

# PAPER

BOD 56/2012

(Agenda Item: 10)

# Report to the Meeting of the

# Oxford Health NHS Foundation Trust

# Board of Directors

**25 April 2012**

**Annual Plan 2011/12 Quarter 4 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 Q4 2011/12 position and consists of two sections:

* Q4 position against the 2011/12 objective milestones
* Risk Report

**Recommendation**

The Board of Directors is asked to note the Q4 position.

**Author and Title: Usmaan Rahman, Strategy & Business Planning Manager**

**Lead Executive Director: Mike McEnaney, Director of Finance**

1. **Quarter 4 progress against objective milestones in Annual Plan**

Appendix A shows the Q4 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**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Total Objectives** | **Q1** | **Q1 %** | **Q2** | **Q2 %** | **Q3** | **Q3 %** | **Q4** | **Q4%** |
| Green | 25 | 45.5% | 29 | 52.8% | 30 | 52.6% | 35 | 61.4% |
| Amber | 28 | 50.9% | 24 | 43.6% | 26 | 45.6% | 21 | 36.8% |
| Red | 2 | 3.6% | 2 | 3.6% | 1 | 1.8% | 1 | 1.8% |

One priority has been rated RED this quarter:

Priority: Regulatory Requirements, 05 has 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. It is not known whether there were more joiners than leavers 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.

Further action is being undertaken to address this; new literature has been agreed and will be used from April 2012, it will be presented in the new brand templates. A new application form has been developed which covers the supporter/active member change and new letters are being sent out which provide up-to-date information and future events.

Membership targets are being included as KPI’s for Divisions (to be monitored through divisional performance reviews). The Divisional Directors have agreed quarterly membership recruitment targets and have been asked to identify champions within their divisions to take forward the membership agenda. Progress is reported to the Extended Executive Board on a quarterly basis.

There are 21 priorities rated as AMBER this quarter. In the main these relate 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 a number 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 Committees monitor 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 two objectives (a reduction from the three reported in the previous report) which have high risks associated with them. No risks are currently rated as extreme.

The Integrated Governance Committee is to consider at its meeting on 18th April a recommendation that the following risks be reduced from high:

* Ineffective infection control management following achievement of its 11/12 contractual and CQUIN targets for CDiff. This was high due to the potential financial impact as opposed to the management of infection.
* Effective implementation of CPA given the sustained improved performance gained through the CPA metric audits and against the Quality Account targets.
* Appropriate environment with the slippage in the timescale for a decision and any resulting transfer of PCT estate.
* Vulnerable patients of all ages are not adequately safeguarded following work to increase training levels and improve interagency working

Confirmation will be given at the Board meeting

In the last report the Trust ability to respond to the government intent in the Health and Social Care Bill 2011 to increase competition was seen as a high risk to the achievement of the objective to grow and develop a successful business. This risk is now rated as moderate with the work to develop the Trust’s strategic framework.

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

The objectives deemed to be currently at high risk (subject to consideration by Integrated Governance Committee) are:

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

The remaining high risk to the achievement of this objective relates to residual issues with medicines management within the community services and, in particularly, the prison services. Previous risks are discussed above. A further risk relating to the ability to control service quality has reduced to moderate with the establishment of the Clinical Advisory Board and the assurance gained from internal audit reports, including governance within the divisions and the Trust’s processes for monitoring and addressing deficits against the Care Quality Commission regulations.

* + 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, negotiation of CQUIN targets for 2012/13, managing the interim and future payroll arrangements, and new systems and processes to support the changing business environment. The Trust’s ability to respond to PbR has been reduced to a moderate risk given that 2012/13 will be a shadow year and the progress that has been made on the pathway and clustering work. The patient level costing system to support this is still to be implemented. However the board should note that, given its importance to the future business model of the trust, it will be declared as an in-year risk in the 2012/13 annual plan.

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 Q4 position.

**Author and Title: Usmaan Rahman, Strategy & Business Planning Manager**

**Lead Executive Director: Mike McEnaney, Director of Finance**

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** – Extreme/High risks |
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