

TRUST BOARD

Agenda Item	P1-021-18	Date: 7 th February 2018
Subject /title	CIP Programme 2018/19 and future years	
Author	Yvonne Bottomley	
Responsible Director	Yvonne Bottomley, Deputy CEO/Finance Director	
Executive summary and key issues for discussion		
<p>As part of its 3 Year Operational and Business Plan CCC has set a Cost saving target (CIP) of 2% of expenditure (excl drugs and hosted services) for the next financial year - 2018/19. The target value is £1.8m and this report outlines the proposed schemes for 2018/19. .</p> <p>2% is the national efficiency requirement and although schemes have not been identified beyond 2019/20 a 2% target has been modelled into the funding assumptions for 2019/20 and 2020/21 .</p> <p>Schemes to the value of £1,808m have been identified, however £126k of this is in the high risk category and therefore further work is required to move significant values from high risk to low risk.</p> <p>All schemes have been reviewed by the Director Of Nursing and Quality to ensure they have no impact on Quality.</p>		
Strategic context and background papers (if relevant)		
<p>Achievement of CIP is critical to delivery of CCC's financial plan and Transforming Cancer Care programme.</p>		
Recommended Resolution		
<p>The Trust Board is requested to</p> <ul style="list-style-type: none">a. Note that the CIP requirement for 18/19 is £1.8m, as per the financial planb. Note that schemes have been identified to a value of £1.8mc. Note that further work to develop the 19/20 and 20/21 CIP programmes will continued. approve the CIP Programme for 2018/19.		
Risk and assurance		
<p>The delivery of the CIP programme will be monitored on a monthly basis and reported to the Finance and Business Development Committee.</p>		
Link to CQC Regulations		
<p>Regulation 12: Safe Care and Treatment</p> <p>Regulation 15: Premises and Equipment</p>		
Resource Implications		
<p>£1.8m CIP delivery in 2018/19 is critical to deliver the Trust's financial plan and</p>		

additional ability to invest in our services.

Key communication points (internal and external)

Internal:

- CCC has a robust CIP programme to deliver £1.8m of savings in 18/19

Freedom of Information Status

FOI exemptions must be applied to specific information within documents, rather than documents as a whole. Only if the redaction renders the rest of the document non-sensical should the document itself be redacted.

Application Exemptions:

- **Prejudice to effective conduct of public affairs**
- **Personal Information**
- **Info provided in confidence**
- **Commercial interests**
- **Info intended for future publication**

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IMPORTANT:

If you have chosen B above, highlight the information that is to be redacted within the document, for subsequent removal.

Confirm to the Trust Secretary, which applicable exemption(s) apply to the whole document or highlighted sections.

Equality & Diversity impact assessment

Are there concerns that the policy/service could have an adverse impact because of:	Yes	No
Age		X
Disability		X
Sex (gender)		X
Race		X
Sexual Orientation		X
Gender reassignment		X
Religion / Belief		X
Pregnancy and maternity		X
Civil Partnership & Marriage		X

If YES to one or more of the above please add further detail and identify if full impact assessment is required.

Next steps

Further development of plans and mitigations to move additional value into the 'low risk' categories

Further development of identified schemes for the 19/20 and 20/21 CIP programme.

Appendices

See Appendix A

Corporate Objectives supported by this report

Improving Quality	X	Maintaining financial sustainability	X
Transforming how cancer care is provided across the Network	X	Continuous improvement and innovation	X
Research	X	Generating Intelligence	X

Link to the NHS Constitution

Patients		Staff	
Access to health care	X	<i>Working environment</i> Flexible opportunities, healthy and safe working conditions, staff support	X
Quality of care and environment	X	<i>Being heard:</i> <ul style="list-style-type: none"> • Involved and represented • Able to raise grievances • Able to make suggestions • Able to raise concerns and complaints 	
Nationally approved treatments, drugs and programmes			
Respect, consent and confidentiality			
Informed choice		Fair pay and contracts, clear roles and responsibilities	
Involvement in your healthcare and in the NHS		Personal and professional development	
Complaint and redress		Treated fairly and equally	

THE CLATTERBRIDGE CANCER CENTRE

TITLE: COST IMPROVEMENT PROGRAMME 2018/19

AUTHOR: YVONNE BOTTOMLEY, DEPUTY CHIEF EXECUTIVE/FINANCE DIRECTOR

RESPONSIBLE YVONNE BOTTOMLEY, DEPUTY CHIEF EXECUTIVE/FINANCE DIRECTOR

FOR: DISCUSSION / DECISION

Introduction and purpose of report

The purpose of this paper is to summarise the CIP programme for 18/19 and the financial modelling assumptions made for years 2 and 3 of the 3 Year Operating and Business Plan and present this for the approval of the Board, following the prior scrutiny and approval of the Finance and Business Development Committee. The Trust will need to deliver CIP savings requirement of £1.8m in 2018/19 (2% of relevant expenditure) as per the financial plan. This includes £0.3m of non recurrent savings from 2017/18.

Process for Developing the 17/18 and 18/19 CIP

The CIP programme has been jointly developed between Senior Managers and the finance team with the following key steps:

- Finalising targets for corporate and clinical directorates (October)
- Reviewing first cut submissions (December)
- Confirm and challenge sessions (January)
- Development of proformas (January)
- Quality Impact Assessment sign off (January)

The priority focus has been on the programme for 18/19. The programme for the second and third year remains to be developed.

18/19 CIP programme

The attached schedules present the detail of schemes identified in 18/19. The summary is as follows:

Directorate	Recurrent £000	Non-Rec £000	Total £000
Radiation Services	274	162	436
Chemotherapy	394	-	394
Integrated Care	236	35	271
Haemato-Oncology	227	5	232
Medical staffing	22		22
Sub-Total: Clinical	1,153	202	1,355
Corporate / Support Services	315		315
Other / Trust Wide	138		138
Subtotal: Identified CIP	453	0	453
TOTAL CIP 17/18	1,606	202	1,808

The following tables analyse the CIP programme for 2018/19 from a number of different angles:

Income, Pay and Non-Pay

Category	£'000s
Income	652
Pay	407
Non Pay	749
Total	1,808

The schemes are relatively split between the 3 categories

Level of risk

Category	£'000s
Low risk	1,368
Medium risk	314
High risk	126
Total	1,808

£126k (7%) of this is in the high risk category and therefore further work is required to move significant values from high risk to low risk.

Future years CIP programme

Based on our current projections the Trust will need to continue to achieve additional efficiency savings/additional income of 2.% (£1.8m) a year in future years.

Opportunities to identify new CIP or areas of additional income generation forms part of normal business for the Trust.

Quality Impact Assessment

All schemes have had a Quality Impact Assessment undertaken by the Director Nursing and Quality and do not impact on Quality.

Summary and Conclusion

Whilst achieving savings of £1.8m in 18/19 will be a significant challenge, there has been excellent engagement across the Trust in the development of the programme and a strong collective management will to deliver the programme.

Delivering a greater share of CIP through transformational schemes remains a key ambition and is a key focus in developing the 19/20 and 20/21 CIP programme.

The delivery of the programme will be monitored and reported to Finance and Business Development Committee.

Recommendations

The Trust Board is requested to

- a) Note that the CIP requirement for 18/19 is £1.8m, as per the financial plan
- b) Note that schemes have been identified to a value of £1.8m
- c) Note that further work to develop the 19/20 and 20/21 CIP programmes will continue
- d) approve the CIP Programme for 2018/19.

Appendix 1: CIP 18/19 LOG

					Recurrent	Non recurrent	Total	Target	Difference	Risk Rating
Number	Service Area	Description	Category	WTE	£	£	£	£	£	
11	Chemotherapy	Re Use Pembro	Non pay	0.00	240,000		240,000			
12	Chemotherapy	CPL Rent	Income	0.00	20,000		20,000			
13	Chemotherapy	Band 3 - LG Post	Pay	1.00	21,000		21,000			
37	Chemotherapy	Reduction late scripts - redcuton drug waste	Non pay	0.00	60,000		60,000			
45	Chemotherapy	Vehicle maintenance and transport costs	Non pay	0.00	4,000		4,000			
46	Chemotherapy	Reduction on LWH SLA Cleaning naso-endoscopes	Non pay	0.00	10,000		10,000			
47	Chemotherapy	Reduction EDTA blood tests RLUH	Non pay	0.00	6,000		6,000			
38	Chemotherapy	OPD Blood reduction	Non pay	0.00	5,000		5,000			
28	Chemotherapy	SPR - reduction to meet LDA requirements - pro rata to SPR WTE	Pay	0.00	27,789	0	27,789			
	Chemotherapy	SUB-TOTAL		1.00	393,789	0	393,789	394,000	-211	
32	Integrated Care	Length of Stay	Income	0.00	110,000	0	110,000			
27	Integrated Care	Blood Products (80% of Medical CIP)	Non pay	0.00	40,000	0	40,000			
	Integrated Care	CReST - reduction in non pay expenditure	Non pay	0.00	36,000		36,000			
	Integrated Care	Sulby ward overnight closure	Pay	1.50	50,000		50,000			
33	Integrated Care	Post freeze- 8b post in PT support- Clinical	Pay	0.00	0	35,000	35,000			* re QIA
	Integrated Care	SUB-TOTAL		1.50	236,000	35,000	271,000	232,000	39,000	
1	Radiation Services	Papillon non recurrent Income	Income	0.00	0	20,000	20,000			
2	Radiation Services	Physics RTTQA NR Income	Income	0.00	0	20,000	20,000			
3	Radiation Services	Physics NR University of Liverpool teaching income	Income	0.00	0	10,000	10,000			
4	Radiation Services	PET CT NR income	Income	0.00	0	80,000	80,000			
5	Radiation Services	Physics IGRT NR Income 5th school	Income	0.00	0	10,000	10,000			
6	Radiation Services	Imaging MRI Additional Income Royal Liverpool	Income	0.00	120,000		120,000			
7	Radiation Services	Siemens Maint contract possible savings	Non pay	0.00	0	0	0			
8	Radiation Services	Physics on call - NOT TO USE		0.00	0	0	0			
9	Radiation Services	SABR Increase in tariff 120 patients x increase of £600		0.00	0	0	0			
10	Radiation Services	Physics Band 6 Technical post	Pay	1.00	30,000	0	30,000			
17	Radiation Services	NR TCC 0.50 WTE Band 7 post	Pay	0.50	0	22,000	22,000			
39	Radiation Services	Radiographer 1 x b5	Pay	1.00	35,000	0	35,000			
40	Radiation Services	Physics Staffing Band 8D reduction in hours	Pay		17,000	0	17,000			
41	Radiation Services	Imaging PET CT protective clothing	Non pay	0.00	3,000	0	3,000			
42	Radiation Services	X-Ray Maintenance Contract	Non pay	0.00	2,500	0	2,500			
43	Radiation Services	Cytoscopy Service	Income	0.00	6,000	0	6,000			
28	Radiation Services	SPR - reduction to meet LDA requirements - pro rata to SPR WTE	Pay	0.00	60,211	0	60,211			
	Radiation Services	SUB-TOTAL		2.50	273,711	162,000	435,711	436,000	-289	
49	Haemato-Oncology	Clinical Income: BMT	Income	0.00	80,000	0	80,000			
50	Haemato-Oncology	Clinical Income: Drug reimbursement (Celgene)	Income	0.00	30,000	0	30,000			
51	Haemato-Oncology	Procurement: working with RLBUHT to reduce supplies costs	Non pay	0.00	5,000	0	5,000			
48	Haemato-Oncology	Reduction in loss of Platelets	Non pay	0.00	50,000		50,000			
53	Haemato-Oncology	Reduction in drug costs	Non pay	0.00	62,000		62,000			
52	Haemato-Oncology	Staff: vacancy slippage (non-ward posts)	Pay	0.00	0	5,000	5,000			
	Haemato-Oncology	SUB-TOTAL		0.00	227,000	5,000	232,000	267,000	-35,000	
27	Medical Staffing	Blood Products	non pay	0.00	10,000	0	10,000			
28	Medical Staffing	SPR - reduction to meet LDA requirements	pay	0.00	12,000	0	12,000			
	Medical Staffing	SUB-TOTAL		0.00	22,000	0	22,000	22,000	0	
14	Administration services	2 x B3, 0.43 B4, 0.35 B4, £4k non pay	Pay	2.78	64,000	0	64,000	64,000	0	
22	Clinical Education	Increase income	Income	0.00	1,000	0	1,000	1,000	0	
19	IM&T Management	3rd party contracts- need further information	Non pay	0.00	94,000	0	94,000	94,000	0	
20 & 21	Governance - CGST	Replace 0.5wte B7 with B6 & Band 2 vacancy	Pay	1.00	28,204	0	28,204	29,000	-796	
26	COMMS	Income from support to charity	Income	0.00	7,000	0	7,000	7,000	0	
35	Finance	Unallocated CIP further review to be under taken -	Non pay	0.00	29,000	0	29,000	29,000	0	
23 & 24 & 25	WOD & L&D	External Contracts (23) & TRAC charges (24) & HO contribution (25)	Non pay	0.00	34,000	0	34,000	34,000	0	
18	PMO	Avoidance of Management Consultancy	Non pay	0.00	5,000	0	5,000	5,000	0	
	Performance			0.00	0	0	0	2,000	-2,000	
	Trust wide	Additional income to be identified	Income	0.00	138,000	0	138,000	138,000	0	
15		Review of Non Pay Budgets & Exec Recharges (YB)	Non pay	0.00	53,000	0	53,000	53,000	0	
	Corporate Services	SUB-TOTAL		3.78	453,204	0	453,204	456,000	-2,796	
	GRAND TOTAL			8.78	1,605,704	202,000	1,807,704	1,807,000	704	

* QIA not reviewed.	Red	126,000	High risk
	Amber	314,000	Medium risk
	Green	1,367,704	Low risk
	Total	1,807,704	