

## Authority paper

Strategic delivery	Setting standards	<input type="checkbox"/>	Increasing and informing choice	<input type="checkbox"/>	Demonstrating efficiency, economy and value	<input checked="" type="checkbox"/>
<b>Paper title</b>	<b>Directorates Report</b>					
<b>Agenda item</b>	<b>5</b>					
<b>Paper number</b>	[HFEA (21/01/2015) 740]					
<b>Meeting date</b>	21 January 2015					
<b>Author</b>	Paula Robinson					
<b>For information or decision?</b>	Information					
<b>Annexes</b>	A: Directorates Report Summary – October data					

### 1. Directorates Report Summary

- 1.1. The attached paper summarises the main performance indicators up to and including October 2014, following discussion by the Corporate Management Group (CMG) at its December performance meeting.

#### Review of Performance Reporting

- 1.2. CMG also discussed future reporting on performance, in the context of measuring strategic delivery. It has previously been agreed that a new version of the Directorates Report is needed (probably to be renamed), and the development of this is in progress. This will include a 'strategic dashboard' picking out 5 or 6 top indicators of strategic delivery, and a calendar of milestone deliverables. However, in addition, CMG members feel that a periodic, more qualitative, account of delivery would be beneficial. This is being discussed by the Senior Management Team (SMT), with the aim of trialling this approach at the next Authority meeting.

### 2. Recommendation

- 2.1. The Authority is invited to note the summarised Directorates Report and the ongoing discussions about future performance reporting.

## HFEA Performance Scorecard


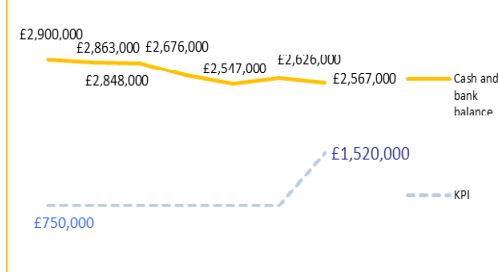
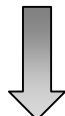
### Key Performance and Volume Indicators: October Performance Data

Indicator	Performance	RAG	Recent Trend <sup>1</sup>	Aim <sup>2</sup>	Notes
<p>Average number of working days taken for the whole licensing process, from the day of inspection to the decision being communicated to the centre.</p>	94 working days	↑		 Decrease to 70wd or less	<p>KPI: Less than or equal to 70 working days.                      Note: this KPI was adversely affected in October by a scheduling oversight. (NB: For November the KPI has been met – 70 working days).</p>
<p>Monthly percentage of PGD applications processed within 3 months (66 working days).</p> <p>Average number of working days taken.</p>	100%  54 working days	★		Reach and maintain 100% 	<p>KPI: 100% processed (i.e. considered by LC/ELP) within 3 months (66 working days) of receipt of completed application.                      [KPI Updated in April 2014 from 90% in 88 working days]</p>
<p>Annualised (rolling year) percentage of PGD applications processed within 3 months (66 working days)</p> <p>Average number of working days taken.</p>	98%  58 working days	↔		Reach and maintain 100% 	<p>KPI: As above.                      (Annualised score).</p>

<sup>1</sup> Blue dashed line in graphs = KPI target level. This line may be invisible when performance and target are identical (e.g. 100%).

<sup>2</sup> Direction in which we are trying to drive performance. (Are we aiming to exceed, equal, or stay beneath this particular KPI target?)

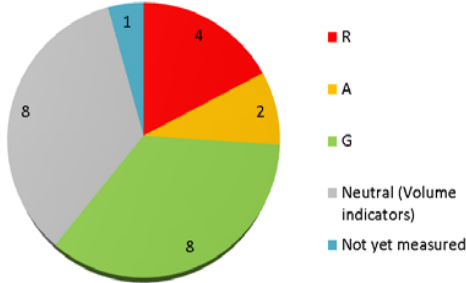
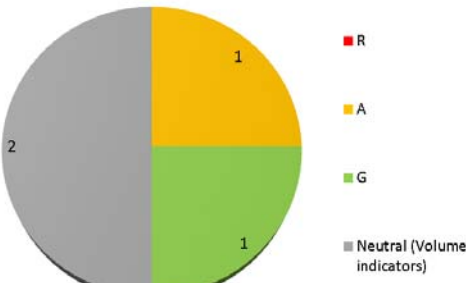
Indicator	Performance	RAG	Recent Trend <sup>1</sup>	Aim <sup>2</sup>	Notes
<b>Licensing decisions made:</b> - By ELP - By Licence Committee	80	↓		No KPI – tracked for workload monitoring purposes	Volume indicator (no KPI target).
Staff sickness absence rate (%) per month.	1.8%	★		 Maintain 3% or less	KPI: Absence rate of ≤ 3%. Public sector sickness absence rate average is 8 days lost per person per year (3.5%).
Percentage of Opening the Register requests responded to within 20 working days	100%	★		 Maintain at 100%	KPI: 100% of complete OTR requests to be responded to within 20 working days (excluding counselling time)
Number of visits to the HFEA website (cw previous year)	145,444 (101,166)	↑		No KPI – tracked for general monitoring purposes.	Volume indicator showing general website traffic compared to the same period in previous year. Measured on the basis of 'unique visitors'.

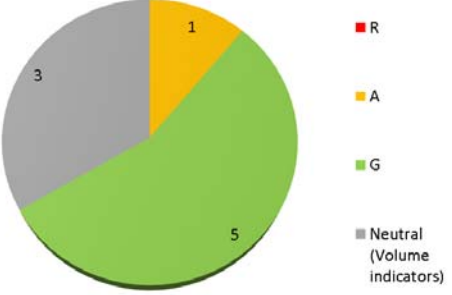
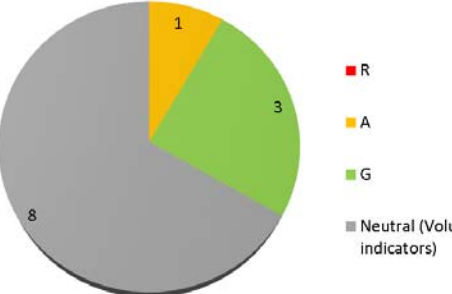
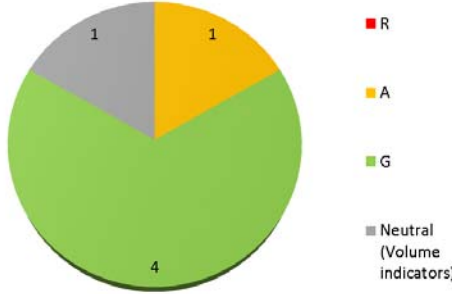
Indicator	Performance	RAG	Recent Trend <sup>1</sup>	Aim <sup>2</sup>	Notes																					
<p><b>Cash &amp; Bank Balance</b></p>	<p>£2,567k</p>		 <table border="1"> <caption>Recent Trend Data</caption> <thead> <tr> <th>Year</th> <th>Cash and bank balance</th> <th>KPI</th> </tr> </thead> <tbody> <tr> <td>2014</td> <td>£2,848,000</td> <td>£750,000</td> </tr> <tr> <td>2015</td> <td>£2,863,000</td> <td>£750,000</td> </tr> <tr> <td>2016</td> <td>£2,676,000</td> <td>£1,520,000</td> </tr> <tr> <td>2017</td> <td>£2,547,000</td> <td>£1,520,000</td> </tr> <tr> <td>2018</td> <td>£2,626,000</td> <td>£1,520,000</td> </tr> <tr> <td>2019</td> <td>£2,567,000</td> <td>£1,520,000</td> </tr> </tbody> </table>	Year	Cash and bank balance	KPI	2014	£2,848,000	£750,000	2015	£2,863,000	£750,000	2016	£2,676,000	£1,520,000	2017	£2,547,000	£1,520,000	2018	£2,626,000	£1,520,000	2019	£2,567,000	£1,520,000	 <p>Reduce</p>	<p>KPI: To move closer to minimum £1,520k cash reserves (new figure now agreed by DH).</p>
Year	Cash and bank balance	KPI																								
2014	£2,848,000	£750,000																								
2015	£2,863,000	£750,000																								
2016	£2,676,000	£1,520,000																								
2017	£2,547,000	£1,520,000																								
2018	£2,626,000	£1,520,000																								
2019	£2,567,000	£1,520,000																								

Indicator	Performance	RAG	Recent Trend <sup>1</sup>	Aim <sup>2</sup>	Notes		
<b>Management Accounts</b>	<b>Income &amp; Expenditure Account</b>		<b>Oct-2014</b>				
	Accounting Period	<a href="#">Period 7 14-15</a>					
	Cost Centre Name	<a href="#">All Cost Centres</a>					
	Department Name	<a href="#">All Departments</a>					
		Year to Date		Full Year			
			Variance				
	<b>SUMMARY (Operational Activity)</b>	Actual YTD	Budget YTD	YTD	Forecast	Budget	Variance
		£	£	£	£	£	£
	<b>Income</b>						
	Grant-in-aid	475	450	(25)	900	900	-
	Licence Fees	2,432	2,471	39	4,135	4,193	(58)
	Other Income	4	3	(1)	6	6	-
	<b>Total Income</b>	<b>2,910</b>	<b>2,924</b>	<b>14</b>	<b>5,041</b>	<b>5,099</b>	<b>(58)</b>
	<b>Revenue Costs - Charged to Expenditure</b>						
	Salaries	1,954	2,039	86	3,443	3,478	(35)
Other Staff Costs	132	153	21	243	286	(44)	
Authority/Committee costs	189	173	(16)	318	298	20	
Other Compliance Costs	18	20	3	42	37	5	
Other Strategy Costs	62	97	35	175	175	-	
Facilities Costs incl non-cash	186	207	22	360	356	4	
IT costs Costs	73	58	(15)	127	102	25	
Legal Costs	244	116	(129)	374	231	143	
Professional Fees	40	60	20	68	127	(59)	
<b>Total Revenue Costs</b>	<b>2,897</b>	<b>2,923</b>	<b>27</b>	<b>5,149</b>	<b>5,089</b>	<b>60</b>	
<b>Total (Surplus)/Deficit before Capital &amp; Project costs</b>	<b>14</b>	<b>2</b>	<b>(13)</b>	<b>(108)</b>	<b>10</b>	<b>(118)</b>	
<b>Less Capital &amp; Project Costs - Reserves funded</b>	<b>417</b>	<b>348</b>	<b>69</b>	<b>638</b>	<b>1,220</b>	<b>(582)</b>	
<b>Other Capital Costs</b>	<b>16</b>	<b>6</b>	<b>(10)</b>	<b>50</b>	<b>10</b>	<b>40</b>	
<b>TOTAL NET ACTIVITY</b>	<b>447</b>	<b>355</b>	<b>46</b>	<b>580</b>	<b>1,240</b>	<b>(660)</b>	

Indicator	Performance	RAG	Recent Trend <sup>1</sup>	Aim <sup>2</sup>	Notes
<p><b>Notes:</b></p>	<p>As at October 2014, we had a year-to-date surplus of £14k versus a budgeted surplus of £2k before the IfQ Programme. This represents an 84% reduction from the surplus reported in September. The reduction in surplus is due to the factors listed below.</p> <p>Income, in particular treatment fees, is down 1% on the same period last year and 2% down against budget. Analysis of treatment fees for forecasting has shown there is a drop in income which we believe is due to the eSET discount taking hold. As a matter of course this is being monitored.</p> <p>Year-to-date expenditure is down on budget by 1% before IfQ costs, however within this are overspends in the following areas:</p> <ul style="list-style-type: none"> <li>• Authority/Committee costs are up on budget by 9% which is largely due to over-spends against venue hire and external fees</li> <li>• IT costs are also over budget due to spends in consumables. Most of these costs are prepaid costs which cannot be altered as they relate to particular contracts</li> <li>• Legal costs are over budget mainly due to on-going litigation. This is one of the less certain areas and hence a close eye is being kept on these costs.</li> </ul> <p>The forecast has been updated with the latest information from the Directorates, which includes any staff movement (salary forecast) and any new possible legal challenges (this is perhaps the area with the most significant increase).</p>				

Summary Table:

Scorecard area	KPIs / RAG Status	Red Indicators and Management Comments on Controls
<p><b>Regulatory Operational Performance</b></p>	 <p>A pie chart illustrating the RAG status for Regulatory Operational Performance. The chart is divided into five segments: 4 Red (R), 2 Amber (A), 8 Green (G), 8 Neutral (Volume indicators), and 1 Not yet measured. A legend to the right of the chart identifies the colors: Red for R, Amber for A, Green for G, Grey for Neutral (Volume indicators), and Blue for Not yet measured.</p>	<p>The four RED indicators relate to the following:</p> <ul style="list-style-type: none"> <li>As in August and September, the target of 20 working days from the date of inspection to the draft report being sent to the PR was not met, in that two out of four reports were late. However delivery continues generally to meet the old target of 28 working days, even in busy periods.</li> <li>The whole inspection process for October took 94 working days which is 24 days above the 70 working day KPI. The previous months of August and September also did not meet this KPI (but by only 2 working days) due to regulatory issues found on inspection. In October, the high figure was due to the late delivery of a single report to ELP as a result of an oversight by a member of the inspection team. Hence, for the time being, this is still a <b>red</b> indicator. However this was a one-off issue, and the KPI has subsequently been met for November.</li> <li>The finalisation of SAC minutes was not possible within the usual 10 working days, due to an issue which was known in advance but was inescapable on this occasion. There is no underlying performance issue.</li> <li>In October the KPI for finalising PGD decisions was in the <b>red</b> for the same reason. All 7 PGD decisions due for sign off within 10 working days took 13 working days, so the KPI score for the month was 0%.</li> </ul>
<p><b>Capacity</b></p>	 <p>A pie chart illustrating the RAG status for Capacity. The chart is divided into four segments: 1 Amber (A), 1 Green (G), 2 Neutral (Volume indicators), and 0 Red (R). A legend to the right of the chart identifies the colors: Red for R, Amber for A, Green for G, and Grey for Neutral (Volume indicators).</p>	<p>No red indicators.</p> <p>The single <b>amber</b> indicator refers to establishment (unplanned) leavers per month. It is worth noting that we had two leavers in October. This has increased our establishment turnover figure to 17.4%. There has been an increase each month for the past three months (August-October).</p>

Scorecard area	KPIs / RAG Status	Red Indicators and Management Comments on Controls
<p><b>Corporate Governance</b></p>	 <p>A pie chart showing the distribution of RAG status for Corporate Governance. The chart is divided into three segments: a small yellow segment (Amber) with the number 1, a large green segment (Green) with the number 5, and a grey segment (Neutral) with the number 3. A legend to the right of the chart identifies the colors: Red (R), Amber (A), Green (G), and Neutral (Volume Indicators).</p>	<p>No red indicators.</p> <p>The single <b>amber</b> indicator refers to the Communication and Exchange (Lync) project which had a number of snagging issues outstanding in August-November 2014, but which has since been closed by Programme Board (in December), with the remaining technical issues becoming business as usual.</p>
<p><b>Information Provision</b></p>	 <p>A pie chart showing the distribution of RAG status for Information Provision. The chart is divided into three segments: a small yellow segment (Amber) with the number 1, a green segment (Green) with the number 3, and a large grey segment (Neutral) with the number 8. A legend to the right of the chart identifies the colors: Red (R), Amber (A), Green (G), and Neutral (Volume Indicators).</p>	<p>No red indicators.</p> <p>The single <b>amber</b> indicator refers to outstanding form errors in the Register system after the 8 weeks clinics are initially given to resolve them. This number rose by 9% month on month in August and September but reduced by 2.8% in October.</p>
<p><b>Financial Performance</b></p>	 <p>A pie chart showing the distribution of RAG status for Financial Performance. The chart is divided into three segments: a small yellow segment (Amber) with the number 1, a green segment (Green) with the number 4, and a small grey segment (Neutral) with the number 1. A legend to the right of the chart identifies the colors: Red (R), Amber (A), Green (G), and Neutral (Volume Indicators).</p>	<p>No red indicators.</p> <p>The single <b>amber</b> indicator refers to the number of working days to produce monthly management accounts. The KPI target was missed by one day due to other Finance team work priorities.</p>



**Corporate Management Group (CMG) commentary on October data:**

Overall, performance remains good.

This time there are four red indicators, explained above.

Two of these are attributable to the same issue. We knew, when the Authority reduced in size from 19 members down to 12 members, that there would be less resilience for Committee meetings and associated duties. This means that quoracy has to be carefully managed by members and staff, and occasionally a Chair will be unavailable after the meeting (for signing off the minutes) owing to other commitments. We do not believe that there was any negative impact on patients awaiting the decisions in this case. However, in future we will consider whether there are other ways the KPI can be met.

Our turnover, as anticipated, has increased to 17.4%. We are moving ahead with recruitment to all vacant posts, and are supporting our staff using temporary cover, in some areas, where there is a gap between a leaver leaving and a new starter starting. It is worth noting that the two vacant clinical inspector posts are taking a long time to recruit to, and had to be deferred to January after earlier difficulties in finding an interview date that was suitable for the selected candidates. This delay will have knock-on effects for the Compliance team, since the period between January and April is especially busy for clinic inspections. This in turn may have an impact on the team's KPIs over the next few months. The situation will be closely monitored.