

# PAPER

BOD 151/2011

(Agenda Item: 15)

# Report to the Meeting of the

# Oxford Health NHS Foundation Trust

# Board of Directors

**26 October 2011**

**Annual Plan 2011/12 Quarter 2 Report**

**For: Information**

The Board receives a quarterly report on the progress the Trust is making in achieving its objectives as set out in the Trust’s Annual Plan. This report states the Q2 2011/12 position and consists of two sections:

* Q2 position against the 2011/12 objective milestones
* Risk Report

**Recommendation**

The Board of Directors is asked to note the Q2 position.

**Author and Title: James Venables, Head of Strategy**

**Lead Executive Director: Stephen Cass, Director of Strategy and Commercial Development**

1. **Quarter 2 progress against objective milestones in Annual Plan**

Appendix A shows the Q2 position against the objectives and milestones as agreed as part of the Annual Plan in May 2011. Each milestones is given a RAG status (column headed RAG) indicator showing the level of confidence that the milestone will be achieved to plan or effectively managed.

**Overall progress against objectives**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Total Objectives (55)** | **Q1** | **Q1 %** | **Q2** | **Q2 %** |
| Green | 25 | 45.5% | 29 | 52.8% |
| Amber | 28 | 50.9% | 24 | 43.6% |
| Red | 2 | 3.6% | 2 | 3.6% |

Two priorities have been rated RED this quarter:

* 1. Priority: Clinical Plans. 02. Reduce towards zero the number of community deaths of patients in Trust services. With 20 apparent suicides this year already, a projection for the full year is around 40, a year on year rise since 2009/10. The Leading Improvements in Patient Safety (LIPS) programme has been re-invigorated but is still not active in all teams. A new project lead has been identified in the Improvement and Innovation team and a new Project Board chaired by the Director of Nursing is due to meet in November 2011. Two showcase wards have been established to share their progress with other wards: Ashurst and Marlborough House (Wiltshire). These two teams have made impressive progress integrating the Productive Ward and LIPS programmes. Intranet resources and detailed dashboard monitoring is under development. All community teams have identified one service improvement aimed at reducing suicide (a CQUIN target). The trust are looking to provide a large new training cohort by running a local training programme facilitated by the NHS Institute.
	2. Priority: Regulatory Requirements, 05 has also been rated as RED this month. This is the priority for continued membership growth. The Trust's Annual Plan requires a growth of 66 new Members each a quarter. Subtracting the number of Members leaving from the number joining, the Trust did not achieve any growth this quarter. Despite having an updated Membership Strategy in place and the opportunities that the community health services integration presented, the Trust continues to struggle to attract and retain Members. If Membership growth is not addressed over the remaining Quarters then the Trust will be at risk of missing its Membership targets.

 Further action is being undertaken to address this. Membership targets are being included as KPI’s for Divisions (to be monitored through divisional performance reviews). In addition further recruitment activities in line with the existing membership strategy objectives will continue to be undertaken to increase membership in mental and community health services. Progress is reported to the Extended Executive Board on a quarterly basis. During Q3 Membership recruitment, management and involvement will move to the Trust's Communications and Involvement Team. It is hoped that combing FT Membership recruitment with the wider involvement agenda will help to increase the number of Members joining the Trust.

There are 24 milestones rated as AMBER this quarter. In the main this relates to the management of external pressures and the impact of the economic climate especially with regard to capital investment, the level of organisational change required and the impact on staff satisfaction (as show by the disappointing staff survey results) and several of the clinical plan priorities.

The reasons for variance, and any action being taken, are set out in Appendix A.

1. **Risk Report**

Risks to the Trust achieving its objectives are contained within the Assurance Framework. The Quality Improvement Committee monitors risk and agree action needed to mitigate the risks. The Integrated Governance Committee receives reports against the action plans on an exception basis. The Audit Committee considers the assurance received on the effectiveness of individual controls and the overall effectiveness of the system of internal control.

The risk report attached at Appendix B shows there are three objectives which have high risks associated with them. No risks are currently rated as extreme.

It should be emphasised that the Assurance Framework highlights potential risks. With the acquisition of Community Services Oxfordshire, a significant transaction, the Trust needs to be assured that controls have been adopted across the newly integrated organisation and are working effectively to mitigate any potential risk.

The objectives deemed to be currently at high risk are:

* + 1. **To improve safety and quality continuously.**

Risks relate to the effective management of service quality, audit arrangements, the need to improve inter-partnership processes/training levels and patients being able to raise concerns and complaints.

* + 1. **To use the funding we receive effectively to bring about excellence of care and patient satisfaction.**

The risks reflect the economic climate and the need for the Trust to ensure that systems support the Trust in managing its finances (delivery of savings plans, achievement of CQUIN targets and payroll arrangements, new systems and processes to support the changing business environment).

* + 1. **To grow and develop successful services**

The risks reflect recent internal audit reports (regarding Manor House and Highfield) and the impact of the changing commissioning environment and the potential impact of the introduction of Any Qualified Provider.

Risks that have been escalated to high or extreme will continue to be reported to the Board of Directors until assurance has been gained through audit, performance monitoring or other reporting mechanisms.

The Board will be updated on a quarterly basis with the effectiveness of the risk mitigation plans, as reflected in the detail of Appendix B.

**Recommendation**

The Board of Directors is asked to note the Q2 position.

**Author and Title: James Venables, Head of Strategy**

**Lead Executive Director: Stephen Cass, Director of Strategy and Commercial Development**

1. *A risk assessment has been undertaken around the legal issues that this paper presents and there are no issues that need to be referred to the Trust Solicitors*

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| **Appendix B****ASSURANCE FRAMEWORK**  |
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| **Risk Name** | **Residual Risk** | **Risk Owner** |
| --- | --- | --- |
| **1. To improve safety and quality continuously**  |
| 09.FT BR05 Ineffective control of service quality | H | Director of Nursing & Clinical Standards  |  |
| 09.FT GOV09 Ineffective infection control management | H | Director of Nursing & Clinical Standards  |  |
| 09.FT OPS11Vulnerable patients of all ages are not adequately protected | H | Director of Nursing & Clinical Standards  |  |
| 09.FT OPS25 Service users and carer or advocates are unable to raise concerns and complaints in a confidential and non-discriminatory manner | H | Director of Nursing & Clinical Standards |  |
| **3. To use the funding we receive effectively to bring about excellence of care and patient satisfaction**  |
| 09.FT FIN03 Non-delivery of Cost Improvement Plans could cause the Trust to fail in the delivery of it financial plan which could lead to additional scrutiny and intervention by Monitor and a shortfall in cash for the Trust's Capital Programme | H | Director of Finance  |  |
| 09.FT FIN07 The payment of salaries, allowances, variable pay, and expenses, and deductions is not properly managed leading to salary or expenses under/over payments and resulting in pecuniary loss and/or staff dissatisfaction. | H | Director of Human Resources  |  |
| 11.FT FIN 11 The Trust does not achieve the required performance targets in year to gain the Contract CQUIN and Penalty Schemes income or attracts s penalty payment. | H | Chief Operating Officer  |  |
| 11.FT FIN12 The Trust is not prepared adequately for the implementation of PbR in mental health and community services not having undertaken the necessary work on patient/activity classification and costing meaning that the Trust does not have the activity recording systems in place to allow the full recovery of income; does not understand its cost base in relation to tariff and therefore does not know profit/loss by service line. | H | Director of Finance  |  |
| **4. To grow and develop successful service**  |
| FIN01 - The indicative 5-year capital investment programme is not affordable | H | Director of Strategy and Commercial Development |  |
| 11.FT FIN04 Increased competition in the provision of healthcare services | H | Director of Strategy and Commercial Development |  |

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