NHS Improvement

MINUTES OF A MEETING OF THE OPERATIONAL PRODUCTIVITY PROGRAMME DELIVERY GROUP HELD ON WEDNESDAY 13 DECEMBER 2017 AT 9.30am AT WELLINGTON HOUSE, 133-155 WATERLOO ROAD, LONDON, SE1 8UG

Present:

Lord Carter, Non-Executive Director (Chair)
Tony Baldasera, Regional Chief Operating Officer (North) (deputising for Lyn Simpson, Executive Regional Managing Director (North))
Professor Tim Briggs, National Director of Clinical Quality and Efficiency (from item 4)
[redacted], National Clinical Lead (deputising for Kathy McLean, Executive Medical Director)
Simon Corben, Director and Head of Profession for NHS Estates and Facilities
Tim Evans, National Director of Clinical Productivity
[redacted], Director of Model Hospital and Metrics (until item 6)
Adam Sewell-Jones, Executive Director of Improvement
Mark Ward, Director of Implementation and Engagement
Paul West, Director of Procurement and Corporate Services (by telephone, from item 4)

In attendance:

[redacted], Programme Manager
[redacted], Regional Productivity Director (South) (from item 5)
[redacted], Senior Governance Officer
[redacted], Head of Strategic Communications and Engagement (Operational Productivity)

Executive officers attended the meeting as detailed under specific agenda items below.

1. Welcome and apologies

1.1 Apologies were received from Bob Alexander (Executive Director of Resources/Deputy CEO),Dale Bywater (Executive Regional Managing Director (Midlands and East), Anne Eden (Executive Regional Managing Director (South)), Luke Edwards (Director of Sector Development), Stephen Hay (Executive Director of Regulation/Deputy CEO), Andrew Howlett (Clinical Productivity Operations Director), Jeremy Marlow (Executive Director of Operational Productivity), Ruth May (Executive Director of Nursing), Kathy McLean (Executive Medical Director), Steve Russell (Executive Regional Managing Director (London)) and Lyn Simpson (Executive Regional Managing Director (North)).

2. Declarations of Interest

2.1 No interests were declared.

3. Minutes and matters arising from the meetings held on 4 October 2017 (OPPDG/17/39)

3.1 The minutes of the Operational Productivity Programme Delivery Group (OPPDG) meeting held on 4 October 2017 were approved.

3.2 The Group considered the work that had been undertaken through the Getting It Right First Time (GIRFT) programme at Barts Health NHS Trust on the quality of the data that was available on the Trust's pay costs for trauma and orthopaedic services across each of its sites (OPPDG/17/33, para 5.5). The Chair requested that further work should be undertaken to compare the revenue and cost data for trauma and orthopaedics services at both Barts Health NHS Trust and King's College Hospital NHS Foundation Trust, including clarification of how this aligned with the Trusts' Hospital Episode Statistics data.

ACTION: EP

4. Operational Productivity Programme – Q2/M6 Review and update on M7 (OPPDG/17/40)

[redacted], Head of Pathology Services Consolidation, was in attendance for the consideration of this item.

4.1 The Group considered the report which detailed the progress of the Operational Productivity Programme at Month 6 against the full target for the 2017/18 financial year, including the key risks to delivery, and provided an update on the position at Month 7. It was noted that a programme update would be provided at each OPPDG meeting.

4.2 There was a discussion on trusts' cost improvement plan (CIP) delivery to date and the forecast position for the sub-programmes for 2017/18. The reported slippage against the Operational Productivity Programme target and the drivers of this under-delivery were discussed. It was noted that the productivity target range for the Getting It Right First Time (GIRFT) programme differed from the other sub-programmes as it took into account the estimated gross financial opportunities for providers rather than the actual local net benefits arising from the implementation of the clinical improvements in the GIRFT programme. The Chair requested to meet with the Executive Director of Operational Productivity and the GIRFT team to discuss the appropriateness of this approach.

ACTION: AD

4.3 Consideration was given to the reported delay in the delivery of workforce CIPs, particularly in relation to Medical workforce. The impact of ineffective job planning on trusts' cost per weighted activity unit (WAU) was discussed. The significant proportion of clinicians that did not have job plans and the appropriateness of the current job plan structure were discussed. The benefits that could be realised through effective job planning and workforce improvements were highlighted. OPPDG members considered the pay bill for the NHS as a percentage of total costs. It was noted that the Medical pay bill had increased by 5% year-on-year, of which approximately 2% could be attributed to the rise in inflation. The link between

trust recruitment difficulties and the consequent increases in extra duty payments and use of locum and bank staff on this pay bill increase was considered.

4.4 An update was provided on the Benefits Realisation project that was being jointly run by the Operational Productivity directorate and Department of Health to understand, at a granular level, the impact of the Operational Productivity programme. The comparative position of the UK health sector against international health systems and other UK sectors was discussed.

4.5 The Group discussed providers' forecast CIP delivery for workforce in Month 7. The improvement in the quality of the data that had been collected from trusts was noted. Consideration was given to the quality improvements and efficiencies that had been delivered by Sherwood Forest Hospitals NHS Foundation Trust to date. The review of e-rostering systems and the examples of effective integrated e-rostering practices that had been identified through this work were discussed. OPPDG considered the Secretary of State for Health's ambition for every nurse to be able to access rostering services via an app. The potential cost implications of this and the concerns around the accessibility and accuracy of the Electronic Staff Record (ESR) data that would be used to populate the content of these apps were discussed. It was noted that ESR was delivered in partnership with IBM and the Chair requested a meeting with the programme lead at IBM to clarify the work that was being undertaken to assure the quality of the data available on ESR.

ACTION: EP

4.6 The Director and Head of Profession for NHS Estates and Facilities provided an update on the Estates and Facilities sub-programme. The anticipated level of savings that would be delivered through this work in 2017/18, which exceeded the productivity target, was discussed. The data quality issues that had been identified in the 2016/17 Estates Return Information Collection and the subsequent delay in uploading this data to the Model Hospital and to the trust site visits that had been scheduled were considered. The actions that had been taken to mitigate this delay were discussed. The work that was being undertaken to transfer patient records from paper to electronic and the significant savings that could be delivered through this were considered. The guidance that had been developed for trusts on the division of clinical and non-clinical estates was noted. OPPDG members considered the prioritisation of record digitisation for trusts and discussed the actions that could be undertaken to raise the profile of this work and increase the number of initiatives that were being implemented across the sector.

4.7 Consideration was given to the progress of the Corporate Services sub-programme, which was on track to deliver the productivity target for 2017/18. The work that was required to develop a robust forecast for 2018/19 was discussed. The Group considered the guidance that had been developed and trialled with seven trusts to support accurate CIP reporting. It was noted that feedback from the trial had been broadly positive and it was anticipated that the guidance would be released for all trusts in early 2018. The significant productivity opportunities that had been identified around automation and the benefits that could be delivered in terms of both the speed of processes and reductions in staff costs were considered.

4.8 With regard to the Procurement sub-programme, OPPDG noted that two of the four Regional Head of Procurement posts had been filled. The reported under-delivery of CIPs and the anticipated level of savings that would be delivered for 2017/18 were

considered. The focus of this work in the short to medium term to ensure that the revised productivity target was realised through increased engagement with trusts was discussed. The work that was ongoing to develop robust plans for 2018/19 was considered. OPPDG also discussed the progress of the Nationally Contracted Products programme.

4.9 The importance for NHS Improvement to actively communicate clear trust-specific opportunities to trusts to simplify their implementation of efficient, targeted solutions and potentially reduce the reliance on consultancy firms to identify CIP opportunities was emphasised.

5. Update on Pathology Network Formation (OPPDG/17/43)

[redacted], Head of Pathology Services Consolidation, was in attendance for the consideration of this item.

5.1 The National Director of Clinical Productivity introduced the report which provided an update on the progress towards establishing 29 Pathology Networks across England.

5.2 The positive engagement from trusts on the proposed networks was discussed. It was noted that eight objections to the proposals had been received, three of which had been resolved and five continued to be addressed. The necessity for all trusts to operate within a network and the potential for the mechanism for delivery of pathology services to vary across each network, through either public or private service providers, was discussed. The Group considered the work that was underway to deliver improvements in trusts' identification and delivery of pathology CIPs.

5.3 [redacted] The Group noted the launch of a toolkit for trusts to provide guidance and tools based on learnings from the programme to date to support network delivery. The support that had been provided for the programme from the Royal College of Pathologists and all members of Pathology Alliance and the work that was being undertaken with these organisations to develop a proposal for increasing digitisation in pathology services were considered.

5.4 OPPDG discussed the procurement process that had been completed for community services at The Hillingdon Hospitals NHS Foundation Trust. The savings that had been delivered through this procurement were considered. Group members requested further information on the benefits and potential risks associated with the award of the contract. [redacted]

ACTION: DW, TE

5.5 An update was provided on the progress that had been made to develop a standardised test list for pathology services. The value of this list to facilitate effective price bidding and deliver a reduction in costs was emphasised.

6. Operational Productivity Programme – Risk Update (OPPDG/17/42)

[redacted], Head of Pathology Services Consolidation, was in attendance for the consideration of this item.

6.1 The Group considered the report which summarised the key strategic and operational risks to delivery of the Operational Productivity Programme and the actions that had been taken to mitigate these. The process for reporting and escalating risks and value in this approach were considered.

6.2 The Group was content that the risk relating to the loss of the Purchase Price Index and Benchmarking (PPIB) tool should be closed as the majority of trusts had signed up to the tool, with only 11 acute trusts remaining. The reported usage of the tool against the rate of signup was considered.

6.3 It was noted that the level of risk associated with accommodation would be reduced following the approval of the restack option for Wellington House. OPPDG was content that the risk would remain open as additional space was required to accommodate the whole Operational Productivity team.

7. Trust support: King's College Hospital NHS Foundation Trust

7.1 OPPDG discussed NHS Improvement's approach to supporting King's College Hospital NHS Foundation Trust. The significantly challenged position of the Trust and the impact of the work that had been undertaken to date to support its delivery of the required improvements were considered. The value of the substantial external consultancy support that had procured by the Trust over the past two years was discussed.

7.2 Consideration was given to the appropriateness for NHS Improvement to provide targeted support for four initial specialties, Trauma and Orthopaedics (T&O), Radiology and Imaging, Ophthalmology and Back Office, alongside a programme of work to address the cultural issues that had been identified at the Trust. The reliance of this work on the support of the Trust's Executive team, particularly the Chief Executive Officer (CEO) and Medical Director (MD), and clinicians to ensure delivery of the required improvements was emphasised. It was noted that the Trust had been placed into Special Measures for finance and that work to stabilise the Trust's financial position would be undertaken in parallel with this targeted productivity support. The Trust's forecast deficit position for 2017/18 and the impact of this on the overall provider sector deficit was considered. The links between the Trust's significant financial deterioration and its ineffective job planning practices was discussed.

7.3 [redacted]. The significant losses that were being reported across T&O services due to inefficient operations were discussed. The strength of the Trust's leadership team and the approach to engaging with the CEO and MD, clinicians and management team were considered. It was noted that a Director – Transactions and Sustainable Solutions had been seconded to the Trust and could provide support for the programme. The capacity

and capability of the Trust's MD was considered and it was noted that support could be provided from NHS Improvement's Medical Director – Professional Leadership if required.

7.4 The potential to develop a clear mechanism or process to deliver efficiencies and productivity improvements through this initial programme which could be independently replicated by the Trust across other specialty areas was discussed. OPPDG also considered the potential for this work to be used as a case study to determine whether the approach could be replicated at other challenged trusts.

7.5 The Trust's cost per weighted activity unit (WAU) for each of its specialties was discussed. Group members requested that the Model Hospital team should undertake further work to compare the Trust's cost per WAU against six peer trusts to determine its comparative position.

ACTION: EP

7.6 The savings opportunities that had been identified in relation to the Trust's estates and facilities were considered. The delays in the Trust's Critical Care Centre build and the significant financial impact of this were discussed. The potential impact of this build on service delivery and patient care across the Trust were considered.

7.7 [redacted]

8. Communications Update (OPPDG/17/37)

8.1 OPPDG considered the report which provided an update on the key communications activities and achievements across the Operational Productivity Programme.

8.2 There was a discussion on the publication of the procurement league table and the work that had been undertaken through the Veterans Covenant Hospital Alliance. With regard to the Veterans scheme, OPPDG members considered the importance for this scheme to cover mental health in the future.

8.3 The clinical workforce deep dive roundtable that had been held was discussed. It was noted that the outputs of this session would inform the content for NHS Improvement's workforce conference.

9. Any other business

9.1 There was no other business.

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