

Board of Directors Part One

Agenda and papers of a meeting to be held

2pm – 3.45pm
Tuesday 30th October 2012

Board Room,
Tavistock Centre,
120 Belsize Lane,
London, NW3 5BA

Board of Directors

2pm – 3.45pm, Tuesday, 30th October 2012

Agenda

Preliminaries

- 1. Chair's opening remarks**
Ms Angela Greatley, Trust Chair
- 2. Apologies for absence**
- 3. Minutes of the previous meeting** *(Minutes attached) p1*
For approval
- 4. Matters arising**

Reports & Finance

- 5. Trust Chair's and Non-Executive Directors' Reports** *For noting*
Non-Executive Directors as appropriate
- 6. Chief Executive's Report** *(Report attached) p9*
For discussion
Dr Matthew Patrick, Chief Executive
- 7. Finance & Performance Report** *(Report attached) p14*
For information
Mr Simon Young, Director of Finance & Deputy CEO
- 8. Quarter Two Finance and Governance Declarations** *(Report attached) p26*
For discussion
Mr Simon Young, Director of Finance & Deputy CEO
- 9. Charitable Fund Annual Report & Accounts 2011/12** *(Report attached) p30*
For approval
Ms Angela Greatley, Trust Chair & Committee Chair

Corporate Governance

- 10. Corporate Governance Report** *(Report attached) p47*
For noting
Ms Julie Hill, Trust Secretary
- 11. Annual Board Review 2012 Action Plan** *(Report attached) p50*
For noting
Ms Angela Greatley, Trust Chair

Quality & Development

- 12. Quarterly Quality Priorities Progress Update Report 2012-13 for Quarter 2** *(Report attached) P54*
For noting
Ms Louise Lyons, Trust Director

Conclusion

13. Any other business

14. Notice of future meetings

Wednesday 21st November 2012: Away Day, 10am-5pm
Tuesday 27th November 2012: Board of Directors
Thursday 6th December 2012: Board of Governors
Tuesday, 29 January 2013: Board of Directors
Thursday, 7th February 2013: Board of Governors
Tuesday, 26th February 2013: Board of Directors
Wednesday, 13th March 2013: Directors' Conference, 12noon-5pm
Tuesday, 26th March 2013: Board of Directors
Tuesday, 30th April 2013: Board of Directors
Thursday, 30th May 2013: Board of Directors (please note the change of date)

Meetings of the Board of Directors from 2012 onwards will be from 2pm until 5pm, and are held in the Board Room. Meetings of the Board of Governors are from 2pm until 5pm, and are held in the Lecture Theatre. Directors' Conferences are from 12 noon until 5pm, except where stated.

Board of Directors

Meeting Minutes (Part One) 2pm – 4pm, Tuesday 25th September 2012

Present:			
Mr Malcolm Allen Dean of Postgraduate Studies	Mr Martin Bostock Senior Independent Director	Ms Angela Greatley Trust Chair	Mr Altaf Kara Non-Executive Director
Lis Jones Nurse Director	Ms Louise Lyon Trust Director	Ms Joyce Moseley Non-Executive Director	Dr Ian McPherson Non-Executive Director
Dr Matthew Patrick Chief Executive	Dr Rob Senior Medical Director	Mr Richard Strang Deputy Trust Chair	Mr Simon Young Director of Finance
In Attendance			
Ms Julie Hill Trust Secretary	Dr Rita Harris CAMHS Director	Dr Andy Wiener Associate Clinical Director, CAMHS (item 13)	Cllr Claire-Louise Leyland Local Authority Stakeholder Governor Representative (observing)
Apologies			
None received			

Actions

AP	Item	Action to be taken	Resp	By
1	3	Minutes to be amended	JH	Immed
2	5	Mr Bostock to share the learning from the Masterclass at a Directors' lunch.	MB	TBA
3	5	Mr Kara to lead a discussion on the lessons from South London Healthcare NHS at a Directors' lunch.	AK	TBA
4	6	Mr Young to present the Informatics Strategy document at a future Board meeting.	SY	Nov/Jan
5	6	The next Finance and Performance report to include a retrospective of the productivity programme.	SY	Oct
6	6	Dr Patrick to keep the Board abreast of new business opportunities and current bids.	MP/JS	Oct and as approp
7	6	Dr Patrick to invite Professor Fish to meet with the Board.	MP	Dec
8	7	Mr Young to include a table in his next Finance and Performance report showing a breakdown of productivity savings.	SY	Oct
9	7	Mr Young to review Tavistock Consulting's year-end forecast.	SY	Oct
10	10	Dr Senior to ensure that any areas of concern were flagged up in the covering report.	RSe	As approp
11	11	An action plan to be produced in relation to the Board Review 2012 report recommendations.	JH	Oct
12	12	Trust Secretary to find out how the election turnout figures compared with other foundation trusts.	JH	Oct
13	13	Mr Strang and Mr Young to discuss the pricing model for Camden CAMHS.	SY/RS	Oct

1. Trust Chair's Opening Remarks

Ms Greatley welcomed everyone to the meeting and introduced Cllr Claire-Louise Leyland who had recently been appointed as the local authority stakeholder on the Board of Governors. Cllr Leyland had come to observe the meeting.

2. Apologies for Absence

As above.

3. Minutes of the Previous Meeting

AP1

The minutes were approved subject to a minor amendment.

4. Matters Arising

Ms Lyon, Trust Director reported that following the discussion at the last meeting in relation to the Quality Priorities Report, the colour blue had been selected to indicate those tasks which were on track but had not yet been completed.

5. Trust Chair's and Non-Executive Directors' Reports

5.1 Ms Greatley, Trust Chair reported that she had not attended any noteworthy events over the summer period.

5.2 Mr Bostock, Senior Independent Director reported that he had attended an NHS Board Masterclass organised by NHS London on Ethical Decision-Making. Mr Bostock said that he had found the day helpful and thought provoking and commented that the Trust already applied many of the recommended techniques in its own decision-making processes. Ms Greatley said that value based decision making was very important and invited Mr Bostock to share the learning from the Masterclass at a future Board of Directors' lunch. **Mr Bostock to share the learning from the Masterclass at a future Directors' lunch.**

AP2

5.3 Dr McPherson, Non-Executive Director reported that he had attended a Masterclass on NHS Financially Challenged Organisations. Although the focus of the day was on the financial problems of the South London Healthcare NHS Trust, Dr McPherson said that the event raised broader issues, including the impact of a failing health organisation had on the wider local health economy. Mr Kara, Non-Executive Director said that the experience of South London Healthcare being put into administration was new territory for NHS trusts and agreed to share his thoughts at a future Directors' lunch once the report on South London Healthcare had been published and was in the public domain. **Mr Kara to lead a discussion on the lessons from South London Healthcare NHS at a Directors' lunch.**

AP3

6. Chief Executive's Report

6.1 The Chief Executive's report which provided updates on Productivity, Monitor's Annual Plan Review, Children and Young People's Improving Access to Psychological Therapies Programme and UCL Partners Academic Health Science Network had been circulated. Dr Patrick, Chief Executive reported that the Family Nurse Partnership Programme bid and the London Probation Training bid had both been submitted.

6.2 Dr Patrick reported he and the Director of Finance were currently working with staff in Informatics and IT to develop a high level strategic paper setting out the direction of travel which would be used as the backdrop to the re-procurement of an Informatics system. Dr Patrick said that there was still a lot more work to be done especially around the issue of trying to bridge the gap between the Trust's aspirational vision of where it wanted to be in terms of new technology and its resource capabilities. **Dr Patrick to present the Informatics Strategy document at a future Board meeting.**

AP4

6.3 Mr Strang, Deputy Trust Chair reported that he was involved in working with an aspirant foundation trust and he had been surprised by the level of detail Monitor expected the Board to know and this had raised questions in his own mind about whether this Board should be better informed about operational matters. With this in mind, Mr Strang pointed out that the Board had received a number of comprehensive reports about the Productivity Programme, but had not been informed about the detail of the outcome of service redesign and therefore it was difficult for the Board to be assured that quality would not be compromised by the changes. Dr Senior, Medical Director pointed out that it was the responsibility of the Clinical Quality, Safety and Governance Committee to provide the Board with assurance on quality related issues.

6.4 Ms Greatley said that as members of a Board they were expected to operate at the strategic level but at the same time they were also held to account for the operation of the Trust and therefore getting the balance right between strategic and operational was challenging. Mr Kara echoed Mr Strang's views and said it was difficult to work out from the various productivity reports how the Trust's service delivery model had changed and how it would sustainably deliver the productivity improvements and suggested that it would be helpful for the Board to receive a paper which set out at a strategic level how services used to be provided, the decisions that had been taken and how services would now be delivered. **Mr Young's next Finance and Performance report to include a retrospective of the productivity programme.**

AP5

6.5 Mr Strang requested that the Board receive on a confidential basis a summary of the new business opportunities and the list of current bids. **Mr Young/Ms Smith to keep the Board abreast of new business opportunities and current bids.**

AP6

6.6 Ms Moseley, Non-Executive Director said that she was finding it difficult to get to grips with the Department of Health's new regime for education and training. Dr Patrick summarised the roles of the new bodies and suggested inviting Professor David Fish, Managing Director, UCL Partners to meet with the Board to discuss the new arrangements. **Dr Patrick to invite Professor Fish to meet with the Board.**

AP7

6.7 The report was noted

7. Finance & Performance Report

7.1 Mr Young, Director of Finance reported that in terms of income and expenditure in the current financial year, the Trust was well ahead of budget and the forecast was that this would continue to be the position at year end. This was largely because of savings as a result of the Productivity Programme. Mr Young reported that providing there were no significant unforeseen factors such as losing a large contract, he expected to set next year's budget without having to find any major savings and this would mean that the Trust could concentrate its efforts on growth and development opportunities. Mr Strang requested a breakdown of the productivity figures showing where savings had originally been sought and where the savings had actually been identified. **Mr Young to include a table in his next Finance and Performance report showing a breakdown of productivity savings.**

AP8

7.2 As reported at the last meeting, Mr Young said that cash flow was tight particularly because the plans relating to the new build and its related borrowing had been delayed. This meant that Finance staff had to spend time ensuring that Commissioners paid promptly according to contract terms.

7.3 Mr Young informed the Board that the Trust was moving to a new version of RiO (RiO 1.1) this weekend. The new version was not a big change and staff had been trained on the use of the new facilities and it was not expected to cause any difficulties.

7.4 Mr Strang referred to section 4.1 of the report on Patient Services and pointed out that part of the budget was dependent on the Trust meeting its CQUIN targets. Mr Young reported that the current forecast did not assume that the Trust would meet 100% of its CQUIN targets and the financial risk of not wholly meeting the CQUIN targets was being appropriately managed.

7.5 Mr Strang referred to section 5.1 of the report and pointed out that in relation to Tavistock Consulting, the expenditure budget was £59,000 overspent due to the cost of associates but it was forecast to have an underspend of £42,000 by year end. Mr Young reported that he did not expect Tavistock Consulting to over achieve on income and said that he would look again at the forecast which may need to be revised down. **Mr Young to review Tavistock Consulting's year-end forecast.**

AP9

7.6 Mr Young sought the Board's approval for the Chief Executive and himself to sign two deeds relating to the assignment of the lease of 219 Eversholt Street, NW1 where the Trust's South Camden CAMHS was going to be located.

7.7 The Board noted the report and approved the Chief Executive and Director of Finance signing the lease in respect of 219 Eversholt Street,

NW1.

8. CQSG: Annual Performance Review 2011/12

8.1 The CQSG Committee's Annual Performance Review 2011/12 had been circulated. Dr Senior, Medical Director reported that the Annual Performance Review report had also been considered by the Audit Committee

8.2 Mr Strang referred to Appendix 2 of the report on Clinical Outcomes Review and pointed out that the first paragraph stated that: "the lead has provided assurances to the CQSGC that where possible, targets have been met and reported to our external regulatory bodies" and asked what was meant "where possible". Dr Senior said that the Trust's targets with external commissioners and external regulatory bodies had all been met and the "where possible" referred to some of the Trust's own aspirations not being fully met.

8.3 Ms Moseley paid tribute to Dr Senior for his excellent chairing of the CQSG Committee and said that the different work streams had been integrated into the work of the Committee and it was working effectively with the Audit Committee.

8.4 The Board noted the report.

9. CQSG Report Quarter 4 (2011/12)

9.1 The CQSG Report for Quarter 4 2011/12 had been circulated. Dr Senior explained that the CQSG report for quarter 4 was being presented late because of a timing issue between the meetings of the CQSG Committee and the Board. Dr Senior made the point that the nature of RAG ratings inevitably meant that more attention had to be given to areas of risk and stressed that it was important not to lose sight of the positive improvements that had been made and gave the example of Information Governance.

9.2 The Board noted the report.

10. CQSG Report Quarter 1 (2012/13)

10.1 The CQSG Report for Quarter 1 (2012/13) had been circulated. Dr Senior drew attention to the section on the Clinical Outcomes Work Stream in relation to outcome monitoring and said that this issue would be considered further during Part II of the meeting. Dr Senior stressed that the Trust was still on course to meet its CQUIN target in relation to outcome monitoring and that the red rating was due to the fact that the target would not be met in the most timely and effective manner.

10.2 Mr Strang pointed out that sections 2.3 and 2.6 of the covering report made no reference to there being any issues in relation to outcome

monitoring. **Dr Senior to ensure in future that any areas of concern were flagged up in the covering report.**

10.3 The Board noted the report.

11. Board Review 2012

11.1 The report on the outcome of the Board Review 2012 had been circulated. Ms Greatley presented the report and said that she felt that the report was a good analysis of how the Board operated and set out a number of challenges about how to do things differently in order to improve its effectiveness as a Board.

11.2 Ms Greatley highlighted the suggestion that two meetings a year be set aside to discuss the strategic direction of the Trust and proposed using the June and September meetings. Ms Greatley reported that the Performance Committee had started to think through the process of recruiting two new Non-Executive Directors to replace the two NEDs whose terms of office would end in October 2013 and the new Council of Governors would take on board the Review's comments in relation to the diversity and skills mix of the Board. It was agreed that the issues around making better use of the expertise of Non-Executive Directors, for example as part of the bid process would be taken forward as part of the review of internal links. The Board considered the suggestion that service line reports be considered as part of informal lunchtime discussions but agreed that consideration of service line reports was an important part of the Board's assurance process and service line reports would continue to form part of the formal business of the Board.

11.3 The Board noted the report and agreed that the Trust Chair in consultation with the Chief Executive would take forward the Review's recommendations. **The Trust Secretary to convert the Review's recommendations into an action plan.**

AP11

12. Corporate Governance Report

12.1 The Corporate Governance report which covered the outcome of the Board of Governor elections, Monitor updates and the National Governor Training and Development Programme had been circulated. Ms Greatley said that she looked forward to working with the new governing body. The Trust Secretary pointed out that the election turnout for the public governors was disappointingly low despite efforts to publicise the elections. **Trust Secretary to find out how the election turnout figures compared with other foundation trusts.**

AP12

12.2 It was noted that the report of the public inquiry into the failings of the Mid-Staffordshire NHS Foundation Trust between January 2005 and March 2009 had been expected to be published next month but the report

had been put back to January 2013. The Board noted the report.

13. Service Line Report – Camden CAMHS

13.1 A service line report for Camden CAMHS had been circulated. Dr Wiener, Associate Clinical Director, CAMHS reported that Camden CAMHS had been successful in becoming a second wave site for the Children and Young People's Improving Access to Psychological Treatments Programme (IAPT) in partnership with the Brandon Centre, MAC-UK and the London Borough of Camden. Dr Wiener reported that as part of the programme, five Therapists would attend training courses in Parenting and Cognitive Behavioural Therapy.

13.2 Dr Wiener reported that the Camden Commissioners with assistance from senior staff at the Trust had been successful in winning a number of bids to expand Children and Adolescent Mental Health Services in Camden particularly in relation to children with complex needs, parental mental health and children with developmental needs. The bids were worth around £2.7m which would bring between 10 and 12 new posts into the Trust worth £760,000.

13.3 Dr Wiener reported that as a result of the additional funding that Camden CAMHS had established a small Complex Needs Outreach Team to help assess the needs of young people who were placed out of the borough. Other small teams had been established to benefit a range of services including specialist support to young parents; assessment and treatment services to parents with mental health problems; education services to children and young people with special emotional and behavioural needs and education for those with moderate/severe learning disabilities.

13.4 Dr Wiener stressed that it was important that the cost of the service remained competitive and there would shortly be an internal activity and pricing review to develop a fair pricing model. Mr Strang requested further information about the financial position and Dr Wiener said that he had a revised version of the report which included a financial table and it was agreed that Mr Strang and the Finance Director would discuss the pricing model outside of the meeting. Dr Harris, Director of CAMHS said that Camden CAMHS was a good example of service redesign. **Mr Strang and Mr Young to discuss the pricing model.**

AP12

13.5 The Board thanked Mr Wiener for this report and noted its contents.

14. Service Line Report – Education and Training

14.1 A report which set out an update on developments within education and training at the Trust had been circulated. Mr Allen, Dean of Postgraduate Studies reported that the number of applications for long courses had increased by around 100 compared with the same time last

year. Mr Allen pointed out that this compared favourably with the national picture in higher education where overall university applications were down 54,000 this year. However, it was noted that the trend looked to be down for short courses and the extent of the reduction would become clearer in the Autumn and plans were in hand to conduct a systematic review of short courses. Overall attendance at conferences was significantly down and the Trust would need to give careful consideration to which conferences it would run in the future.

14.2 Mr Allen reported that the recent refurbishment of the Lecture Theatre was a big improvement. Dr McPherson asked whether webinars could be used as an alternative to conferences and was informed that the Trust was moving ahead with its programme of e-learning but the issue with webinars was that many were used simply as a marketing tool and people may not be prepared to pay to access a webinar.

14.3 Mr Allen reported that he was planning to set up a small e-learning advisory group to include non-executive board members and outside experts to develop a new e-learning business strategy. Mr Allen said that with the help of the Director of Finance he had developed a profitability formula which was gradually being applied to the portfolio of courses and that this was leading to some interesting questions about why we did certain courses.

14.3 The Board thanked Mr Allen for this report and noted its content.

15. Any Other Business

There was no other business.

16. Notice of Future Meetings

16.1 The dates of future meetings were noted.

Outstanding Action Part 1

No.	Originating Meeting	Agenda Item	Action Required	Director / Manager	Due Date
	Jul-12	3	Mr Young and Ms Lyon to write a paper setting out the financial and clinical implications of PbR	SY/LL	TBC

Red denotes actions overdue

Amber denotes actions due this month

Board of Directors : October 2012

Item : 6

Title : Chief Executive's Report

Summary :

This paper covers the following items:

1. Family Nurse Partnership
2. NHS News
3. Annual General Meeting
4. Centre for Social Work Practice

For : Discussion

From : Chief Executive

Chief Executive Report

1. Family Nurse Partnership

- 1.1 I am delighted to let the Board know that on Tuesday 23rd October we are due to receive formal notification from the Department of Health that we have been successful in our bid to take over the management of the Family Nurse Partnership (FNP) programme.
- 1.2 This success followed an intensive piece of partnership work amongst three organisations. Our own bidding contribution was led by our Commercial Director, Julia Smith, but involved many others. Our two partners in the bid were the Dartington Social Research Unit and the Impetus Trust.
- 1.3 The Dartington Social Research Unit is a small charity committed to the development and implementation of evidence based programmes for young people. The Unit undertakes research focused on improving children's outcomes, and advises trusts and foundations, government and local service providers to help them to do so.
- 1.4 The Impetus Trust is a venture philanthropy organisation with a special interest in supporting work focused on early years. Impetus seeks to invest in ambitious charities and social enterprises that fight economic disadvantage. As such, both FNP and working with an NHS partner are new developments for them.
- 1.5 The FNP tender itself was for a single contract for the management and further implementation of the national Family Nurse Partnership Programme. The contract is planned to be signed in November 2012 with full service delivery commencing in April 2013.
- 1.6 The contract will be for up to a maximum of 5 years. The value of the contract for the maximum 5 year period is yet to be confirmed, but is likely to be between £16-18 million.
- 1.7 FNP is an evidenced based, preventive, early intervention programme for vulnerable young first time mothers. It offers intensive and structured home visiting, delivered by specially trained nurses, from early pregnancy until age two. It is, in essence, a relational model of support and intervention.
- 1.8 FNP was developed in the United States and has a substantial evidence base within that setting. In this country it is delivered under licence, with Core Model Elements and fidelity measures to ensure

replication of the original research. Testing in England began in 2007.

- 1.9 Countries that currently take part in FNP outside of America include Australia, Canada, England, The Netherlands, Northern Ireland and Scotland.
- 1.10 FNP represents a really exciting opportunity for this Trust, and one that is wholly aligned with our mission as a Trust.

2. NHS News

- 2.1 We have just now emerged from the party conference season, and as one might expect there has been much spoken about the NHS.
- 2.2 At the Conservative Party conference Jeremy Hunt, Health Secretary, said that NHS staff must become the "best in the world" at looking after the elderly.
- 2.3 In his first major speech since taking on the role in the recent reshuffle, he said it was time to change the culture of the organisation, focusing on care and compassion.
- 2.4 At the Labour party conference, shadow health secretary Andy Burnham committed to repealing the 2012 Health and Social Care Act should Labour win the next election, scheduled for 2015.
- 2.5 Mr Burnham used much of his speech to criticise the "privatisation" of the NHS, which he said was taking place in secret and at a pace and scale never seen before".
- 2.6 In a separate event, a conference for GPs, Sir David Nicholson is also reported to have raised concerns about the use of open competition for services. Nicholson is reported to have suggested that competition was valuable when used in a targeted manner to address a particular issue, but not when used in a 'carpet bombing' fashion.
- 2.7 In a further thematically linked event, Jim Easton, the National Commissioning Board's Director of Transformation, has announced that he will be leaving the National Commissioning Board to join Care UK.
- 2.8 Care UK is a major private provider of long-term care contracted to run NHS services. The company's NHS services include independent sector treatment centres, GP practices and diagnostics. The firm has

also expressed an interest in management franchise deals for NHS hospitals.

- 2.9 Finally, I am very pleased to let the Board know that following Steve Shrubbs' departure from the NHS Confederation's Mental Health Network, Stephen Dalton has been appointed as the new Chief Executive.
- 2.10 Stephen Dalton is currently Chief Executive of Cumbria Partnership Foundation Trust, and will take up his new position on January 1st.

3. Annual General Meeting

- 3.1 On Wednesday 10th October the Trust held its Annual General meeting. The meeting was very well attended with a total of 76 attendees, and I think was well received.
- 3.2 The main part of the meeting was given over to a presentation by the Barnet Young Peoples Drug and Alcohol Service. The presentation was both inspiring and moving in terms of the work it represented, and the passion and commitment of the staff involved.
- 3.3 Really importantly, the presentation was contributed to by one of the service's users. The account given was articulate, honest and very powerful. It was also very good to have the Barnet commissioner in the audience.
- 3.4 The consumer movement is changing expectations and the way in which individuals and communities relate to health professionals and services. The inclusion of service users in our work and thinking should be absolutely routine, and it was really nice to see this enacted so creatively at the AGM.

4. Centre for Social Work Practice

- 4.1 Finally, on Friday 28th September I attended the re-launch of the Centre for Social Work Practice. The re-launch followed a generous donation to the centre, which now places it on a secure financial footing enabling it to realise its primary aim: to promote, develop and sustain relationship-based practice in contemporary social work contexts. Eighty people attended the event.
- 4.2 The Centre was originally launched at the Tavistock Centre in April 2006. The Centre is a collaborative network, but is based at the Tavistock Centre.

4.3 The Centre is Chaired by Professor Kate Wilson, and the Director is Professor Andrew Cooper, our joint professor of Social Work with UEL.

Dr Matthew Patrick
Chief Executive Officer

October 2012

Board of Directors : October 2012

Item : 7

Title : Finance and Performance Report

Summary:

After six months a surplus of £384k is reported before restructuring, £141k above the revised budget surplus of £243k. There are shortfalls on Training Income due mainly to short courses and conferences underperforming. Clinical Income is below target due to the closure of Monroe and the end of a contract income stream in the Day Unit. Savings across all directorates have exceeded the target, though some of these will be non-recurrent.

The Trust has approved 22 applications for voluntary redundancy. The one off costs are expected to be £1.4m. These staff will be leaving the Trust over the next couple of months and with the net savings from these posts, together with other changes, we expect to meet our savings targets for the year. The forecast for the year is a surplus of £389k before restructuring.

The service line report is provided in Appendix C.

The cash balance at 30 September was £1,273k which is above plan. Cash balances are expected to be low by the end of the financial year.

For : Information.

From : Simon Young, Director of Finance

1. **External Assessments**

1.1 **Monitor**

- 1.1.1 Monitor formally notified us that the Trust's financial risk rating for the first quarter is 4 (compared to the Plan rating of 3). This was due to the higher surplus.
- 1.1.2 As the EBITDA margin after six months is just below the threshold of 5% (see Appendix A), the financial risk rating is expected to return to 3 for quarter 2.
- 1.1.3 The governance rating for quarter 1 was Green, and this is expected to be retained in future quarters.

2. **Finance**

2.1 **Income and Expenditure 2012/13 (Appendices A, B and C)**

- 2.1.1 After September the trust is reporting a surplus of £384k before restructuring costs, £141k above budget. Income is £457k below budget, and expenditure £599k below budget.
- 2.1.2 The service line report (Appendix C) shows that the favourable variances have been both in SAMHS and CAMHS.
- 2.1.3 The deterioration in month on income of £363k (compared to budget) is primarily due to Training income which is £161k below budget in month due to reduced CPD and short course income. TCS were £71k below target in month but remain close to budget cumulatively and Day Unit was below by £75k in month due to a £48k correction for earlier months, and the end of the contracted pupil placement funding from Camden.
- 2.1.4 The expenditure budget was under spent in month by £233k due to savings achieved by a number of services; and because there was no call on the contingency reserve.
- 2.1.5 There is a cumulative shortfall in clinical income of £59k mainly due to Monroe, Day Unit and Court Reports. These main income sources and their variances are discussed in sections 3, 4 and 5.
- 2.1.6 For an externally funded Finance project, the £77k underspend to date (within the Finance line) is matched by a £77k shortfall on other income, since the funding is only released in line with costs.
- 2.1.7 The key financial priorities remain to achieve income budgets; and to ensure that the agreed service redesign proposals are implemented, and savings delivered.
- 2.1.8 Of the confirmed restructuring costs of £1,383k, £556k has been paid to date.

2.2 **Forecast Outturn**

2.2.1 The forecast of a £389k surplus (before restructuring) is £239k above budget. Income is expected to be £182k below budget; this is mainly due to an expected shortfall on training income and low pupil numbers at the Day Unit offset by new CAMHS work streams. The expenditure outturn is expected to be £421k below budget: pay expenditure has been reduced for known staffing reductions via productivity savings and non-pay budget are assumed to be fully utilised.

2.2.2 Material changes to the forecast since last month's report include:

- Training income forecast has reduced from a favourable £131k to a £304k shortfall, this is due to reduced CPD, conference and fee income offset by LCCPD & HEFCE funding.
- Big White Wall income now expected to be £150k, against £180k previously forecast
- Research income now expected to be £50k above the £150k budget due to new projects.
- Day Unit income reduced by £192k, low pupil numbers unlikely to be recovered in later months. This should be partly offset by savings, but these are not yet certain. A plan for the next nine months is to be agreed shortly.

2.2.3 This forecast allows for the investment reserve of £100k to be fully utilised; and for contingencies also of £100k. The actual costs should be lower than this.

2.2.4 Restructuring costs are forecast to be slightly above the budget of £1,600k.

2.3 **Cash Flow (Appendix D)**

2.3.1 The cash balance at 30 September was £1,273k which is a decrease of £154k in month but is £251k above Plan. Later than anticipated payment of restructuring costs and savings achieved have offset the shortfall on income to date. The year-to-date receipts and payments are summarised in the table on the next page.

2.3.2 Appendix D shows the revised cash forecast for the remainder of the year. If the postponement of the Day Unit relocation results in the associated loan being delayed until after year-end, the cash position will be greatly reduced in the final months of the financial year. We expect to avoid using the working capital facility, but this will require close monitoring.

	Cash Flow year-to-date		
	Actual £000	Plan £000	Variance £000
Opening cash balance	2,357	2,357	0
Operational income received			
NHS (excl SHA)	6,047	5,791	256
General debtors (incl LAs)	3,170	3,648	(478)
SHA for Training	5,500	5,611	(111)
Students and sponsors	725	900	(175)
Other	235	108	127
	15,677	16,058	(381)
Operational expenditure payments			
Salaries (net)	(7,610)	(8,103)	493
Tax, NI and Pension	(5,506)	(5,410)	(96)
Suppliers	(3,312)	(4,943)	1,631
	(16,428)	(18,456)	2,028
Capital Expenditure	(175)	(225)	50
Loan	0	1,500	(1,500)
Interest Income	5	5	0
Payments from provisions	0	(47)	47
PDC Dividend Payments	(163)	(170)	7
Closing cash balance	1,273	1,022	251

2.4 Statement of Financial Position (aka Balance Sheet)

- 2.4.1 Appendix E reports the SoFP at 30 September compared to the Plan figures for the same date.
- 2.4.2 Trade and other receivables and Trade Payables are both over plan due to the timing of our invoices to the Children's Workforce Development Corporation (CWDC) for payments of £1,781k relating to educational psychology training. This did not affect the Trust's cash position. The actual cash payments will take place in the third quarter: because the cash has been received in October but will mainly go out in November, the cash balance will be higher than normal at 31 October. The cash forecast (see 2.3.2 and Appendix D) allows for this.
- 2.4.3 As reported above we have accounted for although not paid all of the restructuring costs. This has the effect of increasing Trade Payables and reducing the I&E reserve against Plan.

2.5 Capital Expenditure

- 2.5.1 Up to 30 September, expenditure on capital projects was £233k. This has included £75k so far on the Lecture Theatre project (budget £80k) and £79k on IT hardware and software.
- 2.5.2 The capital budget for the year is £442k in total (including £50k carried over from 2011/12), and actual costs are expected to be close to this.

3. Training

- 3.1 Training income is £215k below budget in total after six months, with CPD and short course fees being the main reason for the underperformance in September which were approximately £100k below target.
- 3.2 The forecast income for the year is £304k below budget, and £397k lower than the forecast in the previous report.
- 3.3 A separate and more detailed paper on training income variances is presented in Part 2 of this meeting, for reasons of commercial confidentiality.

4. Patient Services

4.1 Activity and Income

- 4.1.1 Total contracted income for the year is in line with budget. Part of the budgeted income for the year is dependent on meeting our CQUIN[†] targets agreed with commissioners and achievement is reviewed on a quarterly basis
- 4.1.2 Cost and volume elements of the GIDU and Haringey contracts are currently over performing and have been accrued for prudently.
- 4.1.3 Income for named patient agreements (NPAs) is £5k below budget.
- 4.1.4 Court report income was also £22k below budget after September and is forecast to be £62k below target by the end of the year.
- 4.1.5 Monroe income is £53k below budget after 6 months. The service was closed on 2nd June and the budgets have been revised accordingly. The forecast for the year includes continuing work by one practitioner.
- 4.1.6 Day Unit was £83k below target after September. The adverse movement in the month includes a £48k correction from earlier in the year; but another significant change is the end of a fixed contract with Camden for 4 places.
- 4.1.7 Project income is forecast to be £447k above budget. This is mainly due to new CAMHS work streams, with corresponding expenditure.

[†] Commissioning for Quality and Innovation

	Budget	Actual	Variance	Full year		Comments
	£000	£000	%	Variance based on y-t-d	Predicted variance	
Contracts - base values	5,722	5,686	-0.6%		0	
Cost and vol variances	87	180	107.1%	186	185	GID forecast £131k and Haringey forecast £65k over performances.
NPAs	102	97	-5.1%	-10	0	
Projects and other	572	567		-	385	Income matched to costs, so variance is largely offset.
Day Unit	528	445	-15.8%	-159	-192	
Monroe	65	11	-82.3%	-68	-32	Service closes June
FDAC 2nd phase	259	235	-9.2%	-48	0	Income matched to costs, so variance is largely offset.
Court report	97	76	-22.3%	-43	-62	
Total	7,433	7,297		-142	284	

5. **Consultancy**

- 5.1 Tavistock Consultancy (TC) income was £49k in September which was £71k below the target for the month. The cumulative position of £538k is £4k below budget. However, as noted in the TC Director's report to this meeting, this does not include some £60k of CPD activity for which the income is reported here in the Training line but which has been delivered by TC staff and associates. We will aim to clarify the reporting in future.
- 5.2 The TC expenditure budget is currently £53k over-spent due to the cost of associates.
- 5.3 Departmental consultancy is £37k below budget after six months; and improvement on the earlier position.

Simon Young
Director of Finance
22 October 2012

THE TAVISTOCK AND PORTMAN NHS FOUNDATION TRUST										APPENDIX A
INCOME AND EXPENDITURE REPORT FOR THE FINANCIAL YEAR 2012-13										
		SEP-12			CUMULATIVE			FULL YEAR 2012-13		
		BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE	REVISED BUDGET	FORECAST OUTTURN	BUDGET VARIANCE
		£000'S	£000'S	£000'S	£000'S	£000'S	£000'S	£000	£000	£000
INCOME										
1	CLINICAL	1,232	1,155	(77)	7,433	7,297	(136)	14,728	15,012	284
2	TRAINING	2,792	2,612	(180)	9,456	9,241	(215)	17,311	17,007	(304)
3	CONSULTANCY	171	67	(104)	795	754	(41)	1,511	1,425	(85)
4	RESEARCH	13	26	13	78	131	54	155	205	50
5	OTHER	73	57	(16)	439	321	(119)	878	752	(126)
TOTAL INCOME		4,281	3,918	(363)	18,201	17,744	(457)	34,583	34,401	(182)
OPERATING EXPENDITURE (EXCL. DEPRECIATION)										
6	CLINICAL DIRECTORATES	1,281	1,179	102	7,810	7,518	292	15,499	15,345	153
7	OTHER TRAINING COSTS	2,037	1,979	58	5,660	5,538	122	9,912	9,786	126
8	OTHER CONSULTANCY COSTS	82	74	8	492	541	(49)	985	943	42
9	CENTRAL FUNCTIONS	579	574	5	3,476	3,319	157	6,952	6,852	99
10	TOTAL RESERVES	61	0	61	77	0	77	201	200	1
TOTAL EXPENDITURE		4,040	3,807	233	17,516	16,916	599	33,548	33,127	421
EBITDA		241	110	(130)	686	828	142	1,035	1,274	239
ADD:-										
12	BANK INTEREST RECEIVED	1	0	0	5	4	1	11	11	0
LESS:-										
11	DEPRECIATION & AMORTISATION	44	44	0	265	265	0	530	530	0
13	FINANCE COSTS	0	0	0	0	0	0	0	0	0
14	DIVIDEND	30	30	0	183	183	0	366	366	0
SURPLUS BEFORE RESTRUCTURING COSTS		167	36	(130)	243	384	141	150	389	239
15	RESTRUCTURING COSTS	0	(2)	2	0	1,383	(1,383)	1,600	1,680	(80)
SURPLUS/(DEFICIT) AFTER RESTRUCTURING		167	39	(127)	243	(999)	(1,242)	(1,450)	(1,291)	159
EBITDA AS % OF INCOME		5.6%	2.8%		3.8%	4.7%		3.0%	3.7%	

SLR Report M6 12 13				Trust Total		CAMHS		SAMHS	
				Budget M6	Actuals M6	Budget M6	Actuals M6	Budget M6	Actuals M6
				2012-13	2012-13	2012-13	2012-13	2012-13	2012-13
				£000	£000	£000	£000	£000	£000
Clinical Income				7,531	7,325	4,507	4,290	3,024	3,035
Training course fees and other acad income				4,030	3,844	2,720	2,680	1,310	1,164
National Training Contract				3,627	3,627	2,332	2,332	1,295	1,295
Total Training Income				7,658	7,471	5,052	5,012	2,606	2,460
Consultancy Income				742	693	41	8	701	685
Research and Other Income (incl Interest)				152	199	68	101	84	98
Total Income				16,083	15,688	9,668	9,411	6,415	6,278
Clinical Directorates and Consultancy				9,445	9,209	5,392	5,278	4,053	3,931
Other Training Costs (in DET budget)				1,741	1,648	1,350	1,240	391	408
Research Costs				145	119	89	73	56	46
Accommodation				1,495	1,497	783	784	712	713
Total Direct Costs				12,826	12,473	7,614	7,375	5,212	5,098
Contribution				3,257	3,215	2,054	2,036	1,203	1,180
Central Overheads (excl Buildings)				5,187	4,935	3,434	3,276	1,753	1,659
Central Income				2,174	2,064	1,536	1,466	638	598
Surplus (deficit)				243	344	156	226	87	118
SURPLUS as % of income				1.3%	2.2%	1.4%	2.4%	1.2%	1.7%
CONTRIBUTION as % of income				20.3%	20.5%	21.2%	21.6%	18.8%	18.8%

Appendix D

Appendix D													
2012/13 Plan	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Opening cash balance	2,357	1,937	1,647	1,314	1,431	899	1,022	383	229	493	1,176	1,046	2,357
Operational income received													
NHS (excl SHA)	527	1,043	950	1,340	981	950	940	982	949	940	981	950	11,533
General debtors (incl LAs)	494	451	633	684	581	806	602	552	520	840	636	557	7,356
SHA for Training	929	947	929	929	949	928	929	948	929	928	948	929	11,222
Students and sponsors	250	170	170	110	0	200	800	250	100	750	100	100	3,000
Other	18	18	18	18	18	18	18	18	18	18	18	18	216
	2,218	2,629	2,700	3,081	2,529	2,902	3,289	2,750	2,516	3,476	2,683	2,554	33,328
Operational expenditure payments													
Salaries (net)	(1,217)	(1,217)	(1,217)	(1,217)	(1,218)	(2,017)	(1,969)	(1,169)	(1,169)	(1,369)	(1,388)	(1,169)	(16,336)
Tax, NI and Pension	(910)	(900)	(900)	(900)	(900)	(900)	(900)	(864)	(864)	(864)	(864)	(864)	(10,630)
Suppliers	(512)	(803)	(872)	(820)	(919)	(1,017)	(986)	(822)	(587)	(527)	(528)	(526)	(8,919)
	(2,639)	(2,920)	(2,989)	(2,937)	(3,037)	(3,934)	(3,855)	(2,855)	(2,620)	(2,760)	(2,780)	(2,559)	(35,885)
Capital Expenditure	0	0	0	(25)	(25)	(175)	(75)	(50)	(133)	(33)	(34)	(642)	(1,192)
Loan	0	0	0	0	0	1,500	0	0	500	0	0	500	2,500
Interest Income	1	1	1	0	1	1	1	1	1	0	1	1	10
Payments from provisions	0	0	(45)	(2)	0	0	0	0	0	0	0	0	(47)
PDC Dividend Payments	0	0	0	0	0	(170)	0	0	0	0	0	(170)	(340)
Closing cash balance	1,937	1,647	1,314	1,431	899	1,022	383	229	493	1,176	1,046	730	731
2012/13 Actual/Forecast	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Opening cash balance	2,357	1,798	2,223	1,500	2,802	1,427	1,273	2,589	1,167	590	752	729	2,357
Operational income received													
NHS (excl SHA)	510	1,523	499	515	666	2,334	940	982	949	940	981	950	11,789
General debtors (incl LAs)	511	514	397	712	764	272	1,889	1,052	520	840	636	557	8,665
SHA for Training	894	995	988	2,623	0	0	1,247	948	929	928	948	929	11,429
Students and sponsors	259	69	(44)	109	144	188	800	250	100	750	100	100	2,825
Other	3	23	57	63	35	54	18	18	18	18	18	18	343
	2,177	3,124	1,897	4,022	1,609	2,848	4,894	3,250	2,516	3,476	2,683	2,554	35,051
Operational expenditure payments													
Salaries (net)	(1,324)	(1,223)	(1,184)	(1,202)	(1,388)	(1,289)	(1,566)	(1,566)	(1,516)	(1,747)	(1,166)	(1,165)	(16,336)
Tax, NI and Pension	(910)	(944)	(928)	(903)	(890)	(931)	(916)	(861)	(861)	(861)	(861)	(861)	(10,729)
Suppliers	(494)	(503)	(500)	(593)	(674)	(548)	(927)	(2,177)	(677)	(676)	(679)	(676)	(9,124)
	(2,728)	(2,670)	(2,612)	(2,698)	(2,952)	(2,768)	(3,409)	(4,604)	(3,054)	(3,284)	(2,706)	(2,702)	(36,189)
Capital Expenditure	(8)	(30)	(9)	(22)	(34)	(72)	(170)	(69)	(40)	(30)	0	0	(484)
Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Income	0	1	1	0	2	1	1	1	1	0	1	1	10
Payments from provisions	0	0	0	0	0	0	0	0	0	0	0	0	0
PDC Dividend Payments	0	0	0	0	0	(163)	0	0	0	0	0	(170)	(321)
Closing cash balance	1,798	2,223	1,500	2,802	1,427	1,273	2,589	1,167	590	752	729	412	424

Appendix E

STATEMENT OF FINANCIAL POSITION

	Plan	Actual	Variance	Actual
	30 September 2012	30 September 2012	30 September 2012	31 March 2012
	£000	£000	£000	£000
Non-current assets				
Intangible assets	81	127	46	98
Property, plant and equipment	12,614	12,647	33	12,512
Total non-current assets	12,695	12,774	79	12,610
Current assets				
Inventories				
Trade and other receivables	2,474	4,991	2,517	2,479
Cash and cash equivalents	1,602	1,273	(329)	2,357
Total current assets	4,076	6,264	2,188	4,836
Current liabilities				
Trade and other payables	(1,213)	(4,494)	(3,281)	(2,006)
Provisions	0	(22)	(22)	(47)
Tax payable	(576)	(581)	(5)	(584)
Other liabilities	(1,481)	(2,364)	(883)	(2,151)
Total current liabilities	(3,270)	(7,461)	(4,191)	(4,788)
Total assets less current liabilities	13,501	11,577	(1,924)	12,658
Non-current liabilities				
Loans	(1,500)		1,500	
Provisions	(55)	(64)	(9)	(55)
Total non-current liabilities	(1,555)	(64)	(9)	(55)
Total assets employed	11,946	11,513	(1,933)	12,603
Financed by (taxpayers' equity)		0		
Public Dividend Capital	3,403	3,403	0	3,403
Revaluation reserve	7,659	7,659	0	7,659
Income and expenditure reserve	884	452	(432)	1,541

Total taxpayers' equity

11,946

11,514

(432)

12,603

Board of Directors : October 2012

Item : 7A

Title : Finance and Performance Report - Supplement

Summary:

This addition to the Finance and Performance Report provides a summary of the Trust's Productivity Programme, including the savings achieved and a Quality Impact Assessment.

This paper has been reviewed by the members of the Productivity Programme Board.

For : Information.

From : Simon Young, Director of Finance

1. Savings compared to target

- 1.1 The changes being implemented during 2012/13 will save £2m in the current year and £3.1m in 2013/14, close to the target of £3.3m which was set as 5% for each of the two years.
- 1.2 SAMHS and CAMHS have each slightly over-achieved their targets. It was recognised during the programme that the Central directorates would not be able to reach the target in full.
- 1.3 As stated last month, unless there are unforeseen other changes, the overall savings are considered sufficient for the 2013/14 budget. The target may have been slightly overstated; or the shortfall of £0.2m can be covered by the large contingency reserve in the 2012/13 budget. However, this assessment might have to be revised if significant income reductions are identified.

Savings 2013/14 (from 2011/12 baseline)

	SAMHS £000	CAMHS £000	Central £000	Total £000
Target	1,181	1,282	838	3,301
Actual	1,216	1,381	515	3,112
Variance	35	99	(323)	(189)

2. Summary of key productivity changes and Quality impact assessment

2.1 Introduction

- 2.1.1 There is no standard template for a quality impact assessment, but the key requirements are an understanding of the changes and an assessment of how the quality of services should be affected.

2.2 CAMHS

- 2.2.1 Within the CAMHS directorate, some posts previously included small amounts of time in clinical teams: either because the post-holder was only employed very part-time, or because of their other duties in training and/or management.
- 2.2.2 Now, each member of a clinical team normally has a minimum of 2 days a week within the team. This reduces the proportion of time spent on meetings and overhead tasks; and significantly assists the task of the team managers, whose role description has been revised and who now have more control and authority over people's use of time. Thus the service can be delivered with a slightly reduced number of staff (wte); and further savings are achieved by allowing some posts to be banded lower than before, because they no longer include other roles.

- 2.2.3 These key changes have been achieved by moving some senior staff with only ½ day or 1 day into the Consultation and Resource (CAR) clinics instead of being in teams; by revising the roles of some other staff; and by redundancies (voluntary and compulsory) of some staff with very part-time posts. The Choice and Partnership Approach (CAPA) developed in other CAMHS is being used to set expected activity levels for each team member.
- 2.2.4 At the same time, commissioners require more of our work to be done in outreach settings. Some additional funding has been available for the creation of some new (less senior) posts, but this change also adds to the need for efficient use of time.
- 2.2.5 Management of CAMHS Education and Training courses has been concentrated into a smaller number of cluster lead posts, so that these managers can devote enough time to the role while other course staff are relieved of administrative duties. As with the changes described above, this allows for a slight reduction in staff numbers (wte) and also for some posts to be banded slightly lower. The clinician-trainer model is retained and protected through making many posts less fragmentary.
- 2.2.6 There has been a reduction from 3 to 2 Associate Clinical Directors.

2.3 SAMHS

- 2.3.1 Some of the changes within the Adult and Adolescent clinical services are similar to those for CAMHS described above. Some part-time posts have been removed. A small number of new posts are being created with no non-clinical duties and at a lower band.
- 2.3.2 The two directorates are being joined together. The number of teams has been reduced, and each member will have more time within the team. Seminars for different specialisms have been rationalised so that the time spent is proportionate to the patient numbers.
- 2.3.3 Redundancies within SAMHS also include senior staff whose specialist clinical, training, consultancy or research work was no longer funded: e.g. a nurse psychotherapist in the Portman and a research professor.
- 2.3.4 Training management is to be re-organised, with cluster leads; but these changes have been delayed due to sickness.
- 2.3.5 As in CAMHS, the changes have freed some staff to deliver new income-generating activity, though this is not a major part of the savings plan.
- 2.3.6 There has been a reduction from 3 to 2 Associate Clinical Directors and also a change from Band 9 to Band 8D, though this will not deliver savings immediately.

2.4 Central Directorates

- 2.4.1 In the Education and Training directorate, a number of changes have been agreed, as well as the savings in the Library made last year. Course administrators have been reduced from 10 posts to 9, with a net savings of 0.6 wte. Quality Assurance administration has been reduced from 1.5 wte to 1.0 wte. The non-pay budgets have been reduced by £25,000 in 2012/13 (£27,000 was saved in this area in 2011/12).
- 2.4.2 In Corporate Governance and Facilities, the maintenance craftsman and the charge hand both applied successfully for voluntary redundancy. Their responsibilities have been taken on mainly by existing staff, with only 0.5 wte new post. The Support Services Manager has been made compulsorily redundant: many of the duties of this post had transferred to the Estates and Project Manager or to the Health and Safety Manager.
- 2.4.3 It is planned to reduce costs by relocating staff from Centre Heights, but this is not yet finalised, and is not included in the savings achieved.
- 2.4.4 In Finance, a senior post created some years ago to develop service line reporting has now been merged with the post of CAMHS management accountant, leading to a reduction of one more junior post. The new staffing is sufficient to provide the management accounting service the Trust needs. We will be looking for savings in financial accounting in future years, as better use of the financial system throughout the Trust should lead to less work being needed in the centre.

2.5 Quality impact assessment

- 2.5.1 As recommended in Monitor's guidance "Delivering sustainable cost improvement programmes" (January 2012), the Productivity Programme Board has approved these proposals only because we believe that they will not adversely affect quality, and indeed can improve it through clearer team structures and management, as set out above.
- 2.5.2 The proposals within CAMHS and SAMHS have been led by the directors who are themselves clinicians; and have been developed with clinical management teams.
- 2.5.3 The proposals within central directorates have been reviewed by the PPB members, who believe that they can be implemented without adversely affecting service.
- 2.5.4 The quality performance measures currently used by the Trust include waiting times; DNAs; the Experience of Service Questionnaire; and the clinical outcome measures applicable to adult and children's services. On all these measures, we expect to see improvements, or at least no worsening, from the changes described above.

3. Risks

- 3.1 Transitional risks have been managed by gradual introduction of the changes and thorough consultation.
- 3.2 Activity on some clinical contracts is significantly above target. This over-performance puts pressure on teams which is perceived as being due to the staffing changes. Associate Directors and team managers are taking action to bring activity levels down nearer to the contracted levels, by screening referrals and ensuring that cases are reviewed and closed as appropriate.
- 3.3 The redundancies have included some staff whose skills were no longer aligned with the direction of the Trust's development. As described above, we have been able to replace them with fewer and/or lower-paid staff with clearer roles and activities. A key challenge will be to avoid this situation recurring.
- 3.4 Losses of activity, including the Monroe closure and other contracts ending or being reduced, make it harder to redeploy staff. It is important to continue to gain new business in the Trust's core areas of activity, as well as in new ventures like the FNP, so that we can redeploy and maintain efficiency.

Simon Young
Deputy Chief Executive and Director of Finance
25 October 2012

Board of Directors : October 2012

Item : 8

Title : Quarter 2 Finance and Governance declarations

Purpose:

The Board of Directors is asked to approve three declarations to Monitor for quarter 2. In the form set out by Monitor, these are:

For Finance

The board anticipates that the trust will continue to maintain a financial risk rating of at least 3 over the next 12 months.

For Governance

The board is satisfied that plans in place are sufficient to ensure ongoing compliance with all existing targets (after the application of thresholds) as set out in Appendix B of the Compliance Framework; and a commitment to comply with all known targets going forwards.

Otherwise

The board confirms that there are no matters arising in the quarter requiring an exception report to Monitor (per Compliance Framework page 17 Diagram 8 and page 63) which have not already been reported.

This paper will have been reviewed by the Management Committee on 25 October.

This report focuses on the following areas:

(delete where not applicable)

- Risk
- Finance
- Quality

For : Discussion

From : Deputy Chief Executive

Quarter 2 Declarations

1. Finance declaration

- 1.1 The Annual Plan showed that the Trust expected to retain a Financial Risk Rating of 3 for each quarter of 2012/13 and for both the following years.
- 1.2 This month's finance and performance report gives the results of the second quarter and the forecast for the year. A rating of 3 is expected for quarter 2.
- 1.3 The surplus for the year is forecast to be higher than plan. Cash balances may be lower than Plan later in the year, but the liquidity metric (including the financing facility) is expected to stay safely above 15 days, and this will ensure that the rating remains at least at a 3.
- 1.4 The savings being made during 2012/13 should enable the Trust to meet its planned surplus in the first and second quarters of 2013/14, and to retain a rating of 3 for those quarters.

2. Governance Declaration

2.1 Declaration of risks against healthcare targets and indicators

- 2.1.1 The Monitor template for our quarterly return sets out a list of targets and indicators, in line with the Compliance Framework 2012/13 document. The targets and indicators which apply to this Trust are given in the table below.
- 2.1.2 All targets and indicators are being met; and plans are sufficient to ensure that they continue to be met. Further details are given below. The Trust should therefore continue to receive a green governance rating.

Target/Indicator	Weighting	Quarter 2 result	
Data completeness: 97% completeness on all 6 identifiers	0.5	Achieved	
Compliance with requirements regarding access to healthcare for people with a learning disability	0.5	Achieved	
Risk of, or actual, failure to deliver mandatory services	4.0	No	
CQC compliance action outstanding	Special	No	
CQC enforcement action within the last 12 months	Special	No	

Target/Indicator	Weighting	Quarter 2 result	
CQC enforcement notice currently in effect	4.0	No	
Moderate CQC concerns or impacts regarding the safety of healthcare provision	Special	No	
Major CQC concerns or impacts regarding the safety of healthcare provision	2.0	No	
Unable to maintain, or certify, a minimum published CNST level of 1.0 or have in place appropriate alternative arrangements	2.0	No	
Unable to declare ongoing compliance with minimum standards of CQC registration	Special	No	
Inspected by CQC in Q2? If so, did the inspection find non-compliance with one or more essential standards?	Special	N/A	
		Total score	0
		Indicative rating	

2.2 Care Quality Commission registration

2.2.1 The Trust was registered by the CQC on 1 April 2010 with no restrictions. Actions continue to ensure that this status is retained; assurance is considered at the quarterly meetings of the CQSG Committee.

2.2.2 The Trust remains compliant with the CQC registration requirements.

2.3 Self certification against compliance with requirements regarding access to healthcare for people with a learning disability

2.3.1 The self certification was reviewed and approved by the Board in April 2010.

2.4 Data Completeness

2.4.1 The target is now 97% completeness on six data identifiers within the Mental Health Minimum Data Set (MHMDS). Statistics for the first quarter confirmed that we are still meeting and exceeding this target: see table below.

Valid NHS number	99.94%
Valid Postcode	100.00%
Valid Date of Birth	100.00%
Valid Organisation code of Commissioner	100.00%
Valid Organisation code GP Practice	99.51%
Valid Gender	99.94%

2.4.2 The second quarter figures are not likely to be ready in time for the meeting, but there is no reason to doubt continuing compliance.

3. **Other matters**

3.1 The Trust is required to report any other risk to compliance with its authorisation. The 2012/13 Compliance Framework gives – on pages 17 and 63 – a non-exhaustive list of examples where such a report would be required, including unplanned significant reduction in income or increase in costs; breach of borrowing limits; removal of a director for abuse of office; or a significant non-contractual dispute with an NHS body.

3.2 There are no such matters on which the Trust should make an exception report.

4. **Quality**

4.1 There is no requirement in 2012/13 for a separate quarterly declaration on quality. Quality achievements and objectives are extensively covered in the Annual Report and the Annual Plan.

Simon Young
 Deputy Chief Executive and Director of Finance
 23 October 2012

Board of Directors : October 2012

Item : 9

Title : Charitable Fund Annual Report & Accounts 2011/12

Summary:

The Trust is the corporate trustee for the Tavistock and Portman Charitable Fund.

The Report and Accounts for the Charitable Fund for the year ended 31 March 2012 have been examined by HW Fisher and Company, our Independent Examiner. They were reviewed by the Charitable Fund Committee on 10th October 2012, and are presented here to the Board of Directors for approval. Following approval by the Board of Directors, they will be submitted to the Charity Commission.

For : Approval

From : Director of Finance

Tavistock & Portman Charitable Fund

Annual Report and Accounts 2011/12

Tavistock & Portman Charitable Fund

Annual Report of the Trustee 2011/12

1. Reference and Administrative Details

The Tavistock and Portman Charitable Fund was established by a Declaration of Trust dated 4 September 1995, to contain all the funds held on trust by the Tavistock and Portman NHS Trust (since 1 November 2006, an NHS Foundation Trust).

Its objects cover any charitable purpose or purposes relating to the National Health Service wholly or mainly for the services provided by the Tavistock and Portman Clinics.

Two legacies are registered as separate charities under the “umbrella” of the Charitable Fund, and are included in its accounts.

Correspondence should be addressed to:

Ms Julie Hill
Trust Secretary
Tavistock and Portman NHS Foundation Trust
120 Belsize Lane
London, NW3 5BA

Independent Examiner:

HW Fisher and Company
The Fisher Organisation
Acre House
11-15 William Road
London, NW1 3ER

Bankers:

National Westminster Bank plc
3rd Floor
Argyll House
246 Regent Street
London, W1R 6PB

Charity Registration No. 1049530

2. Structure, Governance and Management

The Tavistock and Portman NHS Foundation Trust is Trustee of the Charitable Fund. The Trust's Board of Directors has appointed a Charitable Fund Committee, whose main duties as listed in its Terms of Reference are:

- To agree and recommend to the Board of Directors a strategic policy for utilising the assets of the Fund in pursuit of its stated purposes; and to review that policy at least every three years.
- To consider and approve any proposals for expenditure above £20,000 from the Fund, except where these relate to external grants awarded for specific purposes.
- To agree and recommend to the Board of Directors an investment policy for the Fund; and to review that policy at least every three years.
- To review the financial statements of the Fund annually, and more frequently if appropriate.¹

The Directors of the NHS Foundation Trust during 2011/12 were as follows:

Trust Chair	Ms Angela Greatley*
Non-Executive Directors	Mr Altaf Kara Mr. Martin Bostock Ms. Joyce Moseley Dr Ian McPherson Mr Richard Strang
Executive Directors	Mr Malcolm Allen, Dean of Postgraduate Studies (from January 2012) Dr Matthew Patrick – Chief Executive* Ms Trudy Klauber – Dean of Postgraduate Studies (until December 2011) Ms Lis Jones, Nurse Director Ms Louise Lyon – Trust Clinical Director Dr Robert Senior – Medical Director Mr Simon Young – Director of Finance*

¹ Charitable Fund Committee Terms of Reference, November 2010

* indicates the members of the Board's Charitable Fund Committee

The Trust Chair and the Non-Executive Directors are appointed by the Board of Governors of the NHS Foundation Trust.

The Chief Executive is appointed by the Trust Chair and the Non-Executive Directors. The other Executive Directors are appointed by the Trust Chair, the Non-Executive Directors, and the Chief Executive.

3. Objectives and Activities

In pursuit of the objects set out on Page 3, the main activities of the Fund in 2011/12 were research relating to the Clinics' services; the Tavistock Society of Psychotherapists; and smaller projects for the welfare of patients, staff and trainees.

4. Achievements and Performance

The Fund does not actively raise funds at present, but will continue to manage grants, donations and legacies towards the important objectives of the Trust, especially its research projects.

5. Financial Review 2011/12²

Income was £78,000 (2010/11 £172,000), and expenditure £161,000 (£119,000).

No new investments were made during the year.

Overall, funds decreased by £83,000 in 2011/12, compared to a £53,000 increase in 2010/11. The Fund's current policy is not to hold significant general reserves, since the commitments to projects do not exceed the funds specifically held for those projects. The total value of the Fund at 31 March 2012 was £293,000, being £235,000 in restricted funds and £58,000 in unrestricted funds.

The Independent Examiner, HW Fisher and Company, has carried out an examination on the 2011/12 Accounts, copies of which can be obtained from the address on Page 2.

² 2010/11 figures in brackets for comparison

6. Plans for Future Periods

Very limited funds remain available for the outcome research project. The Charitable Fund Committee welcomes further donations or legacies, which are likely to be directed towards this or similar projects as part of the Trust's future research strategy.

External grants and the Tavistock Society of Psychotherapists' funds will continue to be used for their intended purposes.

Signed:

Dr Matthew Patrick
Chief Executive

Mr Simon Young
Director of Finance

Date

Date

TAVISTOCK AND PORTMAN CHARITABLE FUND

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF TAVISTOCK AND PORTMAN CHARITABLE FUND

I report on the accounts of the charity for the year ended 31 March 2012.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011, the 2011 Act, and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

- which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice:
 - (ii) Accounting and Reporting by Charities;have not been met.
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Andrew G Rich

Chartered Accountant
c/o H W Fisher & Company
Chartered Accountants
Acre House
11-15 William Road
London
NW1 3ER

Dated:

Tavistock and Portman Charitable Fund

Accounts for the year ended

31 March 2012

Statement of Financial Activities for the year ended 31 March 2012

	Note	Unrestricted Funds £000	Restricted Funds £000	2011-12 Total Funds £000	2010-11 Total Funds £000
Incoming resources					
Incoming resources from generated funds					
Donations and Gift Aid		0		0	1
Grants receivable:					
Other grants receivable				0	73
Investment income				0	
Total Incoming resources from generated funds		0	0	0	74
Operating Activities					
Charitable activities	2.1	7	71	78	98
Total Operating Activities		7	71	78	98
Total incoming resources		<u>7</u>	<u>71</u>	<u>78</u>	<u>172</u>
Resources expended					
Charitable expenditure	4.1	18	135	153	113
Governance	4.2	1	7	8	6
Total resources expended		<u>19</u>	<u>142</u>	<u>161</u>	<u>119</u>
Net incoming/(outgoing) resources before Transfers		(12)	(71)	(83)	53
Gross transfer between funds		0	0	0	0
Net incoming/(outgoing) resources		(12)	(71)	(83)	53
Fund balances brought forward at 31 March 2011		70	306	376	323
Fund balances carried forward at 31 March 2012		<u>58</u>	<u>235</u>	<u>293</u>	<u>376</u>

The notes at pages 3 to 9 form part of this account.

Balance Sheet as at 31 March 2012

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total at 31 March 2012 £000	Total at 31 March 2011 £000
Current Assets					
Debtors	5	24	9	33	59
Cash at bank and in hand		12	337	349	390
Total Current Assets		<u>36</u>	<u>346</u>	<u>382</u>	<u>449</u>
Creditors: Amounts falling due within one year	6.1	(22)	111	89	73
Net Current Assets		<u>58</u>	<u>235</u>	<u>293</u>	<u>376</u>
Total Assets less Current Liabilities		<u>58</u>	<u>235</u>	<u>293</u>	<u>376</u>
Total Net Assets		<u>58</u>	<u>235</u>	<u>293</u>	<u>376</u>
Funds of the Charity					
Income Funds:					
Restricted	7.2		235	235	306
Unrestricted		58		58	70
Total Funds		<u>58</u>	<u>235</u>	<u>293</u>	<u>376</u>

The notes at pages 3 to 9 form part of this account.
All the above results are derived from continuing operations

Approved and authorised for issue by the Board on and signed on its behalf by

Signed:

Date:

Notes to the Account**Accounting Policies****1****1.1 Accounting Convention**

The financial statements have been prepared under the historic cost convention and in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charities Commissioners in 2005.

1.2 Incoming Resources

- a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:
- i) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable;
 - ii) certainty - when there is reasonable certainty that the incoming resource will be received;
 - iii) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.
- b) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes reasonably certain. This will be once confirmation has been received from the representatives of the estates that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

1.3 Resources Expended

The funds held on trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

The Fund's main expenditure is on research and other activities in furtherance of its objectives. As shown in the Statement of Financial Activities on page 3, a small amount is spent on administration and there has been to date no expenditure on fundraising.

Governance costs include a charge of £5,000 from the Tavistock and Portman NHS Foundation Trust.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds.

1.5 Pooling Scheme

An official pooling scheme is operated for investments relating to the following funds:

Tavistock and Portman Charitable Fund
Dean Legacy
Shaw Legacy

The Scheme was registered with the Charity Commission on 17 March 1998.

Material grants received by category	2 2.1	Amount received in aggregate 2012 £000	Amount received in aggregate 2011 £000
The Charitable Fund gratefully acknowledges receipt of the following grants:-			
The Baily Thomas Charitable Fund		<u>0</u>	60
Centre for Family Social Work Research, University of East London		<u>5</u>	10
Informa UK (Ltd) - (Taylor & Francis Group)		<u>0</u>	3
International Psychoanalytical Association Fund		<u>3</u>	0
GAPS		<u>15</u>	0
Total		<u>23</u>	<u>73</u>

Details of Resources Expended - Grants	3 3.1
Grants Payable:	

There were no grants payable in the year 2011/12.

TAVISTOCK AND PORTMAN CHARITABLE FUND ACCOUNTS - 2011/12

Details of Resources Expended - Other	4 4.1	Unrestricted Funds	Restricted Funds	Total 2012 Funds £000	Total 2011 Funds £000
Other:		£000	£000		
Patients welfare and amenities		0	0	0	0
Staff welfare and amenities		12	39	51	24
Staff training, education and development				0	42
Research		6	96	102	47
Governance		1	7	8	6
		<u>19</u>	<u>142</u>	<u>161</u>	<u>119</u>

No staff are employed directly by the Charitable Fund. Instead, they are employed by the Tavistock and Portman NHS Foundation Trust and this is reimbursed as shown in note 10.

Analysis of Governance Costs	4.2	Unrestricted Funds	Restricted Funds	Total 2012 Funds £000	Total 2011 Funds £000
Independent examiner's fee		£	£000		
		0	2	2	1
Legal and Professional fees		1	5	6	5
		<u>1</u>	<u>7</u>	<u>8</u>	<u>6</u>

TAVISTOCK AND PORTMAN CHARITABLE FUND ACCOUNTS - 2011/2012

Analysis of Debtors	5		31 March 2012	31 March 2011
	5.1	Amounts falling due within one year:	£000	£000
		Other debtors	<u>29</u>	<u>51</u>
		Total debtors falling due within one year	<u>29</u>	<u>51</u>
	5.2	Amounts falling due over one year:		
		Other debtors	<u>4</u>	<u>8</u>
		Total debtors falling due after more than one year	<u>4</u>	<u>8</u>
		Total debtors	<u>33</u>	<u>59</u>

Analysis of Creditors	6		31 March 2012	31 March 2011
	6.1	Amounts falling due within one year:	£000	£000
		Other creditors	<u>74</u>	<u>67</u>
		Accruals	<u>15</u>	<u>6</u>
		Total creditors falling due within one year	<u>89</u>	<u>73</u>
		Total creditors	<u>89</u>	<u>73</u>

Analysis of Funds 7

7.1 Endowment Funds

There are no endowment funds held.

7.2 Restricted Funds

	Balance 31 March 2011 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2012 £000
Material funds						
Outcome Research	4	0	(5)			(1)
The Unconscious at Work	8	0	(1)			7
Shaw Legacy	25	0	(1)			24
Hosp and Hosp Drs Research	17	1	0			18
Suicide in adolescents	94	5	(44)	9		64
Journal for Social Work Practice	17	15	(3)	(9)		20
Change in Autism	4	7	(9)			2
Tavistock Soc. of Psychotherapists	44	37	(36)			45
Baily Thomas Fund	47	1	(41)			7
Others (24 funds)	46	5	(2)			49
Total	306	71	(142)	0	0	235

Details of material funds - restricted funds

7.3 Name of fund

Description of the nature and purpose of each fund

Shaw Legacy	Purposes connected with the Tavistock Clinic, namely for research and grants for students.
Outcome Research	This fund was established in 2000, to support the Tavistock Adult Depression Study, a randomised controlled research trial.
Common Investment Fund	Has no funds of its own. Exists as a vehicle for the pooling scheme, to allow the Charitable Fund, the Dean Legacy and the Shaw Legacy to act jointly in investing their funds (ref. Section 24 of the Charities Act 1993).

Contingencies 8 The Directors of the Tavistock and Portman NHS Foundation Trust are not aware of any material contingent liabilities relating to the Charitable Fund.

Commitments, Liabilities and Provisions 9 There were no commitments under capital expenditure contracts or under charitable projects at the balance sheet date.

Trustee and Connected Persons Transactions 10
10.1

Details of transactions with trustees or connected persons

The Charitable Fund reimburses the Tavistock and Portman NHS Trust for staff and other expenses borne on its account.

2011-12		2010-11	
Total charge for the year	Balance due to the Trust at 31 March	Total charge for the year	Balance due to the Trust at 31 March
£000	£000	£000	£000
61	74	74	48

No trustee received any remuneration during the year and there were no other expenses reimbursed to any trustee other than those shown above.

No staff are employed directly by the Charitable Fund. Instead, they are employed by the Tavistock and Portman NHS Foundation Trust and this is reimbursed as above.

10.2 Trustee Indemnity Insurance

The Charitable Fund provided no indemnity insurance cover during the year.

Loans or Guarantees Secured against assets of the charity 11

There were no loans or guarantees secured against assets of the charity.

Connected Organisations 12

There were no transactions with connected bodies, except as disclosed in note 10.1 above.

Related party transactions 13

Related party transactions

The Charitable Fund has made revenue payments to the Tavistock and Portman NHS Foundation Trust which is the sole trustee of the Fund. Details are given in note 10.1 above.

Board of Directors : October 2012

Item : 10

Title : Corporate Governance Report

Summary:

This report covers the following items:

- Constitutional Changes
- Monitor Updates

This report focuses on the following areas:

(delete where not applicable)

- Quality
- Risk
- Communications

For : Noting

From : Trust Secretary

Corporate Governance Report

1. Constitutional Changes

The Annual General Meeting on 10th October 2012 agreed the proposed changes to the Constitution as recommended by the Board of Directors and the Board of Governors. The changes have now been forwarded to Monitor for approval. From April 2013, Monitor's approval will no longer be required for changes to the constitution.

2. Monitor's Review of Foundation Trusts: Review of Three Months to 30 June 2012

2.1 Monitor has published *NHS foundation trusts: review of three months to 30th June 2012*. Below are the Quarter 1 statistics on foundation trusts. Categories into which the Trust fits are highlighted in red.

Table 1: NHS Foundation Trust Statistics at 30th June 2012

Type of FTs		
Total	144	
Acute	81	56%
Mental Health	41	28%
Specialist	18	13%
Ambulance	4	3%
Governance Risk Ratings		
Green	81	56%
Amber-Green	25	18%
Amber-Red	16	11%
Red	22	15%
Financial Risk Ratings		
5 (lowest risk)	4	3%
4	46	32%
3	77	53%
2	7	5%
1	10	7%
FTs in significant breach of terms of authorisation		
Total	18	
Combined actual net surplus in Q1		
Total	£62m	
EBITDA margin		
Total	5.5%	

2.2 In the report Monitor highlights that the number of trusts in significant breach at the end of quarter 1 increased significantly from 10 to 18*ⁱ compared with the same time last year and 11 of

the 18 have financial issues as one of the primary concerns. Monitor expects that an increasing number of trusts will be placed in significant breach for financial reasons over the next three years.

- 2.3 In respect of governance, at the end of quarter 1, 26% of trusts were rated red or amber-red. Monitor points out that on the surface this appears to be an improvement on this time last year when 41% of trusts were rated either red or amber-red. However, the 2012/13 governance risk ratings are not directly comparable with last year's, due to a change in the way Monitor now considers information shared with the Care Quality Commission (CQC). To ensure that Monitor's ratings better reflect significant governance concerns within a trust, Monitor now only takes into account where the CQC has major concerns with, or enforcement actions against a trust. Monitor is still made aware of all concerns (including minor or moderate concerns) and uses this information to inform how it regulates individual trusts on a day to day basis.
- 2.4 Two red-rated trusts currently have CQC enforcement actions: Black Country Partnerships and Morecombe Bay (the latter is in significant breach). Four trusts have CQC major concerns at Q1 2012/13 compared with 12 at Q4 2011/12).
- 2.5 Monitor's full document can be found at: <http://www.monitor-nhsft.gov.uk/home/browse-category/reports-nhs-foundation-trusts/nhs-foundation-trusts-quarterly-reports/2012-2013-0>

Julie Hill
Trust Secretary
19th October 2012

ⁱ *This figure has increased to 19 with the inclusion of Sherwood Forest Hospitals NHS Foundation Trust in September 2012 where Monitor intervened to address financial and governance concerns at the Trust.

Board of Directors : October

Item : 11

Title : Annual Board Review 2012 Action Plan

Summary:

During May, June and July 2012, Jeremy Keeley, External Consultant undertook a review of the Board of Directors. The purpose of the review was to provide the Board with an opportunity to:

- ensure that it was operating optimally in the interests of the Trust
- establish what it could do to be even more effective
- consider its ongoing development needs.

The Board considered the Review report at its last meeting and agreed that an action plan be developed to consider and where appropriate, to implement the Review's recommendations.

For : Noting

From : Trust Secretary

Board Review 2102 – Action Plan

No	Theme/Action	Responsibility	Progress/Outcome
	Preparing the Trust and themselves for the future: Commitments to:		
1.	Revisit the mission statement and give it more of a future focus, then publicising it both internally and externally.	Chief Executive/Trust Chair with help from Communications Manager and NEDs	
2.	Run a future scenario planning exercise with the whole Board and key leaders in the organisation	Chief Executive/Trust Chair	
	Consideration to be given to:		
3	Appointing two new NEDs including consideration of a NED with experience in Education & Training	Chair and Trust Secretary with the support of the Director of Human Resources support the new Council of Governors	Performance Committee has started to think about NED recruitment and the new Council of Governors will take this forward.
4.	Holding half-day exercises with the Board including the Directors' Conference cycle.	Chief Executive/Chair to identify topics - Trust Secretary to arrange	Regular cycle of Directors' Conference already established.
5.	As the Board membership changes over the next couple of years, the issue of diversity should be considered.	Chair, Chief Executive and Director of HR; including Governor Performance Committee.	To be addressed as part of the new NED recruitment process; and as part of succession planning for Executive Directors.
6.	Create a programme for the Board	Trust Secretary to survey the	

No	Theme/Action	Responsibility	Progress/Outcome
	and senior leadership to address gaps in knowledge, for example, Professor Michael Porters' work, commissioning, the global perspective etc	Board to identify gaps in knowledge and to develop a programme to address any gaps.	
	Ensuring the performance of their assurance role: - Commitments to:		
7.	Run specific audits on one or more CQSG work streams each year.	Chairs of the Audit and CQSG Committees	To be taken forward as part of the Audit and CQSG Committees work with Internal Audit.
8.	Hold two board meetings a year focussed on strategy.	Trust Secretary to arrange.	Starting in 2013, June and September Board meeting will be set aside to discuss strategy.
	Consideration to be given to:		
9.	Increasing the diversity of sources of information, both hard and soft e.g. PPI, Governors	Board to identify what sort of additional information they require etc. Trust Secretary to provide the required information.	
	Optimising the use of Non-Executive Director Expertise Commitments to:		
10.	To develop an understanding of how best to make effective links with Governors, including links between governors and NEDs on	Trust Secretary to work with the Chair to develop proposals	To be discussed at a Directors' lunch and at a joint Board meeting in the future

No	Theme/Action	Responsibility	Progress/Outcome
	Committees and with particular interests.		
	Consideration to be given to other ways in which NEDs can:		
11.	Make links with departments and services and share their expertise and knowledge with Executive Directors and add value and improve decision making	Ms Moseley/Trust Director and Director of CAMHS	Agreed that NED CVs be tailored to support this work. A report would come to the November Directors' lunch setting out suggestions and proposals about how internal links can be improved.
	Further Suggestions		
12.	Items which are brought for the contextual understanding or interest and learning of the Board members such as service line reviews could be conducted over lunch to allow a flow of decision-making during the formal Board meeting	Service Line Managers to continue to present reports to the Board. The aim is to only have one per meeting.	The Board agreed on 25 th September 2012 that service line reports were an important part of the Board's assurance work and therefore it was not appropriate to consider them outside the formal meeting. Other contextual issues may be brought to Directors' lunches before Board meetings.

Notes

In addition the Board has agreed that:

- (i) Where there is a recurrent problem reported at the Board there will be a clear indicative of who is accountable for resolving the issue to avoid repetitious discussions at the Board

- (ii) Where a complex series of papers, including some to be tabled, are brought to Board there will be a single sheet listing papers and decisions required.

Board of Directors : October 2012

Item : 12

Title : Quarterly Quality Priorities Progress Update Report
2012-13 for Quarter 2: October 2012

Summary:

This report provides a summary of the 2012-13 Quality Priorities progress update for Quarter 2

This report has been reviewed by the following:

- Trust Director who, in part, provides the Internal Quality Assurance for the Trust for the 2012-13 Quality Priorities

The Board of Directors is asked to confirm whether this paper is accepted as adequate assurance, and where not, whether the Board of Directors is satisfied with the action plans that have been put in place.

This report focuses on the following areas:

(delete where not applicable)

- Quality
- Patient / User Experience

For : Noting

From : Quality Standards and Reports Lead

Quarterly Report to Board of Directors 2012-13: Quality Priorities Progress Update for Quarter 2 - October 2012

Priority	Target	Priority Lead	Monitoring Processes	Evidence Required	Start Date	Achievement Date	Progress	% Progress for 2012/13				RAG Status	Actions for Next Quarter
								Q1	Q2	Q3	Q4		
(1) Outcome Monitoring	<p><u>1. CAMHS (Child and Adolescent Mental Health Service):</u> For 70% of patients (attending CAMHS who qualify for the CQUIN) to complete the Goal Based Measure (GBM) at the Pre-Assessment stage (known as Time 1) and after 6 months or, if earlier, at the end of therapy/treatment (known as Time 2) for the Goal Based Measure.</p>	Caroline McKenna	<ul style="list-style-type: none"> • OM tracking system • Monitoring of progress by the OM Lead • Quarterly progress report • Quarterly review by the CQSG Committee and Board of Directors 	<ul style="list-style-type: none"> • OM analysis of the % return rate for Time 1 and Time 2 	1st April 2012	31st Jan 2013	Not applicable (Target requires the majority of the T2 data to be collected from Q3 onwards).						
	<p><u>2. CAMHS (Child and Adolescent Mental Health Service):</u> For 70% of patients (attending CAMHS who qualify for the CQUIN) to achieve an improvement in their score on the GBM, from Time 1 to Time 2, on at least one target.</p>			<ul style="list-style-type: none"> • OM analysis of the % of patients who achieve an improvement in their score for at least one GBM target 	1st April 2012	31st Jan 2013	Not applicable (Target requires the majority of the T2 data to be collected from Q3 onwards).						
	<p><u>3. Adult Department:</u> For the Total CORE scores to indicate an improvement from pre-assessment (Time 1) to post-assessment (Time 2) for 61% of patients (who qualify for the CQUIN) over the age of 25</p>	Michael Mercer	<ul style="list-style-type: none"> • OM analysis of the % of patients who achieve an improvement in their Total CORE score 	1st April 2012	31st Jan 2013	Comparison of the Total CORE scores for the patients who returned both T1 and T2 CORE forms, indicated an improvement for 78.6% of the patients.					Green		

Priority	Target	Priority Lead	Monitoring Processes	Evidence Required	Start Date	Achievement Date	Progress	% Progress for 2012/13				RAG Status	Actions for Next Quarter
								Q1	Q2	Q3	Q4		
(2) Access to Clinical Services and Health Care Information for Patients and Public		Sally Hodges	<ul style="list-style-type: none"> • Monitoring of progress by PPI Lead • Feedback from patients and members on the accessibility of this information leaflet • Quarterly progress report • Quarterly review by the CQSG Committee and Board of Directors 	<p>1. Analysis on the levels of satisfaction with information provided on treatment modality leaflets, comparing the patient satisfaction survey results from Quarter 1 & 2 (Baseline) with results from Quarter 4 and from the feedback obtained in Q4.</p> <p>2. Analysis on the levels of satisfaction from the baseline and Q4 straw poll feedback and analysis on levels of awareness for the availability of information, comparing the baseline with the Q4 data.</p>	1st April 2012	31st March 2013	<p>1. A telephone survey undertaken in Q1 & at the beginning of Q2 found that 12% of patients were satisfied that the modality leaflets helped to support choice and the decision making process when treatment was offered. In Q2 these results were fed back to clinical departments.</p> <p>2. In Q2, a visual straw poll found that 68% of respondents had seen our information on the different treatment types we offer at the Trust, 19% had not seen any and 13% were not sure. In Q2, feedback from the mystery shopper volunteers indicated that the language used in the modality leaflets could be more accessible and recommended paper copies of the leaflets in addition to the electronic versions.</p>					Amber	

Priority	Target	Priority Lead	Monitoring Processes	Evidence Required	Start Date	Achievement Date	Progress	% Progress for 2012/13				RAG Status	Actions for Next Quarter
								Q1	Q2	Q3	Q4		
(3) Patient and Public Involvement	<p>1. To demonstrate that 3 issues (see below) raised at the stakeholder Quality meetings held in 2011-12 have been taken forward by the Trust and result in quality improvements:</p> <p>i) Information available to patients/potential patients on treatment modalities (see 'Access' Target 1 above)</p> <p>ii) Process for consent for treatment</p> <p>iii) Arrangement for follow up at the end of assessment/treatment</p>	Sally Hodges	<ul style="list-style-type: none"> • Maintain minutes from the stakeholder quality meetings and patient forum • Monitoring of progress by PPI Lead • Quarterly progress report • Quarterly review by the CQSG Committee and Board of Directors 	<ul style="list-style-type: none"> • A copy of the SMART action plan with measurable outcomes for each of the three topic areas identified. • Summary of stakeholder feedback in relation to whether the agreed actions have been taken and quality has improved, as measured by achieving deliverables by Q4 as set out in the action plan 	1st April 2012	31st March 2013	<p>1.i) Treatment Modalities - [See 2.1 above]. ii) Consent for Treatment - In Q2, an audit of a random sample of case files found that 28% of AAMHS (SAMHS) files included a narrative on treatment options being discussed with patients and 8% of CAMHS files included this narrative. iii) Follow Up - In Q2, a patient survey in the main waiting room found that 100% of patients would like to be offered the options of follow ups.</p>					Green	
	<p>2. To hold at least 3 patient forums in 2012-13 on topics that have been suggested by the forum members and receive positive feedback from each season</p>			<ul style="list-style-type: none"> • Overview of the topics discussed and minutes from the 3 patient forums. • Summary of the feedback received from patients. • Action plan for improvement if target has not been achieved 	1st April 2012	31st March 2013	<p>2. An action plan for patient talks has been developed. In Q2, a talk was provided on 'Access to Services for BME Groups'. There were 4 attendees.</p>					Green	