which is a combination of in year internally generated depreciation and a carry forward of a £0.7m underspend from 2015/16.

The capital programme is under continual review by the Capital Planning Group. Following the latest review it has been established that the Automated Endoscopy Reprocessors scheme which had a value of £0.3m will not be completed this year and the CMTC CT Scanner scheme will probably cost circa £0.2m less than planned. This has therefore released £0.5m back into the capital programme. There have been two IM&T bids relating to desktop devices and network resilience, totaling £0.3m that have been submitted and approved by the Capital Planning Group.

The Committee is asked to note the changes to the capital programme.

The revised capital budget and performance to date is summarised in the table below. The capital spend to date is £1.6m which is £0.5m less than the planned spend of £2.1m.

Table: Analysis of performance against the revised capital programme.

Category	Annual Budget £m	Budget Changes £m	Revised Budget £m	Budget to date £m	Actual to date £m	Variance to date £m
Estates	1.8	0.0	1.8	0.6	0.8	(0.2)
IM&T	1.3	0.3	1.6	0.6	0.5	0.1
Medical Equipment	3.6	(0.5)	3.1	0.8	0.3	0.5
Contingency	0.0	0.2	0.2	0.1	0.0	0.1
Total	6.7	0.0	6.7	2.1	1.6	0.5

Positive variance = below plan, negative variance = above plan.

At the start of the year, as the Estates Strategy was put on pause due to the Trust's financial position, the Estates Capital Programme was informed by a thorough and robust risk assessment of the whole estate to ensure that there will be no legislative failures or safety concerns. Therefore much of the Estates capital programme relates to backlog maintenance schemes to ensure that the Trust complies with all these legislative and safety regulations.

5. CASH FLOW (APPENDIX F)

The cash balance as at 30th September was £1.2m which is on plan. The terms and conditions of the working capital facility require the Trust to have a minimum cash balance of £1.2m. The monthly movements are summarised in the table below.

Table: Summary of the monthly cash movement.

Cash balance movement	£m
Balance as at 1 st September	1.2
In month deficit	(0.7)
Non cash flows in operating surplus	0.7
Increase in trade receivables (debtors)	(2.2)
Increase in trade payables (creditors)	0.5
Capital expenditure	(0.2)
PDC Dividends	(1.2)
Other working capital movements	3.1
Balance as at 30th September	1.2

The operating performance continues to have an adverse effect on the amount of cash available to the Trust. At 30th September 2016 the value of trade creditors stands at £9.8m, although this is partially covered by the value of trade receivables at £4.2m.

The current cash balance of £1.2m equates to circa 2 days operational cash. The liquidity metric is -28.5 days which results in a liquidity rating of 1 under the Financial Sustainability Risk Rating criteria. Active management of the working balances continues in order to maintain a cash balance sufficient to pay creditors (see section 8 for further details).

Performance against the Non NHS Better Payment Practice Code (BPPC) is 28% in month and 29% for the year to date.

The actual cash flow movements for the year to date and cash plan to 31st March 2017 is detailed in Appendix F. The following table summarises the short term cash flow anticipated over the next 3 months which reflects the requirement of the loan to hold a balance of £1.2m.

Table: Short term cash flow movements.

Cash balance movement	October £m	November £m	December £m
Opening balance	1.2	1.2	1.2
In month surplus/(deficit)	(0.4)	0.5	(1.0)
Non cash flows in surplus/(deficit)	0.9	0.9	0.9
Movement in trade receivables	0.0	0.0	0.0
Movement in trade payables	(2.8)	0.6	1.3
Capital expenditure	(0.7)	(0.7)	(0.7)
Drawdown of working capital facility	1.4	0.0	0.0
Sustainability & Transformation Funding	0.0	2.0	0.0
Other working capital movements	1.6	(3.3)	(0.5)
Closing balance	1.2	1.2	1.2

The cash flow assumes that future Sustainability & Transformational quarterly payments will be achieved and received in accordance with the NHS Improvement guidance so Quarter 2 funding has been included in November in the table above.

Based upon the original control total the Trust applied for a working capital loan of £18.6m. This has been reduced in line with the revised control total to £7.9m. The revised control total requires receipt of the full £8.0m Sustainability & Transformation funding and the achievement in full of the additional £2.7m cost savings target.

6. STATEMENT OF FINANCIAL POSITION (APPENDIX G)

Non current assets have decreased by £0.2m in the month with depreciation charges exceeding capital spend.

Current assets have increased by £1.4m in the month mainly due to an increase in trade receivables partially offset by a decrease in accrued income.

Current liabilities have increased by £1.9m in the month mainly due to the increase in trade and other payables, accruals and deferred income partially offset by the decrease in the PDC creditor that was paid in the month.

Non current liabilities have remained constant during the month.

7. AGED DEBT (APPENDIX H)

Whilst aged debt has increased by £1.2m in the month to £4.2m, the overdue debt has decreased by £1.5m to £0.5m and of the overall increase £0.6m of debt has been recovered in early October.

8. AGED CREDITORS (APPENDIX I)

Aged creditors have increased by £0.5m in the month to £9.9m (with £6.1m overdue).

As at 30th September there are 6,927 invoices outstanding for payment with 4,122 overdue. The operating position reduces the amount of cash available to pay creditors in a timely manner and until the operating position improves the level of aged creditors will remain high. There is currently insufficient cash to pay all creditors. Priority is given to the payment of small local suppliers and then the selection criteria is based on the number, value and age of the invoices and the avoidance of potential interest charges levied by the creditors. The largest non NHS creditor by value is Johnson and Johnson Ltd who have £0.2m outstanding as at 30th September. The volume and value of outstanding invoices is summarised in the table below (see Appendix I for further details).

Table – analysis of outstanding invoices by volume and value.

Narrative	Volume Number	Volume %	Value £000	Value %
Largest 15	1,854	27	4,655	47
Others	5,073	73	5,255	53
Total	6,927	100	9,910	100

9. WORKING CAPITAL LOAN

In 2015/16 the Trust secured a working capital loan of £14.2m to support the cash position resulting from the planned deficit. The interest rate is 1.5% with interest repayments made twice yearly (May and November) and the principle repayable in full in 2018/19. The Trust has applied for a working capital loan of £7.9m to match the 2016/17 planned annual deficit. Until this loan application is approved the Trust has access to an interim revolving working capital facility. No loan was drawn down in September but £6.5m has been drawn down year to date.

10. CAPITAL LOAN

In 2015/16 the Trust secured a capital loan of £1.6m to support the balance of the capital programme that could not be funded from internally generated depreciation or cash reserves. The loan is repayable over 15 years at an interest rate of 1.78%. Principle and interest repayments commenced in 2016/17 and will be paid twice yearly (August and February).

The 2016/17 capital programme is funded by internally generated depreciation and a carry forward of the 2015/16 underspend. There is no requirement for a capital loan in year.

11. STRENGTHENING FINANCIAL PERFORMANCE & ACCOUNTABILITY IN 2016/17: NEXT STEPS

In July 2016 NHSI and NHSE published the document *Strengthening Financial Performance & Accountability in the NHS* which started the process to stabilize NHS finances. On 7th October 2016 NHSI published the document *Strengthening Financial Performance & Accountability in 2016/17: next steps*, which outlines a series of next steps and follow up actions.

These next steps and follow up actions cover

- The requirement to report monthly agency spend by cost centre/service line, the 20 highest earning agency staff (anonymised) and agency staff employed for more than 6 consecutive month (anonymised).
- The protocol for revising financial forecasts.
- The publication of financial, performance and agency information on Trust websites.

The letter is attached to this report.

12. RISK AND FORECAST

For the period ending 30th September 2016 the Trust has recorded a deficit of £5.8m which is in line with plan. It is important that the Trust continues to focus on the mitigation of any financial risks to ensure the financial plan is delivered, namely:

- Failure to meet the eligibility criteria to secure all the Sustainability & Transformation funding.
- Failure to comply with all contractual data requirements, quality standards, access targets and CQUIN targets that may result in commissioner levied fines or penalties.
- Failure to deliver the income target or remain within approved budgets.
- Identified cost savings target not fully identified and delivered in accordance with profile.
- Failure to manage escalation or partner's inability to provide services to withdraw medically fit patients from the hospital.
- Failure to appropriately reduce bank, agency, locum, overtime and waiting list initiatives.
- Failure to increase clinical efficiency and productivity.
- Winter pressures without any agreed additional funding.

The finance team has been working with services to understand the risks, challenges and potential mitigations required to deliver the financial control total of £7.9m deficit. This information is being used to determine a best, most likely and worst position forecast. An Executive Team workshop is due to take place later this month where a collective understanding of the key risks with agreed leads and mitigation plans and leads will be agreed. This information will be shared at the next Finance and Sustainability Committee meeting.

The NHSI monitoring returns continue to reflect delivery of the plan and the trust will be required to adopt the new NHSI protocol for revising the forecast should this position change.

13. CONCLUSION

For the period ending 30th September 2016 the Trust has recorded a deficit of £5.8m, a cash balance of £1.2m and a Financial Sustainability Risk Rating score of 2. For year ending 31st March 2017 the Trust is forecasting delivery of the £7.9m deficit control total.

14. RECOMMENDATION

The Finance and Sustainability Committee is asked to note the contents of the report and the changes to the Capital Programme.

Andrea Chadwick
Director of Finance & Commercial Development
17th October 2016

7 October 2016

Wellington House
133-155 Waterloo Road
London, SE1 8UG

Provider Chief Executives
Copied to Provider Finance Directors

T: 0203 747 000
E: nhsi.enquiries@nhs.net
W: improvement.nhs.uk

Dear colleague

Strengthening financial performance & accountability in 2016/17: next steps

On the 21 July 2016, NHS Improvement and NHS England published the document 'Strengthening Financial Performance and Accountability in the NHS', which sets out the pressing need to stabilise finances in the NHS and kick-start an expenditure reduction programme in 2016/17. Many providers have risen to this challenge and the sector achieved its aggregate financial plan at Quarter 1.

I am now writing to you ahead of Quarter 2 regarding a series of next steps and follow up actions.

High pay bill growth

NHS Improvement regional teams have been engaging with those Trusts that experienced high pay bill growth in 15/16 and 16/17 to better understand the business decisions and Board governance arrangements that supported this level of investment and led to Boards making a decision to invest in pay bill that their Trust could not afford.

NHS Improvement regional teams will be in touch this month to discuss the outcome of this work. In advance of these discussions please would you and your Board take the opportunity to fully review the investments in pay that the Trust has made over the past two years to ensure that this investment remains appropriate. Where investments have been undertaken without Board approval please could you ensure that your Board is content with any delegated decisions. NHS Improvement regional teams will be requesting Board assurance updates as part of the review meetings held in October 2016.

Agency staffing

I appreciate your hard work and the progress over the last year in reducing spending on agency staff. However, across the sector we are falling short of what is needed and must do more to reduce over-reliance on agencies. Regional directors will be writing to you shortly to set out further actions in relation to agency spending – some universal and some reserved for Trusts that are missing their agency expenditure ceiling. These will include:

- Greater transparency, including national publication and sharing of Trust-level agency expenditure across regions.
- Measures to ensure boards have sight of prices paid and spending at cost centre level and are actively holding executives to account on reducing agency expenditure across all parts of the Trust.

- Requiring Chief Executive oversight and further reporting to NHS Improvement across areas of high concern, including off-framework use, high-price overrides and on-call rates.
- Action in respect of high on-call rates, grade inflation, high bank rates and payments for hours not worked; these are often reported to us and we will work with trusts to understand where this is occurring and intervene.
- A closing down of the use of senior interims through a national approvals process and more effective use of internal NHS senior leadership capacity.
- An initiative to drive close local collaboration and mutual support on agency.

As an immediate step, to help your Trust and your relationship team develop a better understanding of your agency spending and where the biggest challenges are, we ask all NHS Trusts and Foundation Trusts to provide the following information at Quarter 2:

- a) Monthly agency spending broken down by cost centre/service line (request already sent to trusts on 3 October 2016).
- b) A list of your 20 highest-earning agency staff (anonymised, in the template provided in Appendix 1).
- c) A list of agency staff that have been employed for more than 6 consecutive months (also anonymised, in the template provided in Appendix 1).

A thorough understanding of service line data should also help you when identifying where services are being delivered by agency staff in an unaffordable and sub-optimal way. Work is ongoing to review services which are unsustainable for financial, quality or other reasons and it is expected that the plans being developed to provide many of these services in other ways will be reflected in the Operational Plan and STP process but where there are benefits to be realised in 2016/17 I would expect these plans to be pursued. Rotas supported by high cost agency usage in areas such as radiology may provide a particular opportunity.

Protocol for revising financial forecasts

The 'Reset' emphasises the responsibility of NHS Trust and Foundation Trust Boards to ensure the delivery of financial balance, whilst maintaining the quality of healthcare provision. It is however recognised that in exceptional circumstances it may be necessary for an NHS Trust or Foundation Trust Board to consider revising its financial forecast during the year. If these circumstances occur it is expected that the Trust Board's primary focus is the delivery of a recovery plan demonstrating the actions and mitigations that they will put in place to ensure that any deterioration in financial position is managed and recovered at the earliest possible time.

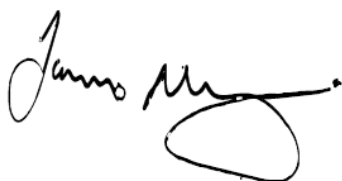
In order that NHS Trust and Foundation Trust Boards are able to demonstrate the highest standards of governance, and for the purposes of consistency and transparency, we are introducing a protocol for any adverse change to a financial forecast that we expect all Trust Boards to adhere to. A copy of the protocol and assurance statement is attached as Appendix 2a and 2b.

Publishing information

Finally, I would like to make you aware that from Quarter 2 NHS Improvement will be publishing Trust level financial and performance information in our quarterly report. An example of the type of information that will be published is contained within the attached Appendix 3 for your information. We also require all Trusts to clearly post their quarterly finance and performance reports on their Trust website in a transparent and timely manner.

I hope that this update is helpful. NHS Improvement will be working closely with you over the forthcoming months to support the delivery, and where possible improvement, in the Trust's forecast financial outturn for 2016/17 and beyond.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jim Mackey', with a large, stylized flourish at the end.

Jim Mackey
Chief Executive

Enclosures

- Appendix 1 – Template for Trusts with Highest Agency Usage
- Appendix 2a – NHSI Protocol for Changes to an In-Year Financial Forecast
- Appendix 2b – Template Assurance Statement
- Appendix 3 – Publishing Quarterly Finance and Performance Information

Adverse Changes to Forecast Protocol - Board Assurance Statement

The board are required to respond "Confirmed" or "Not confirmed" to the following statements (notes below)

**Board
Response**

Where a provider plans to make an adverse change to an in-year forecast it must be reported through the national reporting process and accompanied with this Board Assurance Statement which has been signed by the Trust Chair, Chief Executive and Director of Finance

For finance:

The Board has been fully briefed on the planned adverse change to forecast and has adhered to the NHS Improvement protocol for **'Adverse Changes to the In-Year Forecasts'** prior to requesting the change

All reporting revisions are accompanied with detailed actions to confirm how the position will be recovered and the original financial plan will be delivered

The Board is full committed to the delivery of the Trust recovery plan and will actively monitor the recovery plan milestones

In advance of formally reporting a forecast outturn variance from plan the Trust has discussed the financial deterioration and remedial actions with the NHS Improvement Regional Managing Director and Regional Director of Finance

For governance:

Relevant commissioners have been informed of the position and all opportunities for support have been explored and the recovery actions agreed

The senior clinical decision making body within the Trust has been engaged with and are party to the identification and delivery of the recovery actions

The Trust Executive Committee, Finance Committee and Board have considered and agree the proposed financial forecast revision and recovery actions

Board Declaration

I can confirm that in my capacity as a member of the Trust Board, I understand the financial forecast, its key drivers and where there has been a variance signalled, I can confirm that additional actions to deliver the original plan that was signed off by this Trust Board have been considered in full by Clinical Decision Making Groups the Finance Committee and the Board as a minimum

Signed on behalf of the board of directors

Signature _____

Signature _____

Name

Name

Capacity

Capacity

Date

Date

Signature _____

Signature _____

Name

Name

Capacity

Capacity

Date

Date

Appendix 2a

Protocol for Changes to an In-Year Financial Forecast

1. Introduction

- 1.1 NHS Trusts and Foundation Trusts submitted financial plans for 2016/17 that in aggregate totalled a £580 million deficit. These plans were quality impact assessed and signed off by individual Trust Boards prior to submission.
- 1.2 The achievement of financial balance, whilst maintaining the quality of healthcare provision, is a key objective for all organisations. The future success of the NHS depends on providers and CCGs delivering or over achieving the plans that they have signed up to and Trust Boards must take organisational and personal accountability for meeting their financial and performance commitments.
- 1.3 In exceptional circumstances it may be necessary for an NHS Trust or Foundation Trust Board to reconsider its planned forecast outturn position. In this event, the Trust Board's primary focus must be the identification and delivery of a recovery plan that demonstrates the mitigating actions being implemented that ensure any proposed revision to forecast outturn is minimised, managed and fully recovered at the earliest possible time.
- 1.4 To demonstrate the highest standards of governance and for purposes of consistency and transparency, the protocol set out below should be followed by all Trust Boards considering the reporting of a deterioration in the forecast outturn against their planned position for the year.
- 1.5 The introduction of this protocol by NHS Improvement should not be taken by Trust Boards as permission to deteriorate financial positions. All reporting revisions must be accompanied by the actions required to return to planned positions.

2. Protocol

- 2.1 Revisions to forecast outturns can only be made once a Trust's plan for the year has been agreed and only at Quarter 2 and Quarter 3 reporting points in the year and can only be made through the standard quarterly reporting process.
- 2.2 In advance of formally reporting a forecast outturn variance from plan, Trusts are required to have discussed the financial deterioration with the NHS Improvement Executive Regional Managing Director and Regional Director of Finance.
- 2.3 This engagement must be underpinned with a Trust prepared report that clearly exemplifies:

- The key financial drivers for the deterioration;
- An analysis of the underlying causes;
- The actions being taken to address the deterioration and evidenced confirmation that:
 - Relevant commissioners have been informed of the position and all opportunities for support have been explored and the recovery actions agreed;
 - The senior clinical decision making body with the Trust has been engaged with and are party to the identification and delivery of the recovery actions;
 - The Trust Executive Committee, Finance Committee and Board have considered and agree the proposed financial forecast revision and recovery actions.

2.4 This recovery plan described must explicitly reference:

- Details of the additional measures immediately implemented to improve financial control and working capital/cash management, including capital programme review. This will include all discretionary spend, agency/locum spend, supplies and consumable spend and delegated commitment range and levels.
- Details of how the trust is reviewing:
 - The affordability of planned investments to improve service quality and performance;
 - The acceleration of the delivery of productivity opportunities identified by the Carter Review;
 - The acceleration of proposals for sub-scale service consolidation or closure;
 - The impact on patient safety and experience of recovery actions;
- The demonstration of quarter on quarter improvement in I&E run-rate from the point the revision is submitted and how CIP delivery is being maximised.

2.5 When a formal revision to outturn forecast under this protocol is made through the national reporting process, it must be accompanied by an Assurance Statement signed by the Trust Director of Finance, Chief Executive and Chair in respect of the organisation's adherence to this protocol and their commitment to the delivery of the Trust recovery plan. This statement will be addressed to the Chair and Chief Executive of NHS Improvement and will be formally reported to NHS Improvement's Board.

2.6 Monitoring arrangements will be determined by the Executive Regional Managing Director to ensure that focus and delivery is maintained.

Publishing Quarterly Finance and Performance Information

From Quarter 2 NHS Improvement will be publishing Trust level financial and performance information in our quarterly report. An example of the type of information that we may publish by Trust is below.

In addition Trust Boards are required to clearly post their quarterly finance and performance reports on their Trust website in a transparent and timely manner.

Financial Performance Information

- Year to date financial performance
- Forecast financial performance
- Control total acceptance
- Access to STF Funding

Performance Information

- A&E 4 Hour performance against the standard and the agreed STF trajectory
- Patients waiting over 6 weeks for a diagnostic test
- RTT incomplete performance against the standard and the agreed STF trajectory
- The number of patients waiting over 52 weeks for treatment
- 62 Day Cancer performance against the standard and the agreed STF trajectory
- Cancer performance against the standard for 2 week GP referral and Breast Symptoms and 31 day wait from diagnosis to first treatment
- Ambulance response times performance against the standard for Red1 and 2 and A19
- Infection control – the number of C.Difficile cases

Agency Information

- Agency Information
- A list of your 20 highest-earning agency staff (anonymised)
- A list of agency staff that have been employed for more than 6 consecutive months (anonymised)
- Agency expenditure as a share of total workforce costs
- Agency expenditure performance relative to agency ceilings



Trust Engagement Dashboard September 2016

Pat McLaren
Director of Community Engagement

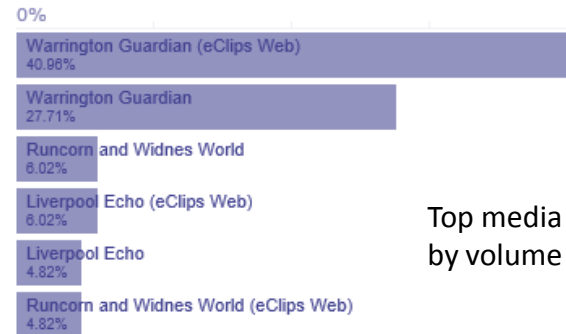


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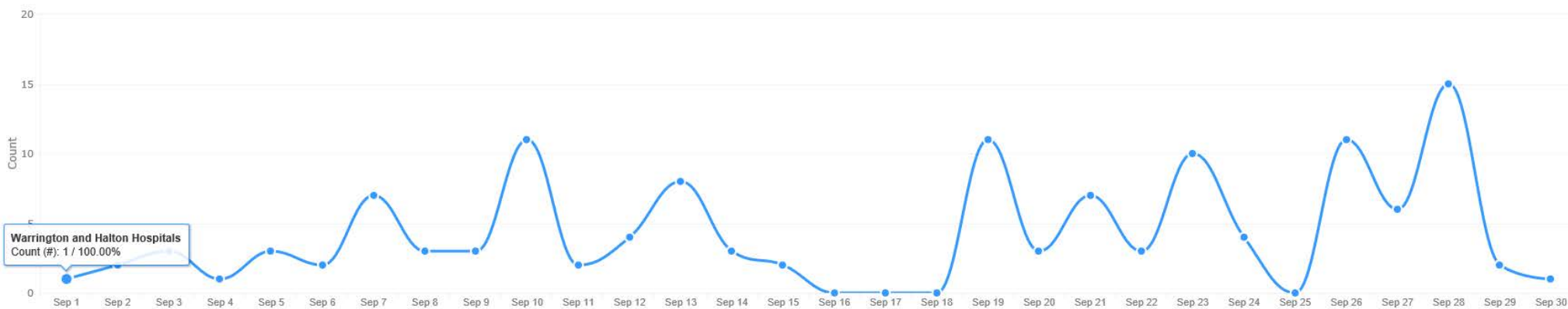
Media Dashboard (Public Engagement) 1-30 September 2016

Total media coverage = 128 reports (↑ from 110 last month)

Top Sources

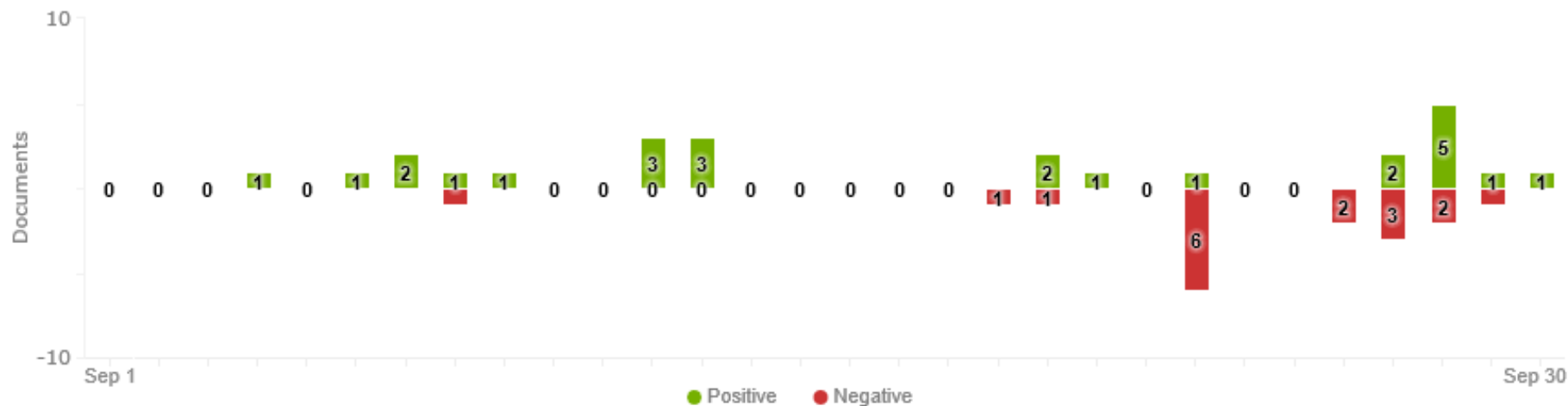


Top media sources by volume



Warrington and Halton Hospitals
Count (#): 1 / 100.00%

Sentiment





Media Dashboard (Public Engagement)/2

Story	Source	Readership	Sentiment
Host of Warrington nominees in the Butterfly Awards	Warrington Guardian	66713	Positive
Warrington Hospital seamstress Maureen Cook celebrates 50 years tailoring uniforms for NHS	Warrington Guardian	66713	Positive
Staff and residents abseil down Warrington Hospital to raise money for children's ward and dementia unit	Warrington Guardian	66713	Positive
Warrington Hospital nurses Nicola Cross and Carol White become published authors in Respiratory Nurses at a Glance	Warrington Guardian	66713	Positive
Eye tests for Warrington's reception age kids reveal more than 300 vision problems	Warrington Guardian	66713	Positive
Warrington Hospital's dementia and maternity units shortlisted for Health Service Journal Awards	Warrington Guardian	66713	Positive
Health experts to descend on Birchwood Park Business Park for Diabetic Foot Integrated Care Conference	Warrington Guardian	66713	Positive
Warrington Disability Partnership asks town's businesses to pledge to improve accessibility for disabled	Warrington Guardian	66713	Positive
24-year-old Daniel Davies heads home after more than 300 days in intensive care at Warrington Hospital	Warrington Guardian	66713	Positive

Story	Source	Readership	Sentiment
Higher-than-expected death rate at Halton and Warrington hospitals triggers 'alarm'	Liverpool Echo	157887	Negative
Warrington Hospital orthopaedic ward facing closure as part of trust's 'reconfiguring' plans	Warrington Guardian	66713	Negative
More than 400 formal complaints made about Warrington Hospital last year	Warrington Guardian	66713	Negative
General Medical Council monitoring Warrington Hospital after trainees raise safety concerns	Warrington Guardian	66713	Negative



Host of Warrington nominees in the Butterfly Awards

Warrington Hospital seamstress Maureen Cook celebrates 50 years tailoring uniforms for NHS



Warrington Hospital seamstress Maureen Cook has celebrated 50 years working in the NHS.

Warrington Hospital nurses Nicola Cross and Carol White become published authors in Respiratory Nurses at a Glance



Nicola Cross and Carol White become published authors

Warrington Hospital's dementia and maternity units shortlisted for Health Service Journal Awards



The hospital's dementia team has been nominated in the Compassionate Patient Care category.

Staff and residents abseil down Warrington Hospital to raise money for children's ward and dementia unit



Staff and members of the public abseiled down Warrington Hospital at the weekend.

Health experts to descend on Birchwood Park Business Park for Diabetic Foot Integrated Care Conference



Birchwood Park Business Park is set to host the Diabetic Foot Integrated Care Conference, set up by Warrington Hospital consultant Thomas Nicholas, this week. He is pictured with patient Billy Morris and his granddaughter Ellena Fairclough.

Media Dashboard

A difficult month with considerable media relations work responding to NHS Digital's release of quarterly mortality data; the proposed reconfiguration of orthopaedic services, FOI relating to complaints and the GMC enhanced monitoring status.



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Website

WHH

20,082

Visits

Last month: 19,199



56

Social Media Referrals

Last month: 100



1min 23s

Length of average time

Last month: 1.30s

1.	United Kingdom	18,516 (92.20%)
2.	Russia	375 (1.87%)
3.	United States	282 (1.40%)
4.	India	112 (0.56%)
5.	(not set)	62 (0.31%)
6.	Kyrgyzstan	61 (0.30%)
7.	Malaysia	46 (0.23%)
8.	Ireland	45 (0.22%)
9.	Germany	40 (0.20%)
10.	Spain	39 (0.19%)

WEBSITE ACTIVITY

↑ Website traffic was slightly reduced by 15K visits

(22K last month)

↑ Social media referrals reduced by half
→ Dwell time was roughly static

- New visitors continued to account for two thirds of all traffic
- Most visited pages: Vacancies/Contact Us/Services/Home/Shuttle bus

Page Title	Pageviews	% Pageview
1. Current vacancies Warrington & Halton Hospitals	7,797	17.95%
2. Contact us Warrington & Halton Hospitals	3,147	7.24%
3. Services Warrington & Halton Hospitals	2,581	5.94%
4. Home Warrington & Halton Hospitals	1,950	4.49%
5. Hospital shuttle bus Warrington & Halton Hospitals	1,732	3.99%
6. Visiting and facilities Warrington & Halton Hospitals	1,584	3.65%
7. Warrington Hospital Warrington & Halton Hospitals	1,550	3.57%
8. Getting to Warrington Hospital Warrington & Halton Hospitals	1,132	2.61%
9. Urgent Care Centre - Runcorn Warrington & Halton Hospitals	1,066	2.45%
10. Getting here, maps and transport Warrington & Halton Hospitals	883	2.03%

Facebook

3,255

Total Likes

Last month: 3,423



22

WHH Posts

Last month: 8



7.5K

Total Impressions

Last month: 6.1K

Twitter

7,555

Followers

Last month: 7,337



112

WHH Tweets

Last month: 38



118k

Reach

Last month: 72k

Social Media/Website Dashboard September 2016

- ↑ Large increase in Facebook posts (activity) by WHH
- ↑ Total FB impressions significantly increased
- ↑ Twitter followers increased by 198 in month
- ↑ Tweets significant increase of 74 in month
- ↑ Twitter reach increased to 118K

Top Tweet earned 7,590 impressions

[#Stoptober](#) preparations underway here, signing up staff, patients and public to [#giveupsmoking](#)



Top mention earned 195 engagements

[Lucy Gardner Smith@lucycgardner Sep 2](#) Celebrating [@NHSGradScheme](#) trainees [@WHHNHS](#) today! 12 years, 1 year, 2 years!

Impressions: Organic/Paid Post Clicks Reactions, comments & shares

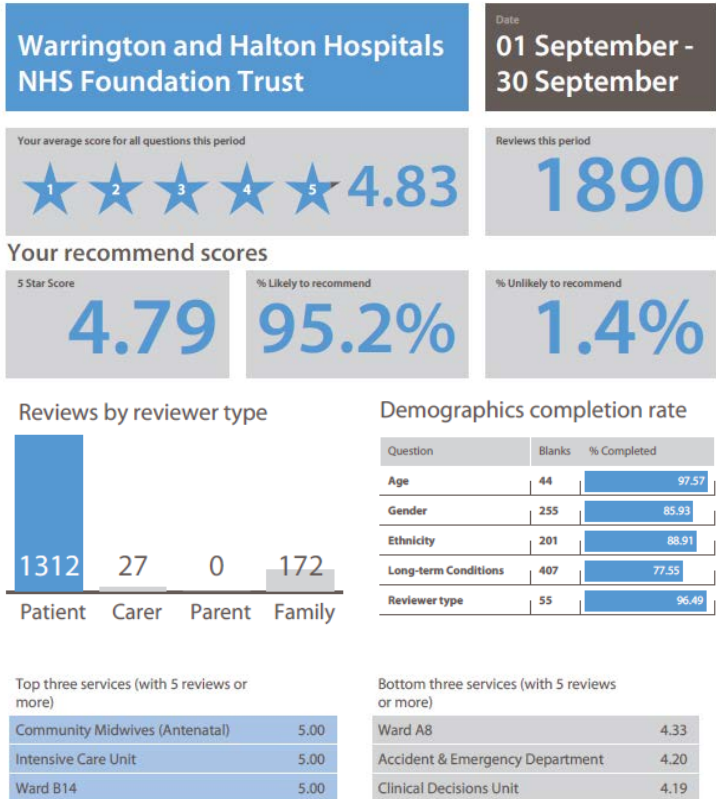
Published	Post	Type	Targeting	Impressions	Engagement
25/09/2016 10:39	It's our @whhcharity abseil today. Raising monies for projects round the hospital. Mel from A7 is fund			7.5K	704 351
20/09/2016 12:38	Wow what an achievement! Maureen Cook, Sewing Room Supervisor celebrates 50 years working f			5.7K	546 246
12/09/2016 14:04	HSJ FIN We are delighted to advise that WHH has been shortlisted in the Health Service Journal's prestigious			5.3K	387 202
19/09/2016 06:32	It's Pulmonary Fibrosis Awareness Week! Come along and meet our Warrington Respiratory Team o			3.4K	182 88
08/09/2016 13:19	Lovely story in today's Warrington Guardian about Dan, so lovely to see him smiling.			2.6K	428 51





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Patient Engagement



NHS Choices

NHS choices

10 No. of comments posted

Last month: 6

100% No. of comments responded to within five working days

Last month: 100%

Halton – 5 stars
CMTC – 5 stars
Warr – 3.5 stars

NHS Choices
 ↑ Increase in comments in month by 4
 → Star Ratings remains unchanged in month

Friends and Family Test (Adult services)
 ↓ Responses decreased by 331 in month
 ↑ Star rating increased by 0.06 in month
 ↑ % likely to recommend increased by 1.1%
 ↓ % unlikely to recommend decreased by 0.5%



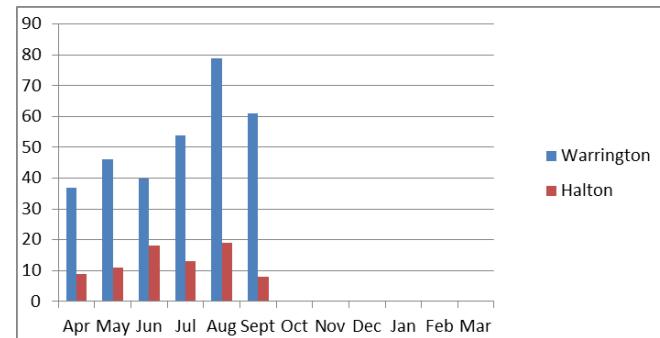
Staff Engagement

WHH new Extranet engagement:

- ↑ 2504 staff registered on the new extranet since launch 24.2.16 (increase in month of 177 new registrants)
- Most viewed workspaces: Business/Home/Login/Social/Education & Development

Team Brief Attendances

We remain encouraged by the engagement with Team Brief which is a proven large, multi-site Organisation engagement tool.



- ☐ Staff nominating colleagues for:

- ↑ Employee of Month = 9 (Increase of 2 in month)
- ↑ Team of Month = 10 (decrease of 2 in month)

Annual Data:

- ☐ NHS Staff Survey 2015 – Engagement score 3.74 (worse than similar Trusts)
- ☐ 2016 survey launched end Sept 2016 – results to date circa 20% completion

Quarterly Data (latest quarter is Q1 – data is incomplete at time of reporting)

- ☐ Q1 Staff FFT responses (online results only) 102 (Q4– 315 responses)
- **Staff FFT Recommend for Care / treatment**
 - ↑ 72% extremely likely or likely (Q4 70%)
 - ↑ 16% extremely unlikely or unlikely (Q4 16%)
- **Staff FFT Recommend as Place of Work**
 - ↑ 66% extremely likely or likely (Q4 64%)
 - ↑ 24% extremely unlikely or unlikely (Q4 21%)

We are WHH

BOARD OF DIRECTORS

AGENDA REFERENCE:	BM/16/183a	
SUBJECT:	Key Issues Report from the Quality Committee October 2016	
DATE OF MEETING:	26th October 2016	
ACTION REQUIRED	For Assurance	
AUTHOR(S):	Margaret Bamforth, Committee Chair	
DIRECTOR SPONSOR:		
LINK TO STRATEGIC OBJECTIVES:		
	All	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):		
	BAF1.1: CQC Compliance for Quality	
	BAF1.2: Health & Safety	
	BAF2.2: Nurse Staffing	
FREEDOM OF INFORMATION STATUS (FOIA):		
	Release Document in Full	
FOIA EXEMPTIONS APPLIED: (if relevant)		
	None	
EXECUTIVE SUMMARY (KEY ISSUES):		
	This report provides a high level summary of business at the September meeting.	
RECOMMENDATION:		
	The Board note the report and that there are no matters arising for escalation.	
	The Board satisfies itself that the revised Terms of Reference will ensure the Committee delivers the assurance It requires and either makes amendments or ratifies accordingly.	
PREVIOUSLY CONSIDERED BY:		
	Committee	Not Applicable
	Agenda Ref.	
	Date of meeting	
	Summary of Outcome	

We are WHH

KEY ISSUES REPORT QUALITY COMMITTEE

Date of meeting:	4th October 2016
Standing Agenda Items	<p>The meeting was quorate.</p> <p>Minutes of the meeting held on 2nd August were approved as a correct record.</p>
Formal Business	<p>This was the first Quality Committee attended by Kimberley Salmon-Jamieson in her role as Chief Nurse. Please note the September meeting was cancelled.</p> <p>The meeting started with a presentation from Lesley McKay, Associate DIPC. She presented a report that addressed the actions being undertaken to reduce the level of MSSA infections. A number of recommendations have been made which include, a review of blood culture training, especially in the AED, monitoring of cannulas inserted in the AED and the dissemination of the key findings through the Divisional Integrated Governance Groups.</p> <p>She also went through the Code of Practice on the Prevention of HCAs Criteria which were outlined in the DIPC report but not set out in any detail. There are 10 criteria in total and the Trust is fully compliant with 5 and partially compliant with the remainder. There are 2 criteria to particularly bring to the Board's notice. One significant criterion which the Trust is currently only partially meeting is that of surveillance and having in place an electronic surveillance system that can identify clusters of infection. This remains an item of high risk on the risk register. There are systems in place to mitigate this risk but this does require a high level of vigilance by Lesley and her team to ensure that nothing is missed.</p> <p>An additional criterion which is difficult for the Trust to meet is to ensure sufficient isolation facilities. There are plans in place if there is a high demand but on-going monitoring and robust oversight will be needed.</p> <p>Anti-microbial stewardship, generally, is another important area of work which can significantly improve outcomes for patients. It is also linked to a number of CQUINs, particularly the national sepsis CQUIN which focuses on appropriate investigation (blood cultures) and timely anti-biotic administration.</p> <p>The committee received the Safeguarding Vulnerable Adults Annual</p>

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Report 2015/16. This was presented by Wendy Turner, Lead Nurse Adult Safeguarding. Adult Safeguarding is an increasingly important area of work with a significant breadth and increasing scope of government policies and initiatives to implement. These include areas such as, domestic violence, the Prevent agenda (Counterterrorism), dealing with the whole area of Deprivation of Liberty and Mental Capacity, as well as supporting and ensuring the safety of vulnerable adults. There is close collaboration with the Children's Safeguarding Team, as well as the CCG and the local Adults Safeguarding Boards.

The Patient Access Policy was received for approval. This is a detailed document setting out the referral processes for elective assessment and treatment and how these are managed by staff. It supports timely and equitable access through transparent and fair processes. It has been developed with input from the CCG.

There were 3 new SUIs in September with 2 investigations completed and 4 on-going SUI investigations.

The quarterly CQUIN report was received and discussed. There are three national CQUIN goals (NHS staff and Well-being, Anti-microbial Resistance and Stewardship and Sepsis) and a further 5 local CQUINs, including diabetes, pneumonia and COPD. The Trust is making good progress against most of these but is having difficulty fully meeting the sepsis criteria and the local CQUINs for diabetes, pneumonia and COPD.

The Corporate Risk Register was reviewed. There are 3 clinical high-risk items and 8 non-clinical high risks. All of these have detailed action plans to mitigate the risk.

Other papers received were the Corporate Quarterly Overview of incidents, complaints, claims, coroners and external agency reviews for Quarter 1 2015/2016 and the high level briefing papers from the Quality sub-committees.

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Local Policies and Guidance Approved:	Patient Access Policy
Any Learning and Improvement identified from within the meeting:	Important learning has come out of the audit of MSSA cases which is being shared and disseminated through training changes to practice.
Any other relevant items the Committee wishes to escalate?	Lack of Surveillance System for Infection Control. Pressure on isolation facilities.

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BOARD OF DIRECTORS

AGENDA REFERENCE:	BM/16/182b	
SUBJECT:	Key Issues Report from the Finance & Sustainability Committee October 2016	
DATE OF MEETING:	26th October 2016	
ACTION REQUIRED	For Assurance	
AUTHOR(S):	Terry Atherton, Committee Chair	
DIRECTOR SPONSOR:		
LINK TO STRATEGIC OBJECTIVES:	All	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):	BAF3.2: Monitor Undertakings: Corporate Governance & Financial Management	
	BAF3.2: Monitor Undertakings: Corporate Governance & Financial Management	
	BAF3.2: Monitor Undertakings: Corporate Governance & Financial Management	
FREEDOM OF INFORMATION STATUS (FOIA):	Release Document in Full	
FOIA EXEMPTIONS APPLIED: (if relevant)	None	
EXECUTIVE SUMMARY (KEY ISSUES):	This report provides a high level summary of business at the September meeting.	
RECOMMENDATION:	The Board is asked to note the contents of the discussions and that there are no matters arising for escalation.	
PREVIOUSLY CONSIDERED BY:	Committee	Not Applicable
	Agenda Ref.	
	Date of meeting	
	Summary of Outcome	

We are WHH

KEY ISSUES REPORT FINANCE AND SUSTAINABILITY COMMITTEE

Date of meeting:	19 th October 2016
Reports <i>not</i> received as agreed in the annual work plan:	All reports received.
Action taken:	N/A
Any areas of risk identified:	<p>The meeting was quorate (apart from a period of 30 mins when the Chair was absent; Anita Wainwright, NED took the Chair).</p> <p>The minutes of the meeting of 21st September were approved as a correct record.</p> <p>For the month of September the A&E four hour performance was 94.75%, a tremendous team achievement against the agreed trajectory of 91%. The outcome for Quarter 2 was 93.43%.</p> <p>The month of October is proving challenging with a marked increase in acuity.</p> <p>The week of 10th October saw the system receiving ECIP support. A formal report will be received shortly and initial feedback has been positive. There will be follow on support.</p> <p>Ambulance handover times continue to be a challenge.</p> <p>Achievement of the 18 Week RTT remains strong.</p> <p>All remaining performance targets are at or close to plan. However we have now entered into a challenging time of year.</p> <p>The committee received an update in respect of Outpatients alongside the minutes of the Outpatients Turnaround September Board meeting.</p> <p>The Finance Report for Month 5 was reviewed. September incurred a deficit of £0.7m which is on plan. The year to date deficit is £5.8m which is also on plan.</p> <p>The usual variances in both income and expenditure were reviewed together with ongoing service pressures.</p> <p>There is an Agency Cap of £10m in place for 2016/17. Expenditure to date of £5.6m is £100k above plan. The latest letter from NHSI dated 17th October was tabled which details the additional requirements that</p>

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	<p>have now been put in place.</p> <p>In the light of this and our own current pressures it was agreed that going forward the Finance and Sustainability Committee would assume the responsibility for the oversight of the Pay Bill to include Agency and Locums etc and the oversight of reporting requirements. The Chair of Strategic People Committee supported this approach.</p> <p>Cash remains very tight, with daily intensive management necessary.</p> <p>The draft minutes of the Capital Planning Group of 29th September were considered alongside a current update. Spending is behind plan and the Finance and Sustainability Committee noted that there had been a movement between categories. It was agreed that a review would take place as to the underlying delegated authority levels in a time of sparse capital resources.</p> <p>As a consequence of our financial and operational performance, the Trust has met the necessary criteria to trigger the Quarter 2 tranche of STP funding – this is assumed in our forecasts.</p> <p>On 7th October, NHSI published the document “Strengthening Financial Performance and Accountability in 2016/17: next steps” and the committee considered the Trust response.</p> <p>The committee received a verbal update in respect of STP activity including that where there is lead involvement in those areas relative to the remit of Finance and Sustainability Committee.</p> <p>A presentation was received in respect of the Single Oversight Framework and Planning Process 2017/18 and 2018/19 including timescales and indicative allocations and the challenges facing the Trust.</p> <p>At the end of Month 6 the Trust has delivered CIP savings of £4.028m which exceeds the revised plan by £243k. We are now in a period of more challenging targets and certain CIP schemes have assumed more of a cost avoidance/ income recovery nature alongside those already established. Taking a composite view, total schemes amount to the value of £10.742m PYE & £12.757m FYE. Fresh CIP schemes continue to be costed. The Finance and Sustainability Committee considered at length the possible implications of this partial change in emphasis in our CIP Programme together with the wider risks to the achievement of our 2016/17 Control Total.</p> <p>The Finance and Sustainability Committee stressed the need for</p>
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	<p>Corporate Support Services to step up to the plate and deliver all their required schemes.</p> <p>The Finance and Sustainability Committee received a paper in respect of the Quality Impact Assessment Process built into the generation of a CIP or transformation programme. The Finance and Sustainability Committee noted that such an arrangement is in place but recognised that this is within the remit of other Board Committees beyond Finance and Sustainability Committee.</p> <p>The committee received a comprehensive update in respect of IM&T activities alongside the minutes of the Lorenzo ePR Programme Board of 10th October. The go live for the Lorenzo version 2.9 due on 17th October is subject to a slight delay.</p> <p>An update was provided in respect of the Discharge Summary Correction Process.</p> <p>The Finance and Sustainability Committee now has in place an additional meeting in December to cover both the continued oversight of those areas of its` remit together with the requirements of the Planning Process 2017/18 and 2018/19.</p>
Action taken:	None.
Local Policies and Guidance Approved:	None.
Any Learning and Improvement identified from within the meeting:	None.
Any other relevant items the Committee wishes to escalate?	None.

We are WHH

BOARD OF DIRECTORS

AGENDA REFERENCE:	BM/16/182c	
SUBJECT:	Key Issues Report from the Audit Committee October 2016	
DATE OF MEETING:	26th October 2016	
ACTION REQUIRED	For Assurance	
AUTHOR(S):	Ian Jones, Committee Chair	
DIRECTOR SPONSOR:		
LINK TO STRATEGIC OBJECTIVES:	ALL	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):	BAF1.1: CQC Compliance for Quality	
	BAF1.2: Health & Safety	
	BAF2.2: Nurse Staffing	
FREEDOM OF INFORMATION STATUS (FOIA):	Release Document in Full	
FOIA EXEMPTIONS APPLIED: (if relevant)	None	
EXECUTIVE SUMMARY (KEY ISSUES):	This report provides a high level summary of business at the MONTH meeting. The revised Terms of Reference are also attached for ratification by the Board.	
RECOMMENDATION:	The Board note the report and the matters arising for escalation.	
PREVIOUSLY CONSIDERED BY:	Committee	Not Applicable
	Agenda Ref.	
	Date of meeting	
	Summary of Outcome	

We are WHH

KEY ISSUES REPORT AUDIT COMMITTEE

Date of meeting:	4th October 2016
Standing Agenda Items	The meeting was quorate. Minutes of the meeting held on 13 th July 2016 were approved as a correct record.
Formal Business	<ul style="list-style-type: none"> • Counter Fraud Report received, showing no significant problems relating to WHH • Internal Audit Progress Reports received in respect of (i) Dawes Quality Audits and (ii) Clinical Coding. Both give significant assurance. It is particularly pleasing that the processes and outputs around Clinical Coding have now been settled down effectively, within Lorenzo. • Tender Waivers: steady progress being made to reduce numbers, with more 'grip' evident. • The triangulation of oversight between the various committees continues to be high on the agenda with determination from all Committee Chairs that all key issues will be considered in a joined-up manner. • The process of appointment of external auditors for the next 3 years is reaching its conclusion and Audit Committee will recommend an appointment to Council of Governors on 20th October.
Local Policies and Guidance Approved:	None.
Any Learning and Improvement identified from within the meeting:	None.
Any other relevant items the Committee wishes to escalate?	None.



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BOARD OF DIRECTORS

AGENDA REFERENCE:	BM/16/183	
SUBJECT:	Mortality Briefing Paper	
DATE OF MEETING:	26th October 2016	
ACTION REQUIRED	For Assurance	
AUTHOR(S):		
EXECUTIVE DIRECTOR SPONSOR:	Simon Constable, Medical Director & Deputy CEO Choose an item.	
LINK TO STRATEGIC OBJECTIVES:	All	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):	BAF1.1: CQC Compliance for Quality	
	Choose an item.	
	Choose an item.	
FREEDOM OF INFORMATION STATUS (FOIA):	Release Document in Full	
FOIA EXEMPTIONS APPLIED: (if relevant)	None	
EXECUTIVE SUMMARY (KEY ISSUES):	This briefing paper overviews Trust mortality data and provides local and national context. It also outlines the actions in place to ensure robust oversight and monitoring, through a comprehensive mortality peer review process, as well as improvement plans to reduce trust mortality rates and the Trust mortality ratio figures.	
RECOMMENDATION:	The Board is asked to note the contents of the briefing paper and discuss and approve the recommended options	
PREVIOUSLY CONSIDERED BY:	Committee	Not Applicable
	Agenda Ref.	
	Date of meeting	
	Summary of Outcome	



Mortality Briefing Paper : October 2016

EXECUTIVE SUMMARY

The purpose of this paper is firstly to provide the Trust Board with the latest Trust mortality data, and provide local and national context. Secondly, it outlines the actions in place to ensure robust oversight and monitoring as well as to continue to reduce both Trust mortality and the Trust mortality ratio figures.

CONTEXT

The importance of reporting mortality statistics at Board level was highlighted in the Francis Report into the failures at the Mid-Staffordshire Trust (February 2010) to which Warrington and Halton Hospitals NHS Foundation Trust provided a full position response reported at Board in September 2010.

The CQC is looking at how NHS Acute, Community Health and Mental Health Trusts investigate deaths and learn from their investigations. This was following a report commissioned by NHS England which looked at the deaths of people using Mental Health and Learning Disability services run by Southern Health Foundation Trust.

The Government has asked the CQC to look at how NHS Trusts across the country investigate deaths to find out whether similar problems can be found elsewhere.

OUR PROCESSES

We use the HED (Healthcare Evaluation Data) system to assess our overall mortality data. This allows us to produce graphs and assess our position against other Trusts nationally.

This also allows us to evaluate areas for concern or trends which points us towards focused reviews in these particular areas.

All deaths have a 'screening review' by a consultant (not the consultant in charge of the patient) for an over view on the quality of care received by that patient. This review assesses whether a more in-depth review by a member of the Mortality Review Group (MRG) is required.



Particular groups of patients are reviewed at the MRG :

1. All deaths of patients on DoLs (Deprivation of Liberty)
2. All deaths of patients with learning disabilities
3. All deaths following admission under the Mental Health Act
4. All deaths of patients admitted for an elective surgical procedure
5. All deaths occurring in theatre

Any member of staff can flag a patient to the MRG if there are concerns regarding a patient death for a secondary review.

Secondary reviews are presented to the MRG and any actions or lessons to be learned are sent to the appropriate fora.

MORTALITY DATA

There are three main types of overall data used :

1. Crude Mortality Rates

This is the percentage/number of deaths against the total number of discharges in a particular timeframe.

It needs to be used with caution as it does not take into account complexity of patients.

2. HSMR (Hospital Standardised Mortality Ratio)

All spells culminating in death at the end of a patient pathway defined by the primary diagnosis for the spell. It uses 56 diagnosis groups which account for about 80% of in-hospital deaths; therefore it does not included 'all' deaths.

Adjustments are made for

- sex
- age
- admission method
- comorbidities (based on Charlston score)
- number of previous emergency admissions
- history of previous emergency admissions in the last 12 months
- month of admission
- socio economic deprivation quintile (using Carstairs)
- primary diagnosis sub-group
- palliative care
- year of discharge



3. SHMI (Summary Hospital Mortality Indicator)

All observed deaths in hospital and within 30 days of discharge. Adjustments are made only for age, admission method, comorbidities.

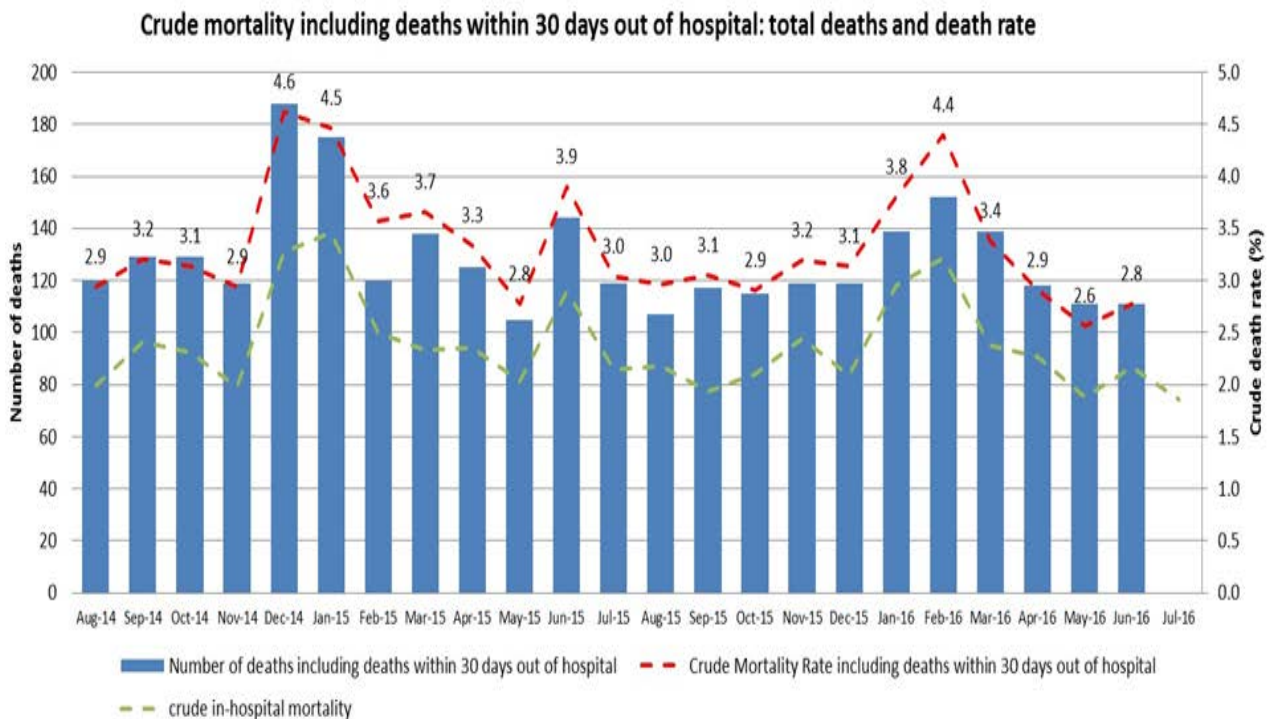
Still births, specialist community, mental health and independent sector hospitals, day cases, regular day and night attenders are excluded.

In 2010 the Department of Health endorsed the national review of HSMR commissioned by the NHS Medical Director who committed to implementing SHMI as the single hospital level of mortality indicator to be used across the NHS. Therefore, although we still look at HSMR and the crude mortality rates, it is the SHMI which is being used and evaluated nationally as the mortality indicator.

Crude Mortality Rates

Chart 1 : Crude Mortality and Total Deaths

● Crude mortality should be viewed with caution, as crude mortality does not take into account the complexities of the patients.





HSMR

- This Trust is a **borderline outlier** with an HSMR of **111.4**.
- This result is not significant at 99.8% level but is significant at the 95% level, giving amber status.

Chart 2 : HSMR (July 2015 to June 2016)

Please note that the funnel plot is only valid when the overall HSMR score is around 100.

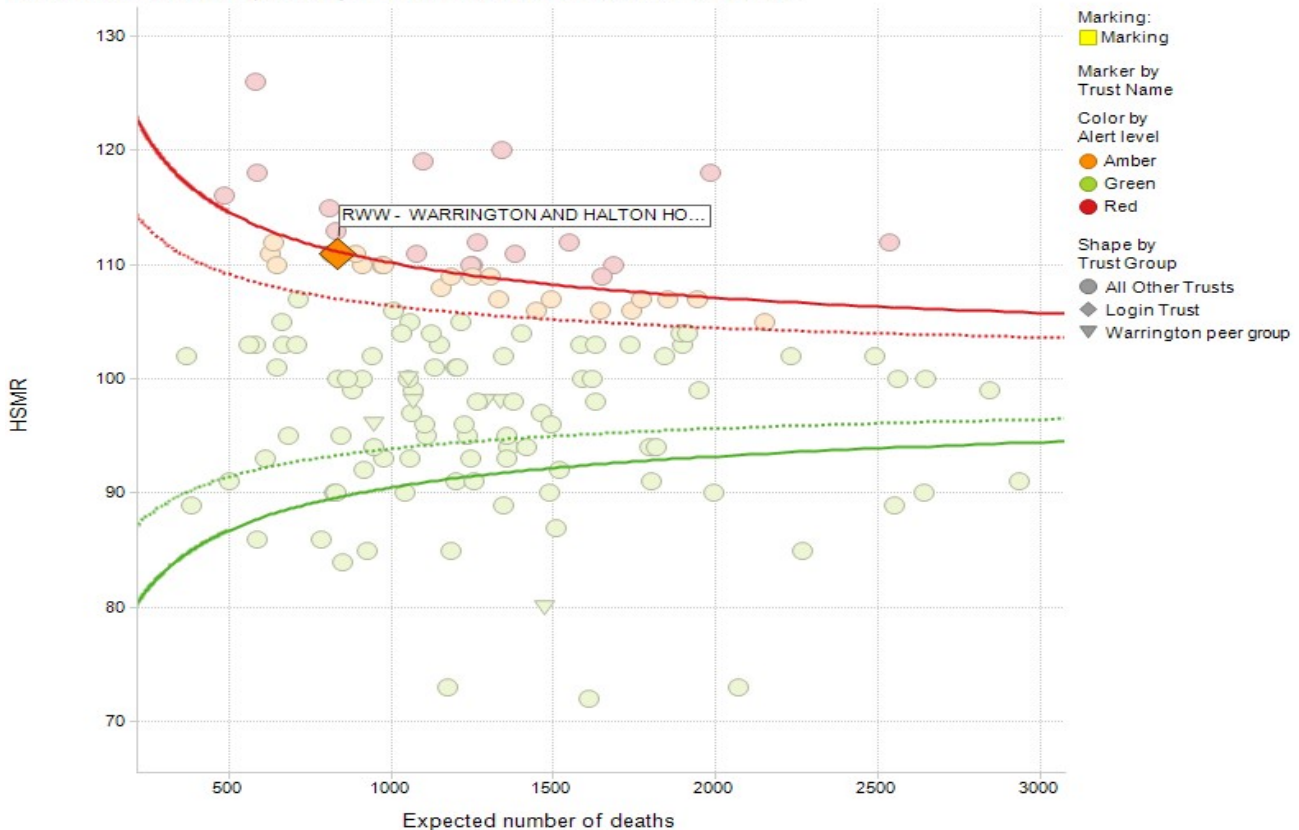


Chart 3 : HSMR Excess Mortality by Diagnostic Groupings

- This Trust is showing a statistically significantly high HSMR result for the two categories of **pneumonia** and **UTIs** for the 12 month period of July 2015–June 2016. We are undertaking casenote reviews of the two categories Pneumonia and UTI for this period in order to assess possible causes for these high levels.
- It is clear that our levels of Palliative Care coding significantly reduced following the introduction of Lorenzo. However, this has been corrected recently and has resulted in a reduction in the HSMR levels from a red alert to an amber alert this month (October).
- Part of the casenote review includes reviewing coding and co-morbidities.

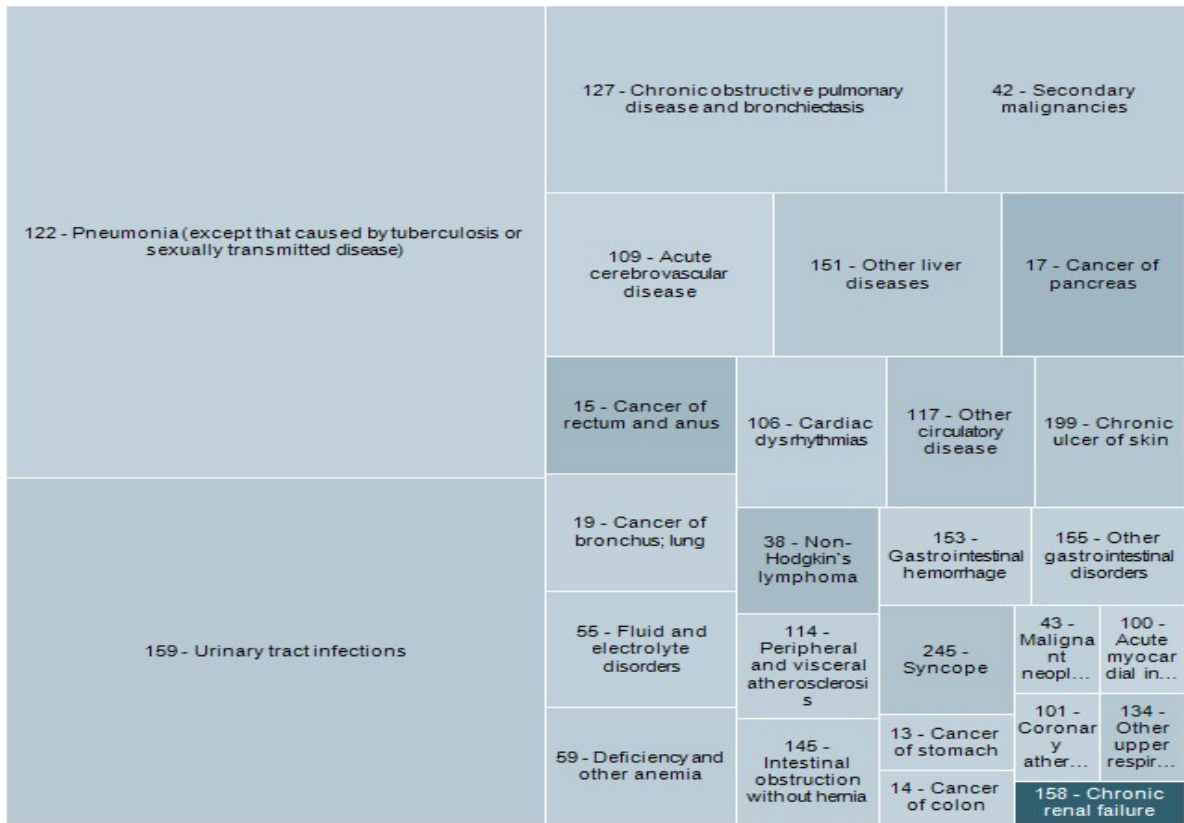


Chart 3 : Weekend/Weekday HSMR Compared with Peers

🟢 This graph shows Warrington has the highest weekend HSMR compared with peers and second highest weekday.

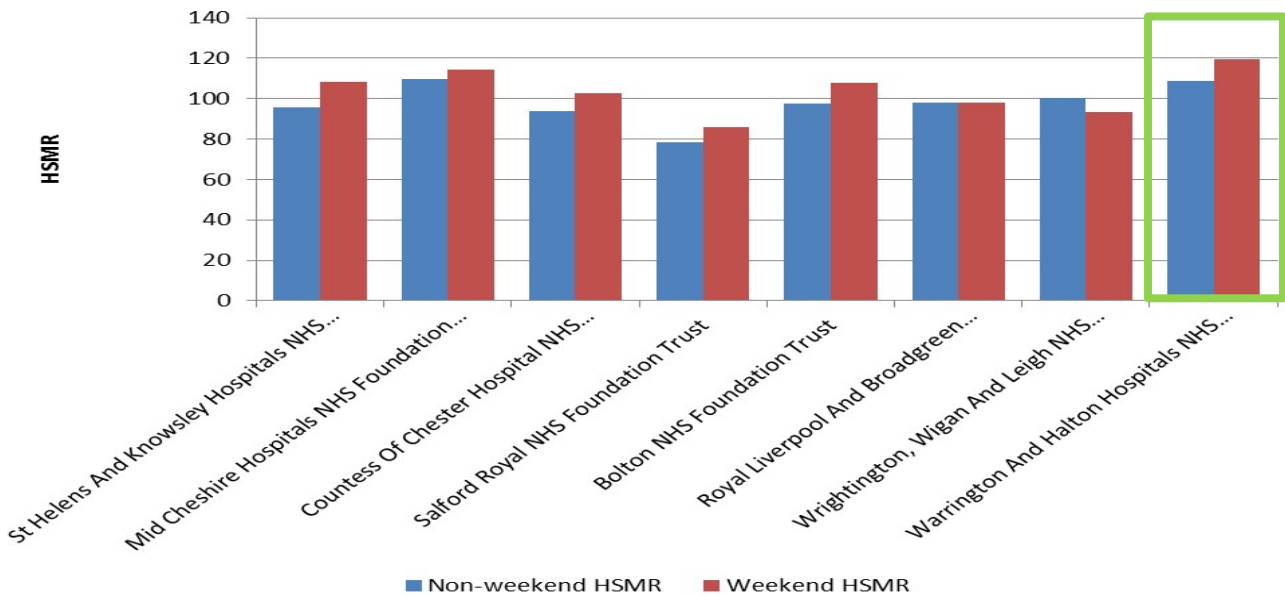
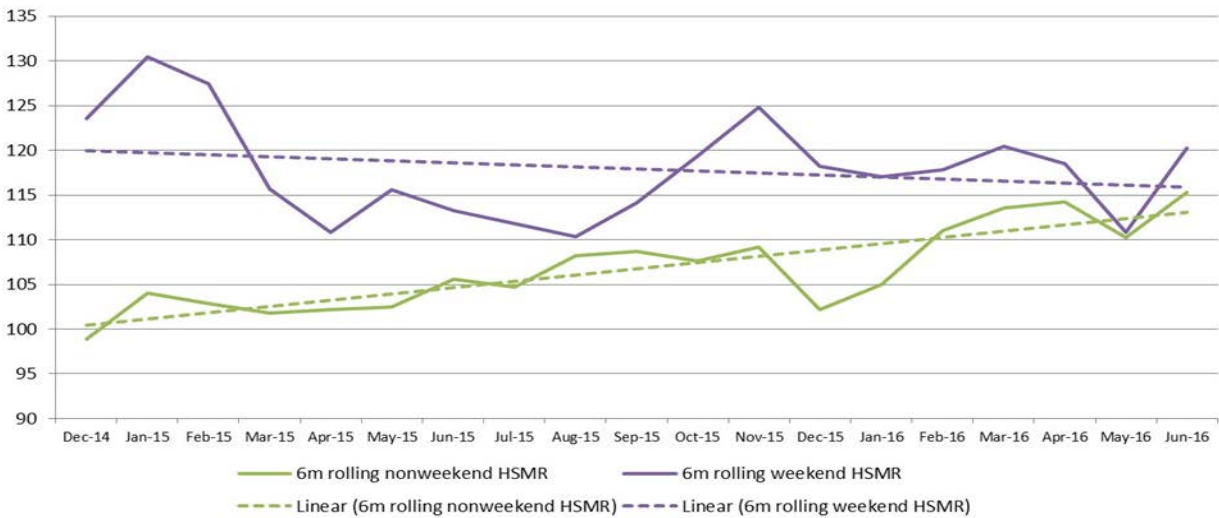




Chart 4 : 6 Month Rolling HSMR Weekend/Weekday

- Looking at the 6 month rolling HSMR to get an overview of trends, suggests weekday HSMR is increasing and weekend HSMR may be slightly reducing, although both are higher for the 6 month period up to and including June 2016.
- It is worthy of note that the gap between weekend and weekday HSMR is narrowing more because of the increase in weekday mortality than the reduction in weekend mortality.



SHMI

Chart 5 : This Trust is an amber alert for this indicator, with a SHMI of 109.3.

Note: SHMI has been rebased since last month's report, so direct comparisons with SHMI figures quoted last month are inappropriate.

Please note that funnel plot is only valid when SHMI score is 100 for all the organisations (shown below) as a whole. It can be verified through highlighting all data items and checking grand total in Tab 3 breakdown table.

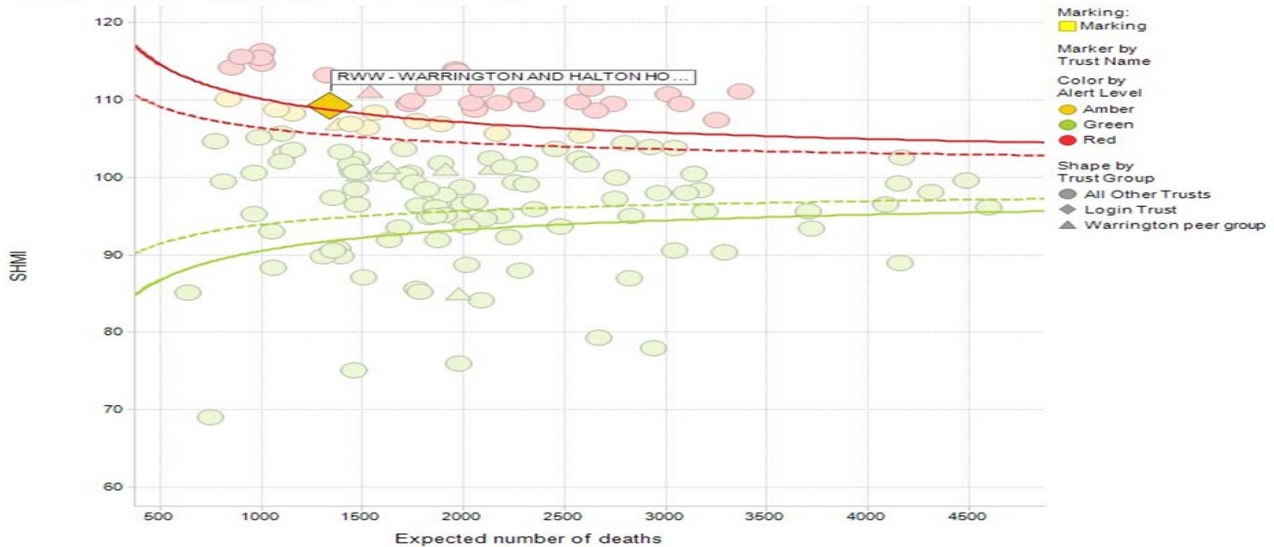




Chart 6 : SHMI Excess Mortality by Diagnostic Groupings

101 :: 159 - Urinary tract infections	30 :: 42 - Secondary malignancies		57 :: 100 - Acute myocardial infarction		35 :: 50 - Diabetes mellitus with complications		63 :: 106 - Cardiac dysrhythmias									
	99 :: 157 - Acute and unspecified renal failure	15 :: 19 - Cancer of bronchus; lung		39 :: 59 - Deficiency and other anemia, 60 - Acute posthemorrhag...		50 :: 83 - Epilepsy; convulsions		82 :: 123 - Influenza, 124 - Acute and chronic tonsillitis, 126 - Other up...								
		98 :: 155 - Other gastrointestinal disorders		108 :: 198 - Other inflammatory condition of skin, 199 - Chronic ulcer...		113 :: 211 - Other connective tissue disease		9 :: 13 - Cancer of stomach		71 :: 117 - Other circulatory disease						
73 :: 122 - Pneumonia (except that caused by tuberculosis or sexually transmitted disease)	68 :: 114 - Peripheral and visceral atherosclerosis		72 :: 118 - Phlebitis; thrombophlebitis and thromboe...		133 :: 244 - Other injuries and conditions due to external causes		3 :: 3 - Bacterial infection; unspecified site		17 :: 22 - Melanomas of skin, 23 - Other n...		22 :: 29 - Cancer of prostate, 30 - Cancer...		37 :: 55 - Fluid and electrolyte disorders			
	120 :: 226 - Fracture of neck of femur (hip)		94 :: 151 - Other liver diseases		62 :: 105 - Conduction disorders		88 :: 144 - Regional enteritis and ulcer...		129 :: 238 - Complications of surgica...		131 :: 240 - Burns		7 :: 11 - Can...			
	74 :: 125 - Acute bronchitis		100 :: 156 - Nephritis; nephrosi...		8 :: 12 - Canc...		10 :: 14 - Can...		13 :: 17 - Can...		14 :: 18 - Can...					
66 :: 109 - Acute cerebrovascular disease	2 :: 2 - Septicemia (except in labor), 249 - Shock		117 :: 219 - Short gestation; low birth weight an...		75 :: 127 - Chronic obstructive pulmo...		103 :: 163 - Genitourinary sym...		24 :: 33 - Can...		59 :: 102 - ...		77 :: 129 - ...		97 :: 154 - ...	
	11 :: 15 - Cancer of rectum and anus		125 :: 234 - Crushing injury or internal injury		83 :: 135 - Intestinal infection		127 :: 236 - Open wounds of extremiti...		26 :: 37 - Hod...		67 :: 110 - ...		102 :: 160 - ...		111 :: 205 - ...	
									28 :: 40 - Mult...		69 :: 115 - ...		110 :: 204 - ...		134 :: 245 - ...	

- Diagnosis groups with a statistically significantly high SHMI for the 12 month period July 2015 to June 2016 are diabetes mellitus with complications, UTIs and regional enteritis and ulcerative colitis.
- Pneumonia and UTI deaths are having a casenote review to be presented at the Mortality Review Group.
- Diabetes mellitus with complications deaths have just been alerted this month and a casenote review of these deaths will be undertaken.
- Regional Enteritis and Ulcerative Colitis deaths were the subject of a CQC alert. There has been a full casenote review and a full action plan is in place. None of the deaths, however, were deemed to be avoidable although there were some areas where improvements which could be made which are being addressed through the action plan.
- In general, the SHMI has been steadily reducing.



Chart 7: Weekend/Weekday SHMI Compared with Peers

Warrington has the 2nd highest SHMI of its peers for weekends, and weekdays.

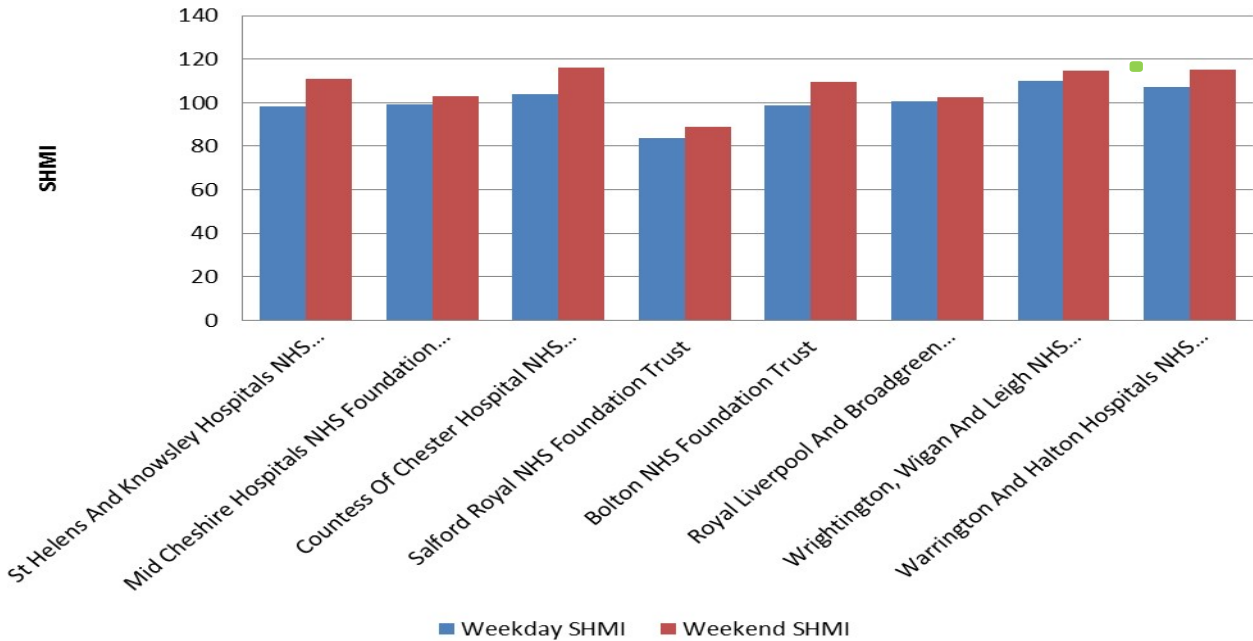
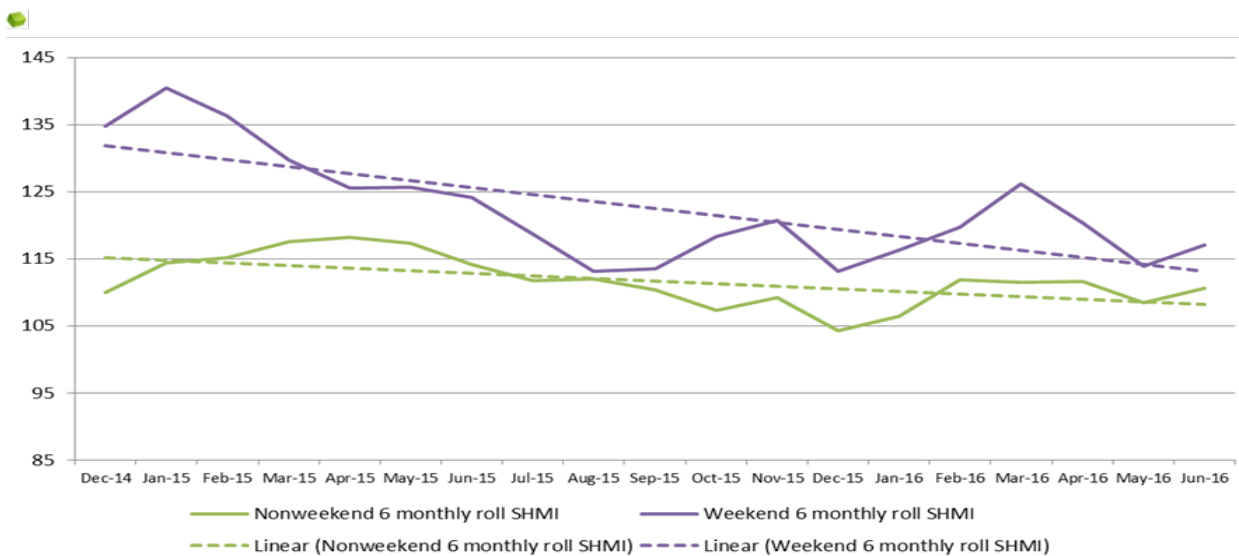


Chart 8 : 6 Month Rolling SHMI Weekend/Weekday

- Rates remain high, with weekend SHMI higher than weekday, as is the national experience.
- A casenote review looking at our weekend admissions is underway.
- Trends do seem to be steadily reducing and the gap between weekend and weekday mortality may be reducing as the improvement in weekend mortality is greater than the improvement in non-weekend mortality.

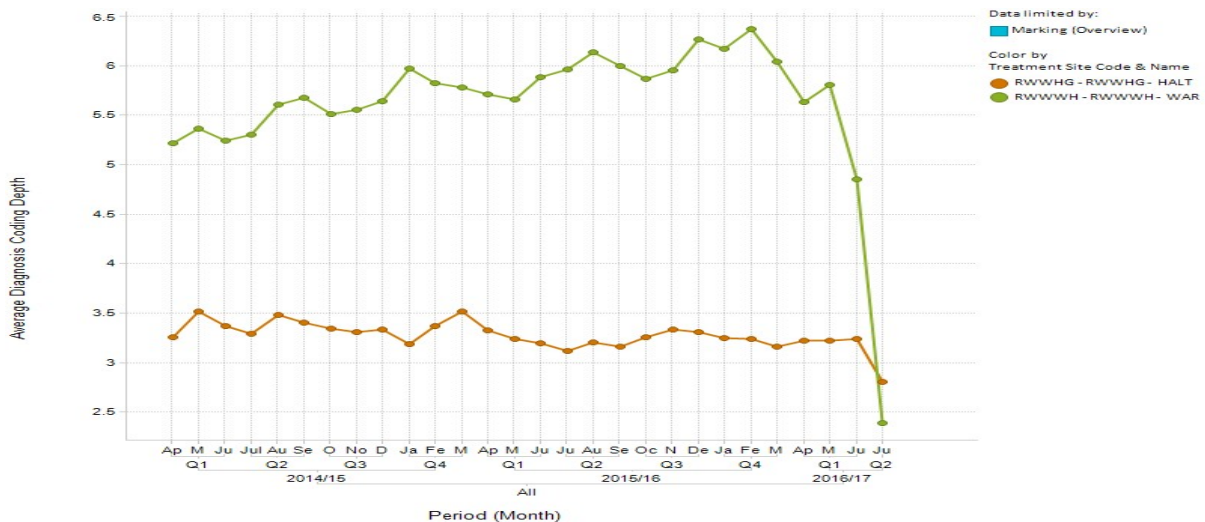




Potential Issues for Investigation

Chart 9 : Coding Issues Average Diagnosis Coding Depth

- The coding depth of the latest month is always low and updated the following month as coding is updated; and this trend is, to date, more marked for this Trust than its peers. It is sufficiently significant that we have not been able to review HSMR for the latest month, because less than 50% of expected HSMR discharges (based on April 2015 – March 2016) have been captured. (Note: overall discharge levels are as expected, but those selected by HSMR when looking at the subset of diagnoses groups accounting for 80% in hospital deaths nationally, are low).
- The effect of this is more marked for the Warrington site, than the Halton General Hospital, as would be expected because of the relative complexity of patients seen.
- Coding and depth of coding is being reviewed by Paula Brereton, Head of Clinical Coding.



Conclusions

- SHMI is steadily reducing but remains an amber alert. Levels of palliative care coding are rising.
- HSMR is also reducing. However, the casenote reviews should help in identifying areas of improvement which could help us further reduce these levels.
- These figures, although helpful in identifying areas for review, do not indicate that our clinical care is poor. This is based on all of the casenote reviews and the findings of the mortality screening and secondary reviews.



- ◆ A number of areas have been identified for improvement as a result of the reviews.



We are
WHH

BOARD OF DIRECTORS

AGENDA REFERENCE:	BM/16/184	
SUBJECT:	Strengthening Financial Performance & Accountability in 2016/17 -High Pay Bill Growth and Agency Staffing	
DATE OF MEETING:	26th October 2016	
ACTION REQUIRED	For Assurance	
AUTHOR(S):	Roger Wilson, Director of HR&OD	
EXECUTIVE DIRECTOR SPONSOR:	Roger Wilson, Director of Human Resources & Organisational Development Choose an item.	
LINK TO STRATEGIC OBJECTIVES:	SO3: To deliver well managed, value for money, sustainable services	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):	BAF2.2: Nurse Staffing	
	BAF2.3: Medical Staffing	
	BAF3.2: Monitor Undertakings: Corporate Governance & Financial Management	
FREEDOM OF INFORMATION STATUS (FOIA):	Release Document in Full	
FOIA EXEMPTIONS APPLIED: (if relevant)	Choose an item.	
EXECUTIVE SUMMARY (KEY ISSUES):		
RECOMMENDATION:	That the Trust Board notes the content of this paper and requests regular updates as outlined in the NHS Improvement letter of 7 th October 2016.	
PREVIOUSLY CONSIDERED BY:	Committee	Not Applicable
	Agenda Ref.	
	Date of meeting	
	Summary of Outcome	



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Strengthening Financial Performance & Accountability in 2016/17

High Pay Bill Growth and Agency Staffing

1. Introduction

On 7th October 2016, all provider Chief Executives received a letter from Jim Mackey. The letter outlined a number of revised requirements following on from the July publication of “Strengthening Financial Performance & Accountability in the NHS”.

In the letter, there was some recognition that some providers had risen to meet the pressing financial challenge in the NHS. The letter outlined the priorities for the next Quarter of the financial year, the headlines for these priorities are as follows:-

- High Pay Bill Growth and
- Agency Staffing

This paper outlines the work the Trust has already done in this area and the work it will do in the future to respond to the challenges?

2. Past Performance and Current Scrutiny

Over a long period of time, the Trust Board have given detailed scrutiny to the Trust Pay Bill position, both in Public Board and through its' Sub-Committee structures – Finance and Sustainability and Strategic People Committee.

In addition, the Trust Board and Finance and Sustainability and Strategic People Committees receive regular reports regarding performance across all non-contractual pay spend, including Agency Staffing spend. At the September meeting of Finance and Sustainability Committee, a detailed presentation was given on the controls in place to manage non-contracted pay spend in the Trust.

Furthermore, whilst the Director of HR&OD is not a core member of Finance and Sustainability Committee, his attendance is requested by the committee on a regular basis. Indeed, a further update is due to be given on Wednesday 19th October 2016.

Trust Board members should also be assured that regular scrutiny is given to this issue as part of the Chief Executive chaired Workforce Grip and Control meetings, which form an integral part of the weekly Executive Team meeting.

3. Next Steps

In respect of High Pay Bill Growth, the letter of 7th October 2016, asks Boards to do the following: -



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“Take the opportunity to review the investments in pay over the past two years to ensure that this investment remains appropriate”

Also

“Where investments have been undertaken without Board approval, please could you ensure that your Board is content with any delegated decisions?”

In order to do this, it is proposed that Finance will provide a summary of pay expenditure by service line for the last two years. This will enable us to see any significant increases in pay bill at a high level. This may then require a further deep dive into any areas which show significant movement.

In respect of Agency Staffing, the letter requests that Trust Boards “have sight of prices paid and spending at Cost-Centre level and are actively holding executives to account on reducing agency expenditure across all parts of the Trust”.

The letter also requests that Chief Executives have oversight of the issues surrounding Agency Staff spend, the current oversight arrangements are outlined in the previous section of this paper. However, the Trust will be required to explicitly state, where there has been off-framework use, high-price overrides and on-call rates. In this respect a new set of metrics will be developed to support this requirement.

The letter also alludes to the following areas for additional future scrutiny: -

- High On-Call rates
- Grade inflation
- High Bank rates
- Payments for hours not worked

The letter is also very specific in relation to what it expects to receive from individual Trusts, it is suggested that this should also be presented to the Board, including the following: -

- a) Monthly agency spending broken down by cost centre/service line
- b) A list of our 20 highest-earning Agency staff
- c) A list of agency staff that have been employed with us for more than 6 consecutive months.
- d) Agency Expenditure as a share of total workforce costs
- e) Agency expenditure performance relative to agency ceilings

The letter also alludes to some likely future actions, including a closing down of the use of senior interims and a greater use of senior NHS Leadership capacity.

The letter also alludes to the development of an initiative to drive close local collaboration and mutual support on Agency. The Trust has already taken a strong lead in this area, being instrumental in setting up a Cheshire and Merseyside summit meeting on Agency Staffing which is due to be held on 8th November 2016.

The letter refers to the need, under the STP banner, to look at shared rotas, especially where current rotas are staffed with Agency staff.



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4. Conclusions and Recommendations

That the Trust Board notes the content of this paper and requests regular updates as outlined in the NHS Improvement letter of 7th October 2016.

Roger Wilson

Director of Human Resources and Organisational Development

17th October 2016



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BOARD OF DIRECTORS

AGENDA REFERENCE:	BM/16/185	
SUBJECT:	Part 1 Risk Register	
DATE OF MEETING:	26th October 2016	
ACTION REQUIRED	For Discussion	
AUTHOR(S):	Facilitated by Millie Bradshaw, Associate Director of Governance	
EXECUTIVE DIRECTOR SPONSOR:	Kimberley Salmon-Jamieson, Chief Nurse Choose an item.	
LINK TO STRATEGIC OBJECTIVES:	All	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):	BAF1.1: CQC Compliance for Quality Choose an item. Choose an item.	
FREEDOM OF INFORMATION STATUS (FOIA):	Release Document in Full	
FOIA EXEMPTIONS APPLIED: (if relevant)	None	
EXECUTIVE SUMMARY (KEY ISSUES):	<p>The Part 1 RR (risks of 15 and above) has been split into Clinical and non-clinical.</p> <p>Clinical risks are reviewed by the Patient Safety and Effectiveness subcommittee to which there is 3.</p> <p>Non Clinical by the Health and Safety Sub Committee to which there are 8 risks</p> <p>The October 2016 Quality Committee reviewed and discussed all the risks on behalf of the Board.</p>	
RECOMMENDATION:	To receive, note and comment	
PREVIOUSLY CONSIDERED BY:	Committee	Not Applicable
	Agenda Ref.	
	Date of meeting	
	Summary of Outcome	

Insufficient staffing establishment to meet minimum service requirements affecting key objectives and patient safety Linked to 000347 and 000724

Patient Safety Sub-Committee Risk

Risk ID	000089
Risk Title	Insufficient staffing establishment to meet minimum service requirements affecting key objectives and patient safety Linked to 000347 and 000724
Further Information (If Required)	Affected key objectives include Governance activities (Departmental & Trust), NICE medicines reconciliation/ adherence, ward visiting, stock top up visits (CQC breach), external audit actions, licensing requirements (e.g MHRA), procurement processes including homecare.
Source of the risk	Risk Assessment
Risk Code	Clinical
Identified By	Matthew, Diane on 31/01/2011
Division / Department	Pharmacy
Managerial Lead	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM
Risk Status	Open as at 02/09/2016
Date for Next Review	21/10/2016

Control Measures 6 Items

Control ID	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
018886	Risk assess level of risk to patients from prescription issues on wards to enable prioritisation and allocation of staff resources - may be assessed on a daily basis (acute staffing problem) or for ongoing gaps in capacity-demand	Warrington and Halton Hospitals NHS Foundation Trust	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM [From 14/07/2016]	Compliant [From 14/07/2016] The assessment is reviewed whenever staffing levels are such that ward visiting has to be reviewed.	Partially Assured [From 14/07/2016]	Extreme risk [From 14/07/2016]

Control ID ▲	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
021607	Pharmacist clinical review of patient at discharge	Women's, Children's and Support Services Division	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM [From 14/07/2016]	Partially Compliant [From 14/07/2016]	Partially Assured [From 14/07/2016]	Moderate risk [From 14/07/2016]
021608	Review of medicines incidents and provision of support for staff who make errors	Warrington and Halton Hospitals NHS Foundation Trust	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM [From 14/07/2016]	Compliant [From 14/07/2016]	Partially Assured [From 14/07/2016]	Moderate risk [From 14/07/2016]
021609	Quarterly Medicines Safety Assurance Reports are prepared for the Medicines Safety Committee, shared learning from incidents is taken back into the three divisions.	Warrington and Halton Hospitals NHS Foundation Trust	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM [From 14/07/2016]	Compliant [From 14/07/2016]	Partially Assured [From 14/07/2016]	Moderate risk [From 14/07/2016]
021610	Time is ring fenced for key governance activities	Pharmacy	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM [From 14/07/2016]	Compliant [From 14/07/2016]	Partially Assured [From 14/07/2016]	High risk [From 14/07/2016]
024750	Referral system in place	Pharmacy	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM [From 14/07/2016]	Compliant [From 14/07/2016]	Partially Assured [From 14/07/2016]	Moderate risk [From 14/07/2016]

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
31/01/2011	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM	Business objectives / projects -	4 - Major	4 - Likely	Extreme risk 16

Residual Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
29/09/2016	Keeley, Maria; Chief Pharmacy Technician - Pharmacy; PHARM	Statutory duty / inspections -	4 - Major	4 - Likely	Extreme risk 16

Outstanding Action Points 5 Items

Action	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
Exploratory visit to East Lancashire NHST to identify any resultant actions	TASK 40287	Hayes, Nicola; Deputy Chief Pharmacist - Pharmacy; PHARM		In progress as at 14/07/2016	31/10/2016	
Recruit to new posts e.g. Antibiotics Pharmacist, Medical Education/ Safety Pharmacist (new funding); AMU Pharmacy Technician, A&E pharmacy Assistant (from budgets held by USC)	TASK 20926	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM		In progress as at 14/07/2016	31/10/2016	Update 24.5.16: Only the antimicrobial therapy pharmacist outstanding - due date adjusted accordingly Update 24.2.15: Still awaiting Finance funding approval for the medical Education/ Medicines Safety Post; AMU technician interviews imminent, pharmacy assistant recruited and in post. Update 1.6.15 PA & PT recruited. Pharmacist recruitment stalled as funding not identified. Discussed with Finance Manager. AD for Clinical Education/OD is adding the Medical Education risk onto the risk register
Recruit to vacancies (existing posts)	TASK 20892	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM		In progress as at 14/07/2016	31/10/2016	24/5/16: Due to resignations currently recruiting to 7 pharmacy technician, 1 porter, 1 pharmacy assistant, 3 pharmacist posts (13% of Trust Pharmacy establishment). Due date updated accordingly 4 pharmacy technicians recruited-start date-April 15x1, August 15x3. Further recruitment needed into 1.6xnew technician vacancies (leaver/reduction in hours). 3 pharmacists recruited-start date April/ May/June. Further recruitment needed into 1xnew vacancy (leaver). Update 1.6.15: PT recruitment successful-fully recruited to current vacancies start date ?Sept, pharmacist interviews arranged for early June
Review NHS benchmarking data alongside the System21 data and produce a staffing report	TASK 27146	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM	Low	In progress as at 14/07/2016	31/10/2016	Risk to be reviewed by NH/MK. Following implementation of new EPR, data from EPR reports is being analysed alongside activity data provided by staff
Staff to review their outstanding tasks and report back to senior management to allow these to be reviewed, re-prioritised and potentially re-allocated if required	TASK 35649	Hayes, Nicola; Deputy Chief Pharmacist - Pharmacy; PHARM		In progress as at 14/07/2016	31/10/2016	Due date extended, to be discussed with staff

Monitoring Parties 8 Items

Monitoring Party	Party Type	Monitoring Capacity	Lead Monitoring Party?
Drugs & Therapeutics and Safe Medicines Committee	Committee		No
Patient Safety and clinical Effectiveness Sub-Committee	Committee		No
Divisional Integrated Governance Group - WCCSS	Committee		No
Pharmacy Joint Senior Staff Group	Committee		No
WCCSS Senior Management Team	Committee		No

Monitoring Party	Party Type ▲	Monitoring Capacity	Lead Monitoring Party?
Medicines safety Committee	Committee		No
Pharmacy Safety and Risk Sub-Group	Committee		No
Patient Experience Sub Committee	Committee		No

Risk of loss of Vision Due to lack of Ophthalmic failsafe for follow up appointments

Patient Safety Sub-Committee Risk

Risk ID	002757
Risk Title	Risk of loss of Vision Due to lack of Ophthalmic failsafe for follow up appointments
Further Information (If Required)	
Source of the risk	Incident
Risk Code	Clinical
Identified By	Barrett, Peter on 21/07/2016
Division / Department	Ophthalmology
Managerial Lead	Barrett, Peter; Clinical Director - Specialist Surgery; SS
Risk Status	Open as at 21/07/2016
Date for Next Review	15/11/2016

Control Measures 2 Items

Control ID	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
029993	1. Outpatients – E Outcomed – this has to be picked up by Reception staff – they then draw up a Patient Access plan – goes to individual Bookings clerk.	Specialist Surgery		Compliant [From 11/09/2016]	Partially Assured [From 11/09/2016]	
029994	2. Post ward discharges - The ward staff send an e mail lists of patients to the Booking clerks	Specialist Surgery		Compliant [From 11/09/2016]	Partially Assured [From 11/09/2016]	

Initial Risk Evaluation 1 Item

Review Date	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
21/07/2016	Barrett, Peter; Clinical Director - Specialist Surgery; SS	Impact on the safety of patients, staff or public (physical / psychological harm) -	3 - Moderate	5 - Almost certain	Extreme risk 15

Residual Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
11/10/2016	Barrett, Peter; Clinical Director - Specialist Surgery; SS	Impact on the safety of patients, staff or public (physical / psychological harm) -	3 - Moderate	5 - Almost certain	Extreme risk 15

Outstanding Action Points 1 Item

Action ▲	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
Await decision on Failsafe after the escalated SBAR paper.	TASK 44564			In progress as at 11/10/2016	30/11/2016	10/08/16: Table top meeting was held and lead investigator identified for further investigation.

Monitoring Parties 3 Items

Monitoring Party	Party Type ▲	Monitoring Capacity	Lead Monitoring Party?
Surgery, Women and Children Senior Management Team Meeting	Committee		Yes
Patient Safety and clinical Effectiveness Sub-Committee	Committee		No
Specialist Surgery CBU meeting	Committee		Yes

The risk that patients will not be seen in a timely manner due to process and system delays within OPD

Patient Safety Sub-Committee Risk

Risk ID	002143
Risk Title	The risk that patients will not be seen in a timely manner due to process and system delays within OPD
Further Information (If Required)	Although not a Lorenzo problem the move to Lorenzo has highlighted a number of process issues within OPD Some patients have been 'lost to follow up' (incident) and complaints from GPs re completeness and timeliness of discharge communications. Concerns related to E outcomes and the overall administration / systems and processes within OPD Significant concerns raised by Dr Lovey risk 2372
Source of the risk	Incident
Risk Code	Clinical
Identified By	Jenkins, Nick on 12/04/2016
Division / Department	Warrington and Halton Hospitals NHS Foundation Trust
Managerial Lead	Ross, Jan; Deputy Chief Operating Officer; CORP
Risk Status	Re-Opened as at 10/10/2016
Date for Next Review	23/11/2016

Control Measures 4 Items

Control ID	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
028116	Lorenzo Gold Command	Warrington and Halton Hospitals NHS Foundation Trust	Gilligan, Sharon; Chief Operating Officer; EXCOO [From 28/07/2016]	Compliant [From 28/07/2016]	Fully Assured [From 28/07/2016]	Low risk [From 28/07/2016]
028117	Lorenzo Silver Command	Warrington and Halton Hospitals NHS Foundation Trust	Jenkins, Nick; Deputy Medical Director; EXMD [From 28/07/2016]	Compliant [From 28/07/2016]	Partially Assured [From 28/07/2016]	Low risk [From 28/07/2016]
028118	IT Program Board	Warrington and Halton Hospitals NHS Foundation Trust	DaCosta, Jason; Director of Information Technology; IT [From 28/07/2016]	Compliant [From 28/07/2016]	Fully Assured [From 28/07/2016]	Low risk [From 28/07/2016]
030666	Out patient turnaround board	Warrington and Halton Hospitals NHS Foundation Trust	Pickup, Mel; Chief Executive; EXCEO [From 10/10/2016] Jan Ross and Millie Bradshaw actioned on behalf of the CEO	Compliant [From 10/10/2016]	Fully Assured [From 10/10/2016]	Low risk [From 10/10/2016]

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
12/04/2016	Jenkins, Nick; Deputy Medical Director; EXMD	Quality / complaints / audit -	4 - Major	5 - Almost certain	Extreme risk 20

Residual Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
10/10/2016	Ross, Jan; Deputy Chief Operating Officer; CORP	Quality / complaints / audit -	4 - Major	5 - Almost certain	Extreme risk 20

Outstanding Action Points 0 Items

Action ▲	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
<i>No Data</i>						

Monitoring Parties 5 Items

Monitoring Party	Party Type ▲	Monitoring Capacity	Lead Monitoring Party?
IT Programme Board	Committee		Yes
Safety Summit (Lorenzo) as one off meeting	Committee		No
Lorenzo Silver Control: Quality and Safety	Committee		Yes
Patient Safety and clinical Effectiveness Sub-Committee	Committee		No
Jenkins, Nick; Deputy Medical Director; EXMD	Organisational Post		No

PSSC Risk register (To be read in conjunction with accompanying report) 3 Items

Residual Risk Score greater than or equal to: "15"

Risk ID	Risk Title	Division / Department	Source of the Risk	Date Identified	Initial Risk Score	Managerial Lead	Date of Last Review	Impact Rating	Residual Risk Score	Date for Review	Target Date for Completion	Strategic Aim Risk Score
+ Group Name: Pharmacy												
000089	Insufficient staffing establishment to meet minimum service requirements affecting key objectives and patient safety Linked to 000347 and 000724	Pharmacy	Risk Assessment	31/01/2011	Extreme risk 16	Matthew, Diane; Chief Pharmacist - Pharmacy; PHARM	29/09/2016	4 - Major	Extreme risk 16	21/10/2016	30/12/2016	8
+ Group Name: SWC - Specialist Surgery												
002757	Risk of loss of Vision Due to lack of Ophthalmic failsafe for follow up appointments	Ophthalmology	Incident	21/07/2016	Extreme risk 15	Barrett, Peter; Clinical Director - Specialist Surgery; SS	11/10/2016	3 - Moderate	Extreme risk 15	15/11/2016	30/12/2016	4
+ Group Name: Trust Wide												
002143	The risk that patients will not be seen in a timely manner due to process and system delays within OPD	Warrington and Halton Hospitals NHS Foundation Trust	Incident	12/04/2016	Extreme risk 20	Ross, Jan; Deputy Chief Operating Officer; CORP	10/10/2016	4 - Major	Extreme risk 20	23/11/2016	31/01/2017	8

Risk of failure to comply with statutory duty Due to need for asbestos re-inspections and removals

Health and Safety Sub-Committee Risk

Risk ID	003091
Risk Title	Risk of failure to comply with statutory duty Due to need for asbestos re-inspections and removals
Further Information (If Required)	
Source of the risk	Risk Assessment
Risk Code	
Identified By	Wardley, Darren on 19/09/2016
Division / Department	Estates
Managerial Lead	Cresswell, George; Associate Director of Estates; EST
Risk Status	Open as at 19/09/2016
Date for Next Review	30/11/2016

Control Measures 1 Item

Control ID ▲	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
021568	Regular review of area/equipment	Estates				

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
20/09/2016	Wardley, Darren; Operational Estates Manager - Estates; EST	Statutory duty / inspections -	4 - Major	4 - Likely	Extreme risk 16

Residual Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
23/09/2016	Wardley, Darren; Operational Estates Manager - Estates; EST	Statutory duty / inspections -	4 - Major	4 - Likely	Extreme risk 16

Outstanding Action Points 1 Item

Action ▲	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
Re-apply for funding for this scheme from 2017/18 CAPEX programme.	TASK 4936	Wardley, Darren; Operational Estates Manager - Estates; EST		In progress as at 19/09/2016	31/03/2017	

Monitoring Parties 2 Items

Monitoring Party	Party Type ▲	Monitoring Capacity	Lead Monitoring Party?
Health and Safety Sub-Committee	Committee		Yes
Estates Risk Group	Committee		No

Risk of failure to comply with Fire (RRO) Regs Due to inadequate emergency escape lighting in Substations A, B & C

Health and Safety Sub-Committee Risk

Risk ID	003089
Risk Title	Risk of failure to comply with Fire (RRO) Regs Due to inadequate emergency escape lighting in Substations A, B & C
Further Information (If Required)	
Source of the risk	Risk Assessment
Risk Code	
Identified By	Wood, David on 19/09/2016
Division / Department	Estates
Managerial Lead	Bushell, Lee; Acting Head of Capital Projects; EST
Risk Status	Open as at 19/09/2016
Date for Next Review	30/11/2016

Control Measures 1 Item

Control ID ▲	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
021568	Regular review of area/equipment	Estates				

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
20/09/2016	Wood, David; Fire Safety Advisor; EST	Statutory duty / inspections -	3 - Moderate	5 - Almost certain	Extreme risk 15

Residual Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
20/09/2016	Wood, David; Fire Safety Advisor; EST	Statutory duty / inspections -	3 - Moderate	5 - Almost certain	Extreme risk 15

Outstanding Action Points 1 Item

Action ▲	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
Re-apply for funding for this scheme from 2017/18 CAPEX programme.	TASK 4936	Wardley, Darren; Operational Estates Manager - Estates; EST		In progress as at 19/09/2016	31/03/2017	

Monitoring Parties 2 Items

Monitoring Party	Party Type ▲	Monitoring Capacity	Lead Monitoring Party?
Fire Assurance Group	Committee		No
Health and Safety Sub-Committee	Committee		Yes

Risk of failure to comply with Fire (RRO) Regs Due to inadequate fire alarm links between hospital sites

Health and Safety Sub-Committee Risk

Risk ID	003094
Risk Title	Risk of failure to comply with Fire (RRO) Regs Due to inadequate fire alarm links between hospital sites
Further Information (If Required)	
Source of the risk	Risk Assessment
Risk Code	
Identified By	Wood, David on 19/09/2016
Division / Department	Estates
Managerial Lead	Bushell, Lee; Acting Head of Capital Projects; EST
Risk Status	Open as at 19/09/2016
Date for Next Review	30/11/2016

Control Measures 1 Item

Control ID ▲	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
021568	Regular review of area/equipment	Estates				

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
20/09/2016	Wood, David; Fire Safety Advisor; EST	Statutory duty / inspections -	3 - Moderate	5 - Almost certain	Extreme risk 15

Residual Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
20/09/2016	Wood, David; Fire Safety Advisor; EST	Statutory duty / inspections -	3 - Moderate	5 - Almost certain	Extreme risk 15

Outstanding Action Points 1 Item

Action ▲	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
Re-apply for funding for this scheme from 2017/18 CAPEX programme.	TASK 4936	Wardley, Darren; Operational Estates Manager - Estates; EST		In progress as at 19/09/2016	31/03/2017	

Monitoring Parties 2 Items

Monitoring Party	Party Type ▲	Monitoring Capacity	Lead Monitoring Party?
Fire Assurance Group	Committee		No
Health and Safety Sub-Committee	Committee		Yes

Risk of failure of catering provision Due to failure of plant and equipment due to age

Health and Safety Sub-Committee Risk

Risk ID	002121
Risk Title	Risk of failure of catering provision Due to failure of plant and equipment due to age
Further Information (If Required)	
Source of the risk	Risk Assessment
Risk Code	
Identified By	McGreal, Julie on 22/03/2016
Division / Department	Facilities
Managerial Lead	Cresswell, George; Associate Director of Facilities; FAC
Risk Status	Open as at 15/09/2016
Date for Next Review	30/11/2016

Control Measures 1 Item

Control ID ▲	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
021568	Regular review of area/equipment	Estates				

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
22/03/2016	McGreal, Julie; Facilities Manager; FAC	Service / business interruption Environmental impact -	3 - Moderate	4 - Likely	High risk 12

Residual Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
26/09/2016	McGreal, Julie; Facilities Manager; FAC	Service / business interruption Environmental impact -	4 - Major	4 - Likely	Extreme risk 16

Outstanding Action Points 0 Items

Action ▲	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
<i>No Data</i>						

Monitoring Parties 1 Item

Monitoring Party	Party Type ▲	Monitoring Capacity	Lead Monitoring Party?
Health and Safety Sub-Committee	Committee		No

Risk of abduction of infants Due to lack of infant tagging system

Health and Safety Sub-Committee Risk

Risk ID	003092
Risk Title	Risk of abduction of infants Due to lack of infant tagging system
Further Information (If Required)	
Source of the risk	Risk Assessment
Risk Code	
Identified By	Sloan, Phil on 19/09/2016
Division / Department	Facilities
Managerial Lead	Cresswell, George; Associate Director of Facilities; FAC
Risk Status	Open as at 19/09/2016
Date for Next Review	30/11/2016

Control Measures 1 Item

Control ID ▲	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
021568	Regular review of area/equipment	Estates				

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
20/09/2016	Sloan, Phil; Local Security Management Specialist (LSMS); SEC	Impact on the safety of patients, staff or public (physical / psychological harm) -	5 - Catastrophic	3 - Possible	Extreme risk 15

Residual Risk Evaluation 1 Item

Review Date	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
20/09/2016	Sloan, Phil; Local Security Management Specialist (LSMS); SEC	Impact on the safety of patients, staff or public (physical / psychological harm) -	5 - Catastrophic	3 - Possible	Extreme risk 15

Outstanding Action Points 1 Item

Action	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
Re-apply for funding for this scheme from 2017/18 CAPEX programme.	TASK 4936	Wardley, Darren; Operational Estates Manager - Estates; EST		In progress as at 19/09/2016	31/03/2017	

Monitoring Parties 2 Items

Monitoring Party	Party Type	Monitoring Capacity	Lead Monitoring Party?
Estates Risk Group	Committee		No
Health and Safety Sub-Committee	Committee		Yes

Risk of security incidents

Due to requirement to install door alarm system with speech dialling – both sites

Health and Safety Sub-Committee Risk

Risk ID	003093
Risk Title	Risk of security incidents Due to requirement to install door alarm system with speech dialling - both sites
Further Information (If Required)	
Source of the risk	Risk Assessment
Risk Code	
Identified By	Sloan, Phil on 19/09/2016
Division / Department	Facilities
Managerial Lead	Cresswell, George; Associate Director of Facilities; FAC
Risk Status	Open as at 19/09/2016
Date for Next Review	30/11/2016

Control Measures 1 Item

Control ID ▲	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
021568	Regular review of area/equipment	Estates				

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
20/09/2016	Sloan, Phil; Local Security Management Specialist (LSMS); SEC	Impact on the safety of patients, staff or public (physical / psychological harm) -	3 - Moderate	5 - Almost certain	Extreme risk 15

Residual Risk Evaluation 1 Item

Review Date	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
20/09/2016	Sloan, Phil; Local Security Management Specialist (LSMS); SEC	Impact on the safety of patients, staff or public (physical / psychological harm) -	3 - Moderate	5 - Almost certain	Extreme risk 15

Outstanding Action Points 1 Item

Action	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
Re-apply for funding for this scheme from 2017/18 CAPEX programme.	TASK 4936	Wardley, Darren; Operational Estates Manager - Estates; EST		In progress as at 19/09/2016	31/03/2017	

Monitoring Parties 2 Items

Monitoring Party	Party Type	Monitoring Capacity	Lead Monitoring Party?
Estates Risk Group	Committee		No
Health and Safety Sub-Committee	Committee		Yes

Risk of expenditure on temporary staffing significantly exceeding budget/affecting future viability of the trust with reports to NHS Improvement

Health and Safety Sub-Committee Risk

Risk ID	000269
Risk Title	Risk of expenditure on temporary staffing significantly exceeding budget/affecting future viability of the trust with reports to NHS Improvement
Further Information (If Required)	Risk of expenditure on temporary staffing significantly exceeding budget and affecting the future viability of the trust with reports to NHS Improvement
Source of the risk	Committee Review
Risk Code	
Identified By	Dawber, Karen on 01/04/2012
Division / Department	Human Resources and Organisational Development
Managerial Lead	Wilson, Roger; Director of Human Resources & OD; EXEC
Risk Status	Open as at 04/10/2016
Date for Next Review	04/11/2016

Control Measures 1 Item

Control ID ▲	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
017965	Temporary Staffing expenditure monitored at the Trust Board, Strategic Workforce Committee and the Temporary Staffing Group	Human Resources and Organisational Development	; Director of Governance and Workforce; DODG [From 01/04/2012]	Not Compliant [From 01/04/2012]	Not Assured [From 01/04/2012]	High risk [From 30/05/2014]

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
04/05/2013	; Divisional Head of Nursing - WCSS; WCSS	Finance including claims -	5 - Catastrophic	4 - Likely	Extreme risk 20

Residual Risk Evaluation 1 Item

Review Date	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
04/10/2016	Wilson, Roger; Director of Human Resources & OD; EXEC	Finance including claims -	4 - Major	4 - Likely	Extreme risk 16

Outstanding Action Points 5 Items

Action	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
Plans should be put in place, if not already, to decide how the department will move forward in relation to the Consultant in Emergency Medicine vacancy.	TASK 12421	Holland, Neil; Divisional Director of Operations - Acute Care Services; ACS		In progress as at 13/06/2014	31/03/2015	
Regular contact with the agency must happen to ensure the Consultant locum in place within Diabetes and Endocrinology is given appropriate notice for their placement to cease.	TASK 12422	Holland, Neil; Divisional Director of Operations - Acute Care Services; ACS		In progress as at 12/02/2014	31/03/2015	
The division has already taken steps to try to reduce locum and agency spending. They have amended a trainee on-call rota to reduce the need for locums. LAS appointments have been made where this has been possible. Clinical Fellow posts have been introduced and are being utilised to fill some of the junior specialty trainee gaps. Wherever possible they use internal locums to reduce, but not eradicate, the need for agency locums. DRS Realtime has been purchased and is being utilised for rota management within the Medicine specialties. Although decisions have not been reached on all posts it is evident that recruitment to gaps is an on-going process within the division.	TASK 12416	Holland, Neil; Divisional Director of Operations - Acute Care Services; ACS		In progress as at 12/02/2014	31/03/2015	
There are two new Gastroenterology posts and one Palliative Care post which the Trust is in the process of gaining Royal College approval. This should be expedited if appropriate to avoid the need for continued Locum cover.	TASK 12423	Holland, Neil; Divisional Director of Operations - Acute Care Services; ACS		In progress as at 12/02/2014	31/03/2015	
With regard to the Elderly Care Consultant posts the Division need to decide how they wish these posts to progress.	TASK 12418	Holland, Neil; Divisional Director of Operations - Acute Care Services; ACS		In progress as at 12/02/2014	31/03/2015	

Monitoring Parties 2 Items

Monitoring Party	Party Type	Monitoring Capacity	Lead Monitoring Party?
Health and Safety Sub-Committee	Committee		No

Monitoring Party	Party Type ▲	Monitoring Capacity	Lead Monitoring Party?
Strategic People Committee	Committee		No

Lack of an adequately resourced surveillance system

Health and Safety Sub-Committee Risk

Risk ID	001045
Risk Title	Lack of an adequately resourced surveillance system
Further Information (If Required)	NICE QS 61 requires the Trust to have evidence of an adequately resourced surveillance system with specific, locally defined objectives and priorities for preventing and managing healthcare-associated infections
Source of the risk	Risk Assessment
Risk Code	
Identified By	McKay, Lesley on 05/03/2015
Division / Department	Warrington and Halton Hospitals NHS Foundation Trust
Managerial Lead	McKay, Lesley; Matron - Infection Control; INFCON
Risk Status	Open as at 05/03/2015
Date for Next Review	08/11/2016

Control Measures 2 Items

Control ID ▲	Control Title	Organisation	Owner	Compliance Rating	Assurance Rating	Risk Rating
024804	Crystal reports	Warrington and Halton Hospitals NHS Foundation Trust	Constable, Simon; Medical Director; EXMD [From 07/05/2015]	Unknown [From 07/05/2015] NICE QS for infection control states there should be Evidence of an adequately resourced surveillance system with specific, locally defined objectives and priorities for preventing and managing healthcare-associated infections	Partially Assured [From No programme of surgical site infection. Problems with extracting data from the laboratory computer system due to limited personnel trained in IT coding. - new functionality within the Pathology computer system, MOLIS addresses this requirement	Low risk [From 02/06/2016]
030597	MOLIS MIC-STAT training	Warrington and Halton Hospitals NHS Foundation Trust	McKay, Lesley; Matron - Infection Control; INFCON [From 04/10/2016]	Partially Compliant [From 04/10/2016] IPCNs have been trained in use of the surveillance software for extraction of retrospective data	Partially Assured [From 04/10/2016]	Moderate risk [From 04/10/2016]

Initial Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
05/03/2015	McKay, Lesley; Matron - Infection Control; INFCON	Impact on the safety of patients, staff or public (physical / psychological harm) -	4 - Major	4 - Likely	Extreme risk 16

Residual Risk Evaluation 1 Item

Review Date ▼	Evaluator	Impact Category / Narrative	Impact Rating	Likelihood Rating	Risk Grade
04/10/2016	McKay, Lesley; Matron - Infection Control; INFCON	Impact on the safety of patients, staff or public (physical / psychological harm) -	4 - Major	4 - Likely	Extreme risk 16

Outstanding Action Points 1 Item

Action ▲	ID	Action Lead	Priority	Action Status	F'cst Due Date	Last Review / Outcome
Review of surveillance systems	TASK 24771			In progress as at 06/10/2016	31/03/2017	

Monitoring Parties 2 Items

Monitoring Party	Party Type ▲	Monitoring Capacity	Lead Monitoring Party?
Health and Safety Sub-Committee	Committee		Yes
Infection Control Sub Committee	Committee		Yes

HSSC Risk register (To be read in conjunction with accompanying report) 8 Items

Residual Risk Score greater than or equal to: "15"

Risk ID	Risk Title	Division / Department	Source of the Risk	Date Identified	Initial Risk Score	Managerial Lead	Date of Last Review	Impact Rating	Residual Risk Score	Date for Review	Target Date for Completion	Strategic Aim Risk Score
+ Group Name: Estates												
003091	Risk of failure to comply with statutory duty Due to need for asbestos re-inspections and removals	Estates	Risk Assessment	19/09/2016	Extreme risk 16	Cresswell, George; Associate Director of Estates; EST	23/09/2016	4 - Major	Extreme risk 16	30/11/2016	31/03/2017	4
003089	Risk of failure to comply with Fire (RRO) Regs Due to inadequate emergency escape lighting in Substations A, B & C	Estates	Risk Assessment	19/09/2016	Extreme risk 15	Bushell, Lee; Acting Head of Capital Projects; EST	20/09/2016	3 - Moderate	Extreme risk 15	30/11/2016	31/03/2016	3
003094	Risk of failure to comply with Fire (RRO) Regs Due to inadequate fire alarm links between hospital sites	Estates	Risk Assessment	19/09/2016	Extreme risk 15	Bushell, Lee; Acting Head of Capital Projects; EST	20/09/2016	3 - Moderate	Extreme risk 15	30/11/2016	31/03/2017	3
+ Group Name: Facilities												
002121	Risk of failure of catering provision Due to failure of plant and equipment due to age	Facilities	Risk Assessment	22/03/2016	High risk 12	Cresswell, George; Associate Director of Facilities; FAC	26/09/2016	4 - Major	Extreme risk 16	30/11/2016	31/03/2017	6
003092	Risk of abduction of infants Due to lack of infant tagging system	Facilities	Risk Assessment	19/09/2016	Extreme risk 15	Cresswell, George; Associate Director of Facilities; FAC	20/09/2016	5 - Catastrophic	Extreme risk 15	30/11/2016	31/03/2017	5

Risk ID	Risk Title	Division / Department	Source of the Risk	Date Identified	Initial Risk Score	Managerial Lead	Date of Last Review	Impact Rating	Residual Risk Score	Date for Review	Target Date for Completion	Strategic Aim Risk Score
003093	Risk of security incidents Due to requirement to install door alarm system with speech dialling - both sites	Facilities	Risk Assessment	19/09/2016	Extreme risk 15	Cresswell, George; Associate Director of Facilities; FAC	20/09/2016	3 - Moderate	Extreme risk 15	30/11/2016	31/03/2017	3
+ Group Name: HR												
000269	Risk of expenditure on temporary staffing significantly exceeding budget/affecting future viability of the trust with reports to NHS Improvement	Human Resources and Organisational Development	Committee Review	01/04/2012	Extreme risk 20	Wilson, Roger; Director of Human Resources & OD; EXEC	04/10/2016	4 - Major	Extreme risk 16	04/11/2016	31/03/2017	8
+ Group Name: Trust Wide												
001045	Lack of an adequately resourced surveillance system	Warrington and Halton Hospitals NHS Foundation Trust	Risk Assessment	05/03/2015	Extreme risk 16	McKay, Lesley; Matron - Infection Control; INFCON	04/10/2016	4 - Major	Extreme risk 16	08/11/2016	31/03/2017	6



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BOARD OF DIRECTORS

AGENDA REFERENCE:	BM/16/186	
SUBJECT:	Progress on the Carter Report recommendations	
DATE OF MEETING:	26th October 2016	
ACTION REQUIRED	For Discussion	
AUTHOR(S):	Steve Barrow, Deputy Director of Finance	
EXECUTIVE DIRECTOR SPONSOR:	Andrea Chadwick, Director of Finance & Commercial Development Choose an item.	
LINK TO STRATEGIC OBJECTIVES:	All	
LINK TO BOARD ASSURANCE FRAMEWORK (BAF):	BAF1.3: National & Local Mandatory, Operational Targets	
	BAF1.4: Business Continuity	
	BAF3.3: Clinical & Business Information Systems	
FREEDOM OF INFORMATION STATUS (FOIA):	Release Document in Full	
FOIA EXEMPTIONS APPLIED: (if relevant)	None	
EXECUTIVE SUMMARY (KEY ISSUES):	The Trust has embraced the recommendations of the Carter Report and is already compliant with some of the key targets and performance indicators and making steady progress on the remaining recommendations. Progress reports will be provided to the Trust Board on a quarterly basis.	
RECOMMENDATION:	<i>The Trust Board is asked to note the contents of the report.</i>	
PREVIOUSLY CONSIDERED BY:	Committee	Not Applicable
	Agenda Ref.	
	Date of meeting	
	Summary of Outcome	

PROGRESS ON THE CARTER REPORT RECOMMENDATIONS

1. PURPOSE

The purpose of this report is to update the Trust Board on the latest position regarding the progress made against the recommendations contained in Lord Carter's report "Operational productivity and performance in English NHS acute hospitals" issued in February 2016. Further to this, NHS Improvement (NHSI) has recently undertaken national data collection exercises with a clear ambition to fast track savings in this area. This report and future updates will highlight progress in this area.

2. BACKGROUND

In June 2014 Lord Carter was asked by the Secretary of State for Health to assess what efficiency improvements could be generated in hospitals across England.

In June 2015 an interim report was published which outlined that potentially £5 billion of operational efficiency savings could be delivered in the acute sector by 2020 by improving workforce costs, hospital pharmacy medicines optimisation and estates and procurement management.

In February 2016 the final report was published and based on the work of 32 acute Trusts, it was estimated that if "unwarranted variation" was removed from Trust spend then that £5 billion could be saved by 2020 as summarised in the table below.

Table: The breakdown of the £5 billion savings:

Narrative	£ billion
Improved workflow and containing workforce costs	2.0
Improved hospital pharmacy and medicines optimisation	1.0
Better estates management and optimisation	1.0
Better procurement management	1.0
Total	5.0

This paper is the first quarterly update report since the initial response to the Lord Carter Report presented to the Trust Board on 27th July 2016.

3. PROGRESS AGAINST LORD CARTER RECOMMENDATIONS

Recommendation 1

NHS Improvement should develop a national people strategy and implementation plan by October 2016 that sets targets for simplifying system structures, raising people management capacity, building greater engagement and inclusive for all colleagues by significantly improving leadership capability from "ward to board" so that transformational change can be planned more effectively, managed and sustained in all Trusts.

Lead Director: Director of Human Resources and Organisational Development.

Current Position:

The Trust has agreed a revised Absence Management Policy with Staff Side colleagues. Ordinarily, the Trust performs favourably when compared with other North West Acute Trusts, however we continue to work towards our target of 3.75% absence via a trajectory point of 4.2%.

The Trust continues to review all policies to ensure necessity and clarity.

The Trust continues to implement Fit to Care – our Health and Well-Being Strategy, maintaining our focus on reducing Bullying and Harassment across our organisation.

There is an on-going focus on the delivery of performance reviews for staff and the Trust has established a link to incremental progression.

The Trust is working with colleagues across the North West on a Workforce streamlining programme, to ensure that we have unified ways of working across organisations. In addition, we are working collaboratively to review the delivery of back office functions.

Recommendation 2

NHS Improvement should develop and implement measures for analysing deployment during 2016, including metrics such as Care Hours per Patient Day (CHPPD) and consultant job planning analysis, so that the right teams are in the right place at the right time collaborating to deliver high quality, efficient patient care.

Lead Directors: Medical Director and Director of Nursing and Governance.

Current position:

The Trust has been collecting and submitting CHHPD data since the national changes in April 2016. This data is submitted monthly to the Department of Health (DoH). The Trust is currently working to implement both electronic roster rollout and the introduction of the Safe Care module which will allow us to monitor and act upon CHHPD data live on a daily basis within each department. The completion date for rollout is April 2017 however we will continue to record manually until full implementation.

All of the consultants now have agreed job plans for 2015/2016 (or are going through the policy-specified mediation process), in an electronic source document, that will now enable direct comparison between consultants and linked to the requirements of the service. SAS doctors will be job-planned in the same way. We will shortly commence the 2016/2017 job-planning round (31st December 2016) which will allow greater comparison within teams and between teams to ensure consistency and improved productivity against policy and a checklist.

Recommendation 3

Trusts should through the Hospital Pharmacy Transformation Programme (HPTP), develop plans by April 2017 to ensure hospital pharmacies achieve their benchmarks such as increasing pharmacist prescribers, e-prescribing and administration, accurate cost coding of medicines and consolidating stock holding, in agreement with NHS Improvement and NHS England by April 2020; so that their pharmacists and clinical pharmacy technicians spend more time on patient facing medicine optimisation activities.

Lead Directors: Medical Director and Chief Operating Officer.

Current Position:

A number of actions have been recommended by Lord Carter and progress against these actions is set out in the table below:

Recommended Carter Actions	Programme Status
Develop HPTP plans at local level with Trust Board nominating a Director to work alongside the Chief Pharmacist.	<p>Working towards completing this recommendation</p> <p>The Medical Director/Deputy Chief Executive and Chief Operating Officer are the nominated Directors working with the Chief Pharmacist on the HPTP.</p>
Move prescribing and administration from traditional drug board to electronic prescribing and medicines administration (EPMA).	<p>Working towards implementing this recommendation</p> <p>A business case for electronic prescribing and medicines administration has been developed. Further work is required on the financing arrangements.</p>
Each Trust Finance Director to ensure coding of medicines is accurately recorded.	<p>Partially achieving this recommendation</p> <p>High cost drugs for inpatients are coded. The accuracy of this is confirmed by reconciliation to a data feed from the Pharmacy System. Implementing electronic prescribing and medicines administration will support accurate coding of medicines.</p>
<p>80% of Trust's pharmacists resource utilised for direct medicines optimisation activities, medicines governance & safety remits.</p> <p>Increase number of pharmacist prescribers.</p>	<p>Achieving this recommendation</p> <p>This was assessed by undertaking a rota review to ensure compliance.</p> <p>Achieving this recommendation as 23% of our pharmacists are prescribers.</p> <p>We are maintaining impetus by training 2 new pharmacist prescribers each year. Prescribing is now an option on the clinical diploma training that qualified pharmacists receive. This will speed up the time it takes to reach our aim of 80% pharmacist prescribers.</p>

Reduce stockholding from 20 days to 15 days	<p>Achieving and exceeding this recommendation with a stockholding of 10 days. Stockholding reports are generated daily and monthly.</p>
Reduce deliveries to < 5 per day	<p>Achieving this recommendation at Halton but not at Warrington. We receive 16 deliveries per day on the Warrington site and 3 per day on the Halton site.</p> <p>We are working with other Trusts and Specialised Pharmacy Services (procurement function) to ensure that contract awards facilitate this recommendation by increasing the number of lines that can be ordered via the wholesalers. However due to contract lengths the timescale for implementation is circa 2 years.</p>
90% of orders and invoices are sent and processed electronically (electronic data interface)	<p>Achieving this recommendation for orders from our wholesalers but not for other suppliers. 100% of orders to wholesalers are sent and processed electronically, overall though the figure is 70% when all suppliers are included.</p> <p>We are working with other Trusts and Specialised Pharmacy Services (procurement function) to ensure that contract awards facilitate this recommendation by increasing the number of lines that can be ordered via the wholesalers. However due to contract lengths the timescale for implementation is circa 2 years.</p>

The Trust is performing well on some recommendations and is developing plans for the areas where improvement is possible. Our data has been submitted to NHS benchmarking to allow comparison with other Trusts. The National Hospital Pharmacy Optimisation Program (HoPMOP) will be reviewing this data and a similar review is being undertaken locally in Cheshire and Merseyside).

Recommendation 4

Trusts should ensure their pathology and imaging departments achieve their benchmarks as agreed with NHS Improvement by April 2017, so that there is a consistent approach to the quality and cost of diagnostic services across the NHS. If benchmarks for pathology are unlikely to be achieved, Trusts should have agreed plans for consolidation with, or outsourcing to, other providers by January 2017.

Lead Director: Chief Operating Officer and Director of Transformation.

Current Position:

NHS Improvement (NHSI) wrote to all Trusts on 20th September requesting completion of benchmarking dataset for Pathology services to use as the basis for progressive discussions on the future configuration of services within the health economies. This dataset has been completed and returned and feedback and next steps are expected in the near future.

A working group has been established covering the three Acute Hospital Trusts within the local economy to seek a shared solution for the provision of pathology and imaging services.

Recommendation 5

All Trusts should report their procurement information monthly to NHS Improvement to create a NHS Purchasing Price Index commencing April 2016, collaborate with other Trusts and NHS Supply Chain with immediate effect, and commit to DH's NHS Procurement Transformation Programme (PTP) so that there is an increase in transparency and a reduction of at least 10% in non pay costs is delivered across the NHS by April 2018.

Lead Director: Director of Finance and Commercial Development.

Current Position:

AdviseInc is a company that has been selected by NHS Improvement to provide the NHS's new purchasing price index and benchmarking tool.

The Supplies team has provided their initial expenditure data for the period January 2016 to July 2016 to AdviseInc to process through their benchmarking tool and this will continue to be provided on a monthly basis. AdviseInc has now analysed the data received from all English NHS Trusts and released this data for Trusts to work with. This data comprises common goods (eg paper goods, cleaning materials and stationery) along with clinical consumables and high cost medical devices. The Supplies team is reviewing all of this data to identify the actions required to reduce costs. During October 2016 the focus of this analysis is on the top 20% of our demand, which covers approximately 80% of Trust spend within the commodity areas specified. An action plan to deliver savings will be drawn up and will form the basis of the cost savings target subject to a quality impact assessment. The remaining data analysis will be completed by 31st December 2016 and action plans and cost savings plans will be formulated accordingly. This process will ensure a systematic approach to the data analysis that covers thousands of lines and hundreds of suppliers and will include data validation and liaison with other Trusts as appropriate.

A template has now been produced detailing all information and actions that need to be included in a Procurement Transformation Plan. This includes all data contained in the Carter Report such as percentage purchase order lines via catalogue, percentage of expenditure via an electronic purchase order and NHS Standards Self Assessment Tool. The plan will also include key activities that the Trust needs to undertake to achieve the targeted performance as set out in the Carter Report along with any associated risks or issues. The Procurement Transformation Plan is currently being drafted by the Head of Procurement and is due for completion in November 2016.

The Trust adoption plan for the Global Standard (GS1) and Pan European Public Procurement Online (PEPPOL) Standard is currently being updated that will require approval by the Trust Board. This includes the introduction of an Inventory Management System (IMS) to improve product use, tracking and traceability. The Trust already has 385 electronic catalogues covering 61,772 product lines. Potential investment is unclear at this stage as further due diligence and market assessment will be required to fully understand the level of investment. This adoption plan outlines processes the Trust is required to undertake and will need to assess the level of investment required for the introduction of an Inventory Management System.

The Trust has made good progress against the April 2018 target for a number of key performance metrics, namely:

- 80% addressable spend (spend that can be influenced by procurement professionals so this will not include items such as rent, rates, staff costs) transaction volume on catalogue – currently 90%.
- 90% addressable spend transaction volume with a purchase order (PO) – currently 70%. (Transactions are reviewed on a monthly basis to capture orders not raised via a PO to ensure that the appropriate rules and controls are put in place).
- 90% addressable spend by value under contract – currently 97%.

The Trust currently collaborates with a number of other organisations to improve procurement and reduce cost as much as possible, namely:

- A member of Health Trust Europe's Procurement Partnership Board in collaboration with 14 other NHS providers.
- A member of the Cheshire and Merseyside Agency Cluster along with 15 other member Trusts that work in collaboration with HealthTrust Europe, Liaison and NHS Professionals. The Head of Procurement is the lead for the cluster.
- Members of the Procurement Team meet with NHS Supply Chain on a monthly basis to review all savings opportunities available.

The Trust has achieved NHS Standards of Procurement Level 1 accreditation and is working towards the achievement of Level 2 for review in December 2016 which will be then be presented to the NHS Standards of Procurement Assessment Group in February 2017. The Head of Procurement sits on both the Procurement Staff Development Focus Group and the NHS Standards of Procurement Assessment Group.

Recommendation 6

All Trusts and estates and facilities departments should operate at or above the median benchmarks for the operational management of their estates and facilities functions by April 2017 (as set out by NHS Improvement in April 2016); with all Trusts (where appropriate) having a plan to operate with a maximum of 35% of non clinical floor space and 2.5% of unoccupied or under used space by April 2017 and delivering this benchmark by April 2020, so that estates and facilities resources are used in a cost effective manner.

Lead Directors: Director of Finance and Commercial Development and Chief Operating Officer.

Current Position:

The Trust has completed its carbon energy plan, which includes the installation of Combined Heat and Power (CHP) at Warrington and Halton hospitals, motor and water controls, energy efficient luminaires, lighting controls and management systems. The Trust has undertaken Patient Level Costing and Service Line Reporting for a number of years and estates and facilities costs are an integral part of the costing to ensure that the outputs reflect as accurately as possible the true costs of service delivery. The Trust recently received the 2014/15 reference costs audit report which concluded that the Trust was materially compliant with Monitor's Costing Guidance (this is the highest level of compliance).

The latest 6 facet survey (which covers physical condition survey, statutory compliance audit, space utilization audit, functional suitability review, quality audit and environmental management audit of the estate) has been used to inform the Estates Return Information Collection (ERIC) returns. This is an annually compiled data set for the Department of Health which allows national comparisons with other Trusts and peer groups. This shows that the non patient occupied floor area is as follows

Site	Percentage
Warrington Hospital	42.9%
Halton Hospital (including CMTC)	37.4%

The current Estates Strategy is on hold and will be incorporated within the strategic review of Estates as part of the strategic solutions for long term clinical and financial sustainability.

Analysis of the latest Model Hospital KPI's shows that in 8 of the 11 cost efficiency metrics the Trust is below the Carter benchmark value (green), and of the 3 where the Trust is identified as being above the Benchmark value (red), 2 of these have been addressed and will move to green in the next published report. The only metric where the Trust is not achieving a green status is that of water and sewerage cost/square metre. It is not possible to influence the water and sewerage charges as these are set by The Water Services Regulation Authority (OFWAT) and are not subject to challenge. It should be noted that the Trust water consumption per bed space is in the lower quartile nationally which shows that this is not a case of profligate use of water. The Trust will continue to review the effectiveness of its estate and monitor cost efficiency metrics to ensure it provides value for money and take actions for any deviation from the benchmark values.

The information from the Model Hospital Comparative Productivity Metrics is summarised in the table below:

DoH Model Hospital Comparative Productivity Metrics (2014/15)	<i>Trust Actual</i>	<i>Peer Median</i>	<i>Benchmark Value</i>
Cost Efficiency			
Estates and Facilities Cost (£/m ²)	£234	£285	£318
Estates and Facilities Cost (£/WAU)	£343	£379	£397
Hard FM Cost (£/WAU)	£81	£115	£118
Soft FM Cost (£/WAU)	£146	£158	£173
Building and Engineering Maintenance Cost (£/m ²)	£25.19	£32.77	£29.33
Cleaning Cost (£/m ²)	£33.22	£36.03	£36.41
Food Cost (£/m ²)	£2.83	£2.90	£3.05
Laundry and Linen Cost (£/item)	£0.35	£0.31	£0.34
Energy Cost (£/unit)	£0.07	£0.06	£0.06
Waste Cost (£/WAU)	£154	£213	£252
Water and Sewerage Cost (£/m ²)	£4.63	£3.99	£3.67

Recommendation 7

All Trusts corporate and administration functions should rationalise to ensure their costs do not exceed 7% of their income by April 2018 and 6% of their income by 2020 (or have plans in place for shared service consolidation with, or outsourcing to, other providers by January 2017), so that resources are used in a cost effective manner.

Lead Director: Chief Operating Officer and Director of Transformation.

NHS Improvement (NHSI) has recently undertaken national data collection exercises with a clear ambition to fast track savings in middle office (Pathology and Radiology) and back offices services. A formal project will be established using the national back office benchmarking collection to provide the baseline. The Trust will collaborate with other organisations where appropriate to provide services in a more streamlined way maximizing opportunities to procure and work at scale, reduce waste and support the delivery of clinical services, facilitating change were required.

Current position:

The Trust has compared the 2016/17 budgets for each corporate service against the overall planned income.

Corporate functions costs are 7.3% of the 2016/17 planned income including Sustainability and Transformation funding (£227.7m) and 7.6% excluding Sustainability and Transformation funding (£219.7m).

The Carter report highlights Human Resources, Finance, IM&T and Procurement as functions that should test their existing services against shared service solutions. These services total £10.7m and account for 4.7% of the 2016/17 planned income (including the Sustainability and Transformation funding).

The Trust continues to explore Trust specific cost reduction opportunities as part of the continuous cost savings exercise and potential strategic solutions in collaboration with external providers.

NHS Improvement is currently developing a national set of benchmarks to allow for comparisons of corporate / administrative workforce across Trusts but details are awaited.

The corporate areas have CIP targets in 2016/17. CIP delivered will reduce their costs or increase income, improving their respective % cost figures. CIP progress for each area is summarised below.

Corporate area	16/17 CIP target £000	Costed PYE £000	Costed FYE £000	Plan YTD M6 £000	Delivered YTD M6 £000
Finance	175	176	46	147	147
Central Administration	9	11	15	4	4
Programme Management Office	19	28	13	20	20
Estates	429	185	204	70	72
Facilities	453	587	707	238	195
Research and Development	2	0	0	0	0
Strategic Partnerships (including Clinical Coding) and Communications)	66	68	54	40	40
Nursing and Governance	44	101	139	38	38
Human Resources and Organisational Development	203	172	161	86	86
Information Technology	199	13	13	5	6
Trust Executives	112	7	28	7	9
Non Operating Expenses	0	150	150	60	60

Recommendation 8

NHS Improvement and NHS England should establish joint clinical governance by April 2016 to set standards of best practice for all specialties, which will analyse and produce assessments of clinical variation, so that unwarranted variation is reduced, quality outcomes improve, the performance of specialist medical teams is assessed accordingly to how well they meet the needs of patients and efficiency and productivity increase along the entire care pathway.

Lead Directors: Chief Operating Officer and Director of Transformation.

Current Position:

Any unwarranted variation within theatres and outpatients is being addressed through the theatres and outpatient work streams of the transformation programme and is closely monitored through the “grip and control” meetings by the Chief Operating Officer and the Director of Transformation.

Detailed business plans, including KPIs are being developed for all specialties. These will form the basis of in depth service reviews for selected specialties as part of the transformation programme.

The Trust is participating in the NHSE Acute Medical Model programme to support the improvement of our acute medical model. The Trust has to date implemented ambulatory care and a diagnostic discharge facilitator.

The Trust is also working with the Emergency Care Improvement Program around efficiencies in patient flow.

Recommendation 9

All Trusts should have key digital information systems in place, fully integrated and utilised by October 2018 and NHS Improvement should ensure this happens through the use of “meaningful use” standards and incentives.

Lead Directors: Director of Information Management and Technology

Current Position:

The Trust has plans to be fully digitised by 2018, with our strategy and digital roadmap implementation improving our digital maturity assessment. Plans to improve already mature base include Electronic Documents and Records Management System, ePrescribing and structured clinical notes. We will take an active part in the Warrington health economy in the development of digital plans including the implementation of a care record to enhance the integration of care across all providers.

Recommendation 10

DH, NHS England and NHS Improvement, working with local government representatives, to provide a strategy for Trusts to ensure that patient care is focused equally upon their recovery and how they can leave acute hospital beds, or transfer to a suitable step down facility as soon as their clinical needs allow so they are cared for in the appropriate setting for themselves, their families and their carers.

Lead Director: Not applicable.

Current Position:

Awaiting further information from national bodies.

Recommendation 11

Trust Boards should work with NHS Improvement and NHS England to identify where there are quality and efficiency opportunities for better collaboration and coordination of their clinical services across their local health economies, so that they can better meet the clinical needs of the local community.

Lead Director: Not applicable.

Current Position:

The Trust is working in collaboration with external providers and commissioners to seek to address clinical and financial constraints through service, productivity and rationalisation opportunities.

Pathway Integration and efficiency through the local health economy will be digitally enabled through the use of Care Record, risk stratification and patients accessing personal health records.

Recommendation 12

NHS Improvement should develop the model hospital and the underlying metrics, to identify what good looks like, so that there is one source of data, benchmarks and good practice.

Lead Directors: Not applicable

Current Position:

Awaiting further information from national bodies.

Recommendation 13

NHS Improvement should, in partnership with NHS England by July 2016, develop an integrated performance framework to ensure there is one set of metrics and approach to reporting, so that the focus of the NHS is on improvement and the reporting burden is reduced to allow Trusts to focus on quality and efficiency.

Lead Director: Not applicable.

Current Position:

In September NHS Improvement published the document Single Oversight Framework (SOF) for all NHS Trusts and Foundation Trusts. This replaced the Monitor Risk Assessment Framework and the Trust Development Authority Accountability Framework from the provider sector and was effective from 1st October 2016. The main aim of the SOF is to focus on five themes (quality of care, finance and use of resources, operational performance, strategic change and leadership and improvement capability) that will assist providers in attaining and/or maintaining CQC ratings of good or outstanding.

Recommendation 14

All acute Trusts should make preparations to implement the recommendations of this report by the dates indicated, so that productivity and efficiency improvement plans for each year until 2020/21 can be expeditiously achieved.

Lead Directors: All Executive Directors.

Current Position:

See individual recommendations.

Recommendation 15

National bodies should engage with Trusts to develop their timetable of efficiency and productivity improvements up until 2020/21, and overlay a benefits realisation system to track the delivery of savings, so that there is a shared understanding of what needs to be achieved.

Lead Director: Not applicable.

Current Position:

Awaiting further information from national bodies.

4. CONCLUSION

The Trust has embraced the recommendations and already complies with some of the key targets and performance indicators and is making progress on those applicable to the organisation.

It is important to recognise that NHS Improvement considers progress and implementation of the Lord Carter recommendations as mandatory and compliance is a key feature of future governance standards as indicated in the *Single Oversight Framework* (see recommendation 13).

Further progress reports will be provided to the Trust Board on a quarterly basis.

5. RECOMMENDATION

The Trust Board is asked to note the contents of the report.

Andrea Chadwick
Director of Finance and Commercial Development
18th October 2016