

Airedale NHS Foundation Trust
Board of Directors 26 February 2013
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Title: Safely Reducing Costs Report For The Period Ending 31 January 2013

Introduction

The report below provides the Board of Directors with an overview of any changes from December in the confidence of the delivery of the cost improvement programme (CIPs) and any effects on patient safety and quality of care as a consequence of the implementation of the CIPs.

Recommendations

The Board of Directors are asked to receive and note.

Position Statement

The table below indicates the summary position by group for changes in quality and risk of delivery of the CIP programme from last month.

Safely Reducing Costs Table

Group	Changes in delivery from previous month	Changes in risk on quality (have any schemes changed their risk scoring)	Movement in the month of the Forecast year end Trajectory	Revised Gap from £7.3 M Target with FYE incorporated	Risk of Delivery of the Minimum Expected CIP target In year	Risk of Delivery of the Minimum Expected CIP target for 2013-14 taking FY effect into account
			£	£		
Medical	Projected Consultant Retirements have been delayed and so withdrawn from the CIP tracker this month.	No changes	(20,793)	(729,718)	There is a high risk that the group will not achieve the CIP scheme relating to closure of beds due to delays in the transform agenda; this can be mitigated partially by increased procurement savings we have materialised..	The fye of 2012-13 schemes will bring an additional £6k which closes the gap against the expected target to £462k.
Diagnostics	No change from last month	No changes	202	(271,867)	There is a moderate risk that the group will not achieve the income growth as expected; ytd this growth has materialised however only contract variations are in place fro pathology services.	The fye of 2012-13 schemes will bring an additional £16k; there is a moderate risk that the expected gap of £112k will not be achieved.
Surgery	Vacancy restructure has been altered to reflect the actual savings in year, anaesthetic medical staff CIP has been taken out whilst Zero based budget exercise takes place, Bed reconfiguration has been moved back whilst rehab beds are agreed.	No changes	0	(931,299)	The expected schemes have reduced by 221k for this year. This is due to the bed reconfiguration not taking place and the anaesthetic medical staff CIP not achieving, however this should hopefully be achieved next year and will be monitored closely. This is a 23.5% reduction from the expected CIP.	The FYE of schemes from 2012/13 will bring an additional CIP of £26k which will contribute towards this gap.
Childrens & Womens Services	the Mars Schemes have now been agreed and the savings are showing in the CIP tracker	Risk moved from 4 to 6 (see main text)	0	(362,110)	The expected schemes will be achieved due to the MARS schemes which have been agreed.	The FYE of schemes from 2012/13 will bring an additional CIP of £185k which will give the group a contribution over the expected CIP schemes, the only fye scheme at risk is relating to the birthing numbers of £65k
Community	Additional schemes include further savings on Craven telehealth, ACCT and Castleberg vacancies and increased use of photocopying.	No changes	27,467	(253,525)	There is a significant risk that the expected target will not be achieved in-year leaving a shortfall of £60k to be offset through non-recurrent underspends.	There is a high risk that FYE of in-year schemes will not be closed off in 2013-14 as a significant proportion has been delivered through non recurrent means leaving a carry forward pressure of £126k.
Corporate	Monthly Review of various CIP Schemes which have not been achieved in month, slippage on Estates energy projects	No Changes	(14,550)	(389,533)	Due to Non-Recurrent underspends within the group there is no risk of not achieving the minimum expected CIP target in year.	There is a high risk that the FYE of CIP will be below the expected target, by £119k. This is primarily due to slippages in the reduction of Utilities costs - work continues to try to close the FYE gap.
Facilities	Catering CIP Plans still need to be put in place and agreed.	No changes	0	(338,205)	The expected schemes have reduced by £223,188 from the beginning of the year, which is a reduction of 73.5% due to staff and patient car parking not achieving what was originally expected.	The FYE of schemes from 2012/13 will generate £45k towards this gap. This will still give the facilities group a gap of £178k against expected CIP for 2012/13

Total

(7,674) (3,276,257)

There has only been one change to the risks scores on quality and safety since the last Board meeting.

Medical

There have been further procurement savings in Pharmacy. However, the closure of medical beds as a result of the implementation of transformation in the community has not been possible. There have been additional costs over that planned in the winter plan with additional beds opened over and above that planned in the winter plan. The forecast CIP

achieved has been reduced in the month as possible retirements of consultants within the medical group that were expected at the start of the year have now been delayed.

Diagnostics

The income growth has continued, however some of the prices have seen a reduction which has resulted in the CIP being adjusted to reflect this. There is adequate staffing to deliver this income growth.

Surgery

Due to the increase in elective activity, there has been a need to maintain anaesthetic staffing structure whilst a review is being undertaken.

Due to bed pressures, the build of the surgical assessment unit has been delayed until April.

Children's and Women's Services

The MAR scheme has been successfully implemented. The potential increase in births has not materialised and hence the scheme has been removed from the income tracker. The risk on safety and quality of the Colposcopy scheme has been adjusted, to reflect the shortage on the admin function to book the patients into the service, and sufficient doctors trained to provide the service. These issues are now being resolved and the score will be reduced back to 4 in 2 months time.

Community

The changes this month are due to non-recurrent savings and hence no further risk to quality and safety.

Corporate

The CIP gap is now being closed through non-recurrent savings.

Facilities

There have been no changes to the impact on quality and safety. There is continued work on the catering CIP which is still to be delivered.