Strategic performance report

Strategic delivery:	☒ Setting standards	☒ Increasing and informing choice	☒ Demonstrating efficiency economy and value

Details:	
Meeting	Authority
Agenda item	6
Paper number	HFEA (18/01/17) 820
Meeting date	18 January 2017
Author	Paula Robinson, Head of Business Planning
Output:	
For information or decision?	For information
Recommendation	The Authority is asked to note and comment on the latest strategic performance report.
Resource implications	In budget
Implementation date	Ongoing – strategic period 2014-2017
Communication(s)	CMG reviews performance in advance of each Authority meeting, and their comments are incorporated into this Authority paper. The Department of Health reviews our performance at each DH Update meeting (based on the CMG paper). The Authority receives this summary paper at each meeting, enhanced by additional reporting from Directors. Authority's views are fed back to the subsequent CMG performance meeting.
Organisational risk	☐ Low ☒ Medium ☐ High
Annexes	Annex 1: Strategic performance report

1. Introduction

1.1. The attached paper summarises the main performance indicators, following discussion by the Corporate Management Group (CMG) at its December performance meeting.

1.2. Most data relates to the position at the end of October 2016.

1.3. Overall performance is good, and we are making good progress towards our strategic aims.

2. Recommendation

2.1. The Authority is asked to note the latest strategic performance report.

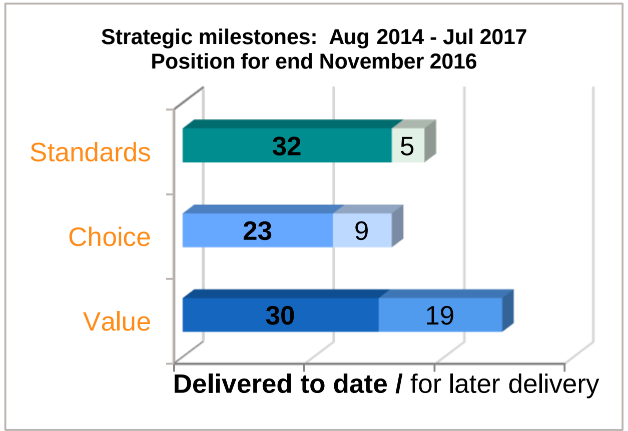
HFEA strategic performance scorecard

Annex A

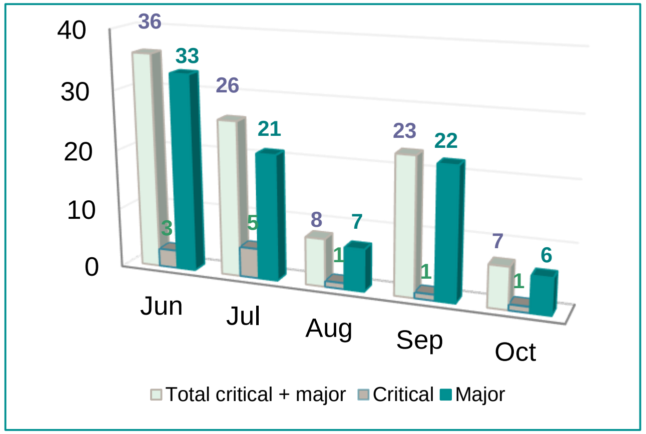
1. Summary section

Dashboard – October data

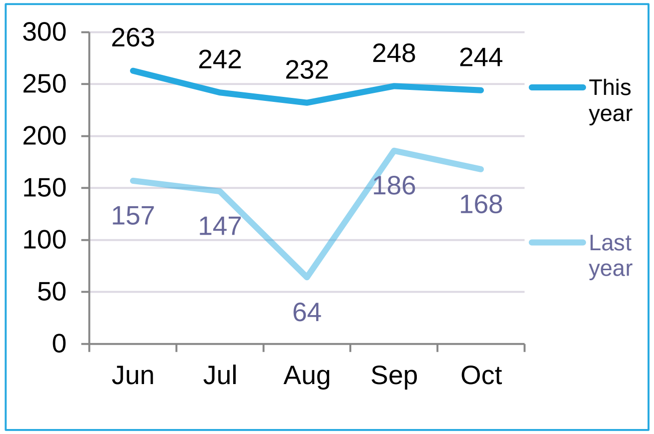
Strategic delivery totaliser
(see overleaf for more detail)



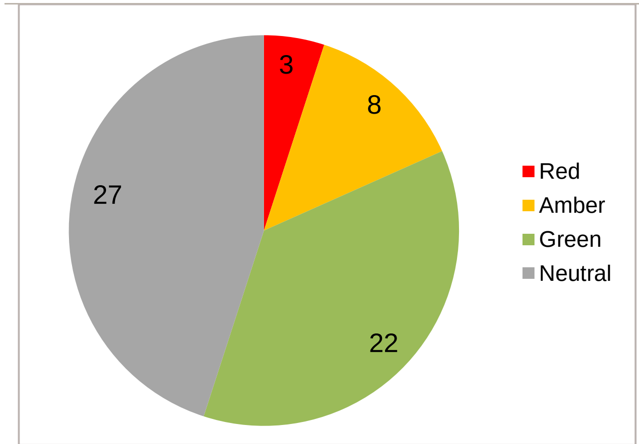
Setting standards:
critical and major recommendations on inspection



Increasing and informing choice:
public enquiries received (email)



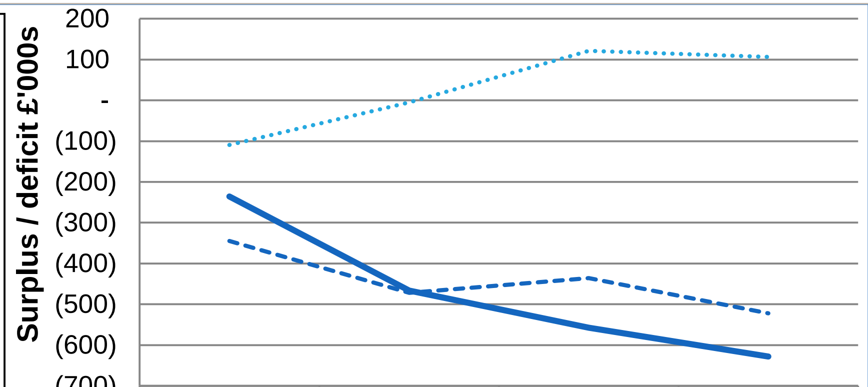
Overall performance - all indicators:



(See RAG status section for detail.)

Efficiency, economy and value: Budget status: cumulative surplus/(deficit)

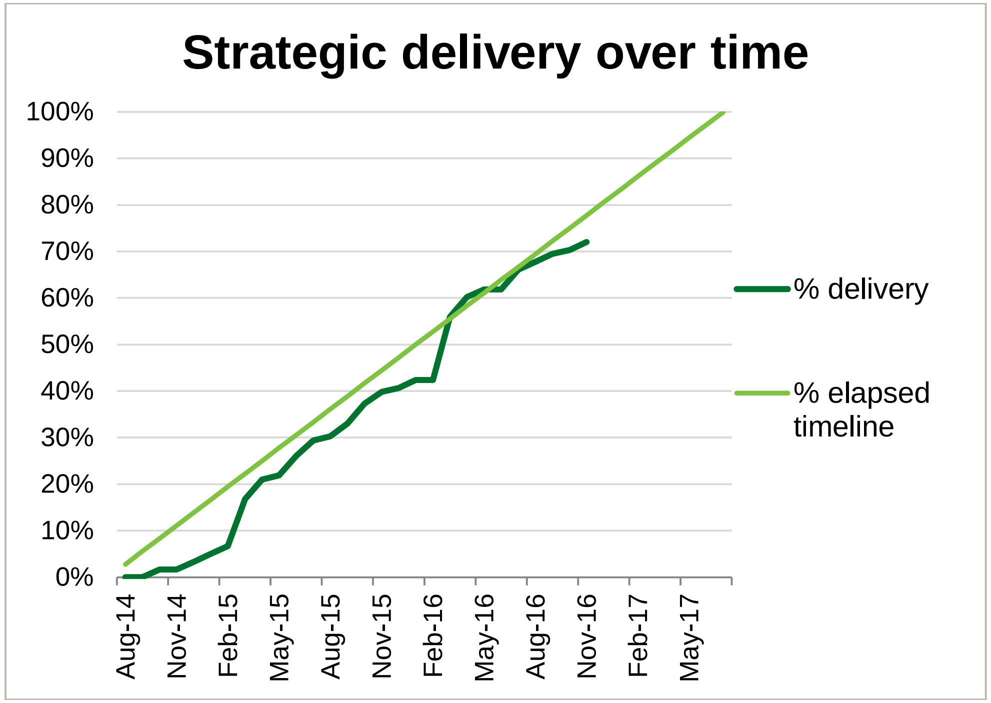
Net position over the year - how we perform against budget. In the seven months ending 31 October, we are under-spending or in surplus by £54k compared to the budget which shows a deficit of £498k. This is mainly due to the increase in our treatment fee income (shown graphically in the next section). For the full year we are forecasting a surplus of £106k which is net of IfQ. With capitalisation of IfQ our surplus is likely to be in the region of £600k. The continuing upward trend in our income will also impact this potential surplus.

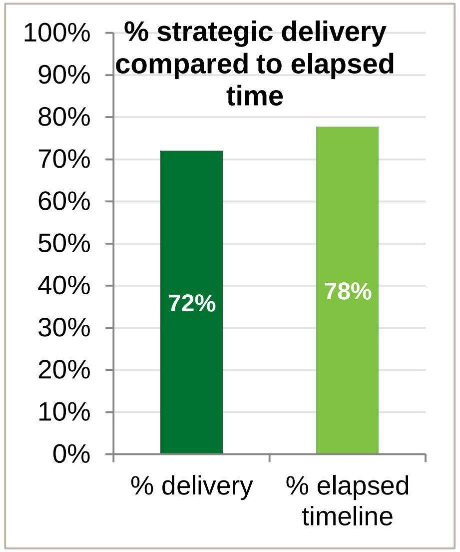


	Q1-Jun-16	Q2-Sep-16	Q3-Dec-16	Q4-Mar-17
Budgeted surplus/deficit	(344.72)	(471.68)	(435.57)	(522.31)
Forecast surplus/deficit	(109.16)	(5.13)	121.78	106.21
Variance - budget to forecast	(235.56)	(466.55)	(557.35)	(628.52)

Dashboard – Commentary

Strategic delivery (to end of November) – summary:





Progress on the Information for Quality Programme, IfQ, has been impeded for several months by a number of issues, including legal challenge, supplier resource restrictions and development complexities during the beta phase of work. This means that a number of the due milestones were necessarily deferred to later dates. However, now that we have successfully prepared for, and passed, the clinic portal live gateway, the picture has improved markedly and a number of previously overdue milestones have been completed. An annual review of the milestones that make up the 'totaliser' has also been completed, particularly those relating to IfQ. When these were last reviewed in late 2015, it seemed likely that there would be more GDS gateways involved (including some light touch gateways at certain points), and it has since been established that this is not the case. Compared to this time last year, we are now a lot clearer about our gateways and the steps involved. Therefore, some superfluous GDS-related milestones have been removed.

We are still working hard to ensure that the beta phase of IfQ can be completed as soon as possible for both products, freeing us up to focus fully on release two. The portal (release one) will go live in January.

Strategic delivery in October and November:

Setting standards

We hosted stakeholder engagement meetings with the Professional Stakeholders Group, the Association of Fertility Patient Organisations and the Licensed Centres Panel, engaging with patient and donor organisations to inform our future work, particularly in the context of our new strategy.

Project work on the new EU requirements relating to the import and coding of donor eggs and sperm is on hold pending Department of Health advice in the wake of the Brexit vote, but related work on special directions for import and export is going ahead.

Increasing and informing choice

In our original IfQ timeline, the website and choose a fertility clinic would have gone live this month. In the event that has not been possible, but a new delivery plan is in place. The live gateway assessment for the website will be booked shortly.

Our annual report on clinical incidents and alerts was published on time in November.

Efficiency, economy and value

There were three IfQ-dependent milestones originally due in this area for October, all of which were delayed. These are:

- Six monthly data publication through choose a fertility clinic (on hold pending a fresh data verification round, which will now take place early next year)
- Release two of the clinic portal (rescheduled pending release one go live)
- New electronic data interchange (EDI) system in pace (rescheduled owing to release one beta phase over-runs).

However, in November we successfully passed our GDS ‘go live’ assessment for release one of the clinic portal. This is an important step forward for the team. Reaching this point also means that a number of previously overdue milestones relating to portal release one development and preparing for the gateway assessment can now all be marked as completed.

Red/amber/green status of performance indicators – October 2016

The three red key performance indicators (KPIs) shown in the 'overall status - performance indicators' pie chart on the dashboard are as follows:

Average number of working days from day of inspection to the day the draft report is sent to the PR

- Three reports were due to be sent to the PR in October, and our target is for 90% of these to be sent to clinics within 20 working days. One report was sent at 21 working days and another at 25 working days. The third report was sent at 32 working days, due to multiple management reviews and actions required by the PR so that the report could be completed.

Average number of working days taken for the whole process, from the day of inspection to the decision being communicated to the centre (including only items starting with an inspection)

- This KPI was affected by the above delays in completing reports, and it also took longer than usual to get these reports to a licensing committee. Performance for the month was at 79 working days, above our target of 70.

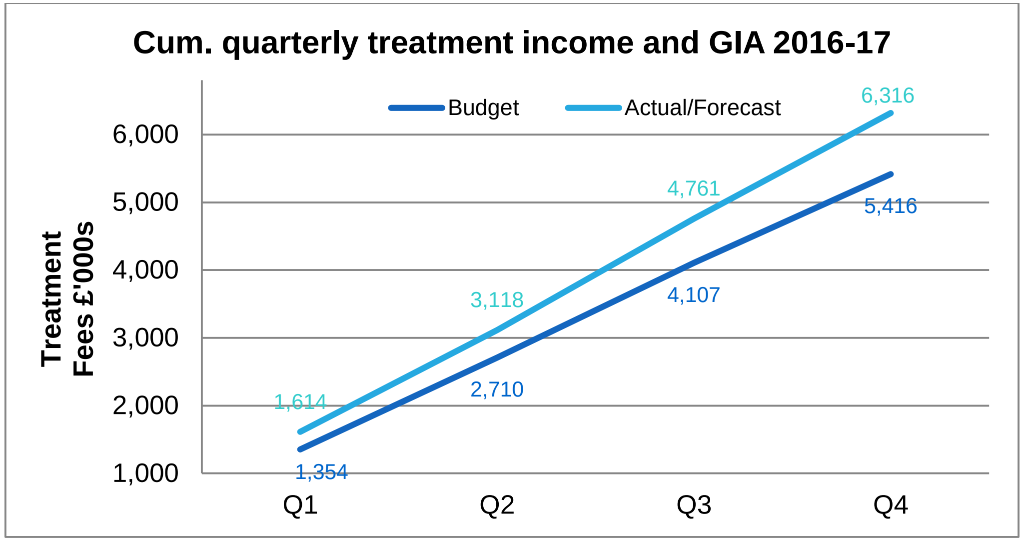
Staff sickness absence rate (%) per month.

- Our target is no more than 2.5% staff sickness absence rate in the month. The sick rate for October was comparatively high, at 3.5% (the public sector average), owing to one extended sickness period, and the normal seasonal range of cold/flu viruses.

No projects were on a red risk rating in October.

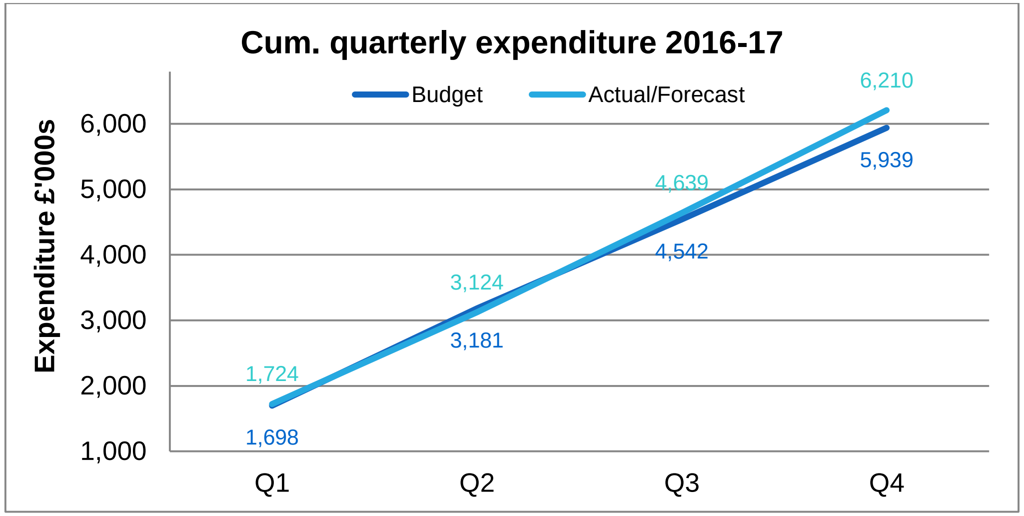
Budget status – October data

The dashboard shows the overall surplus/deficit position. The graphs below show how the surplus or deficit has arisen. These figures are updated quarterly, approximately one month after the end of each quarter.



This graph shows our budgeted (planned) income including grant-in-aid (GIA) compared to actuals and our best forecast for the remaining 5 months (2 quarters).

As of month 7 (October 2016) we have exceeded our budgeted income by £488k. Our Treatment fee income is £487k more than budget. We continue to monitor this and review our treatment fees to ensure there are no surprises in store.



This graph is the second component that makes up our surplus/(deficit). This includes costs relating to IfQ, although they are being funded from reserves and will be transferred to the balance sheet at year end. We include them currently for completeness and proper accounting practice.

As at 31 October, we are under-spending against budget by £64k which is demonstrated by the closeness of the two lines just after the Q2 period on this graph.

We are forecasting a spend of £6.2m versus £5.8m budget which is a variance of £0.4m. If all of IfQ is capitalised (removed from the revenue accounts), the variance between actual and budget would move from a negative £0.4m to £0.3m. We also hope that the provisions for legal spend either remain unchanged or are reduced by year end.

Quality and safety of care

As agreed previously, the following items are most meaningful when reported on an annual basis and will continue to be presented to the Authority each year in October:

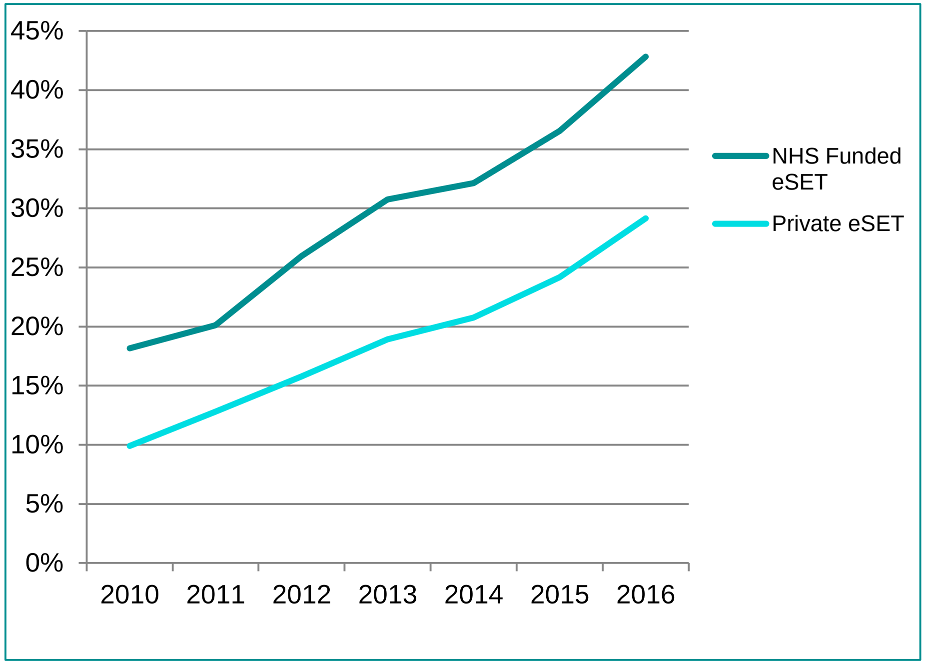
- number of risk tool alerts (and themes)
- common non-compliances (by type)
- incidents report (and themes).

The following figures and graphs were run on 6 December 2016.

ESET split by private/NHS:

Funding	Year						
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
NHS Funded:							
Recorded as eSET	4285	4903	6264	7870	8444	9748	10960
	7%	8%	10%	13%	13%	15%	18%
Not recorded as eSET	19291	19490	17870	17719	17824	16929	14632
	33%	32%	30%	29%	28%	26%	23%
Relative eSET %	18%	20%	26%	31%	32%	37%	43%
Private:							
Recorded as eSET	3415	4627	5699	6857	7737	9346	10766
	6%	8%	9%	11%	12%	14%	17%
Not recorded as eSET	31031	31549	30398	29393	29515	29330	26158
	53%	52%	50%	48%	46%	45%	42%
Relative eSET %	10%	13%	16%	19%	21%	24%	29%

Graph: eSet % trends NHS/private:



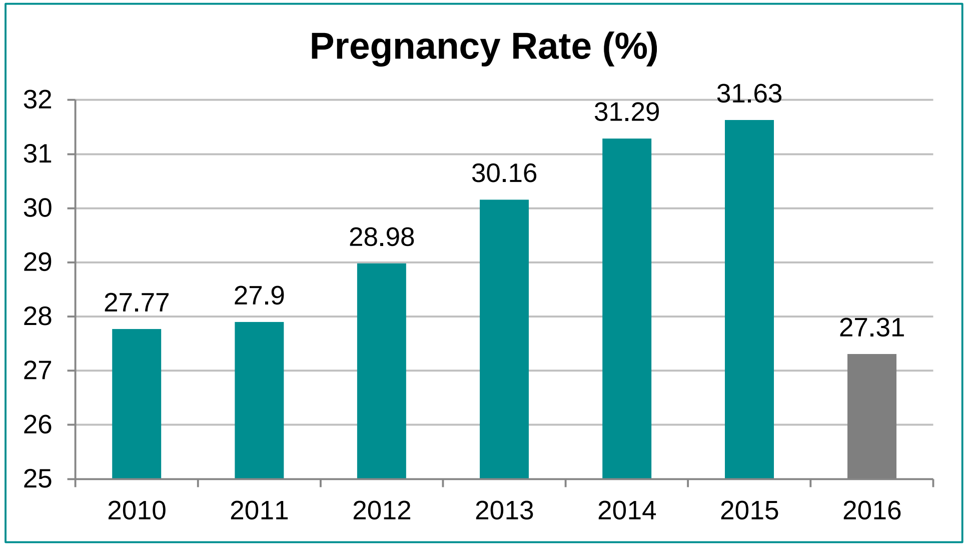
Explanatory text: Showing the total of all reported IVF treatment forms and counting those that the clinics recorded as eSET

From February 2016 data onwards, we updated this graph to display the relative percentages of eSET for NHS and privately funded cycles, rather than the percentage of all treatments as was previously shown. This relative approach gives a clearer picture, given that the number of overall cycles completed in the private sector is significantly higher than the number of NHS cycles. We have retained the raw figures in the table, so that the 'all treatment' numbers can still be seen as well.

Unfiltered success rates as % - pregnancies (rather than outcomes, since this provides a better real-time picture):

Years	All cycles	Pregnancies	Pregnancy rate %
2010	58022	16112	27.77
2011	60570	16897	27.9
2012	60231	17455	28.98
2013	61839	18652	30.16
2014	63520	19877	31.29
2015	65353	20669	31.63
2016	62517	17076	27.31

Graph showing the pregnancy rate over recent years:

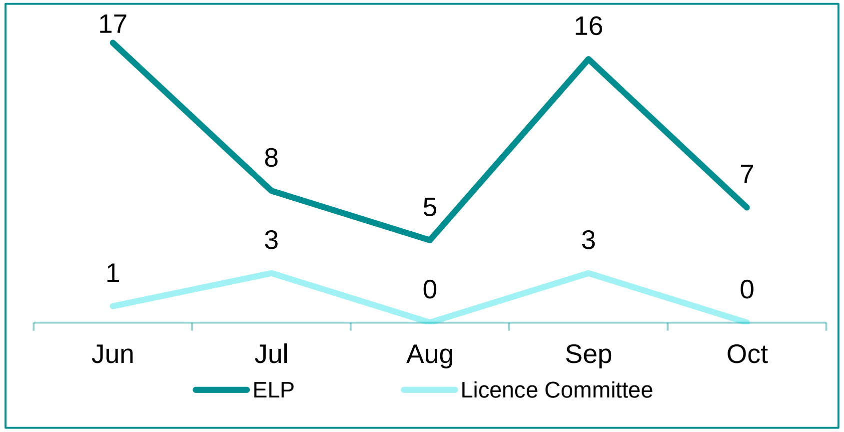
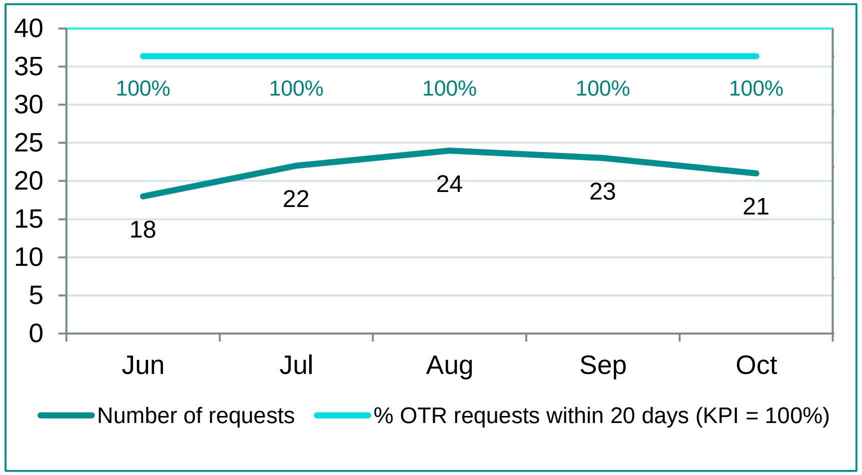


Explanatory text: Looking at all IVF treatment forms, and providing a count of pregnancies - as recorded on the early outcome form.

2016 figures are in grey since there is always a lag in reporting pregnancies, which means that the figure will not be fully representative until some way into 2017.

2. Indicator section

Key performance and volume indicators – October data:

Indicator	Performance	RAG	Recent trend[1]	Aim[2]	Notes
Setting standards: improving the quality and safety of care through our regulatory activities.					
Licensing decisions made: - **By ELP** - **By Licence Committee**	 7 0			No KPI – tracked for workload monitoring purposes	Volume indicator (no KPI target).
Setting standards: improving the lifelong experience for donors, donor-conceived people, patients using donor conception, and their wider families.					
Percentage of Opening the Register requests responded to within 20 working days	100% (21)			Maintain at 100%	KPI: 100% of complete OTR requests to be responded to within 20 working days (excluding counselling time)

[1] Blue dashed line in graphs = KPI target level. This line may be invisible when performance and target are identical (eg, 100%).
[2] 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[1]	Aim[2]	Notes

Increasing and informing choice: using the data in the Register of Treatments to improve outcomes and research.

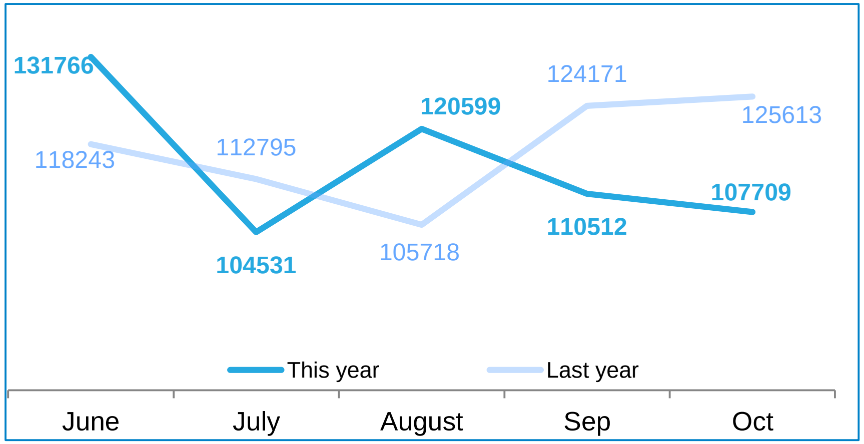
See graphs focused on quality of treatment outcomes – after dashboard page.

Increasing and informing choice: ensuring that patients have access to high quality meaningful information.

Indicator: **Number of visits to the HFEA website (compared with previous year)** (trend arrow indicates movement since previous month)

Performance: 107,709 (125,613)

Recent trend:



Aim: No KPI – tracked for general monitoring purposes.

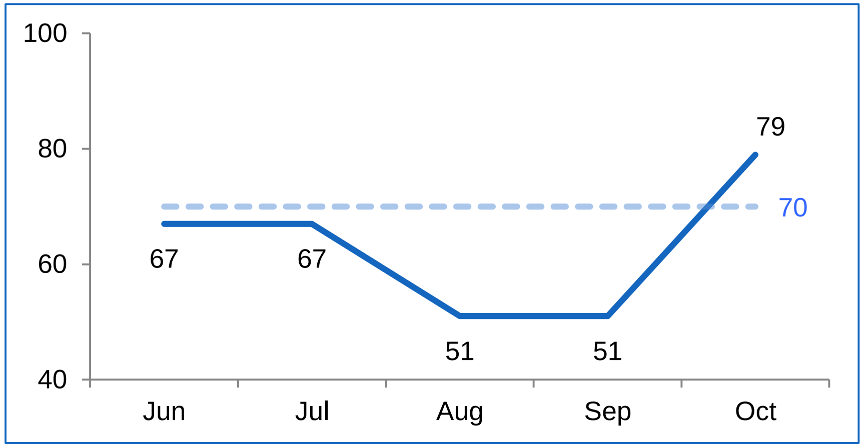
Notes: Volume indicator showing general website traffic compared to the same period in previous year. Measured on the basis of 'unique visitors'.

Efficiency, economy and value: ensuring the HFEA remains demonstrably good value for the public, the sector and Government.

Indicator: **Average number of working days taken for the whole licensing process, from the day of inspection to the decision being communicated to the centre.**

Performance: 79 working days

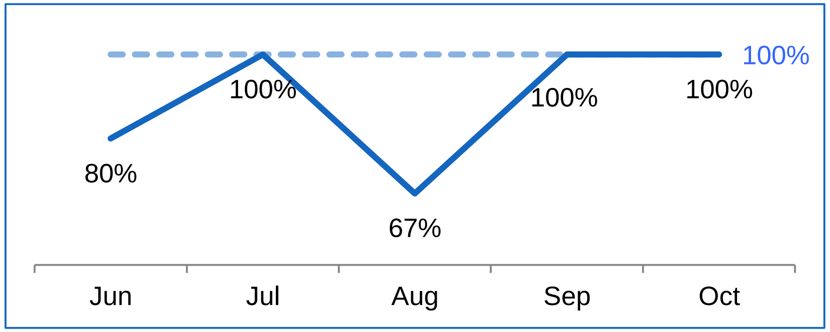
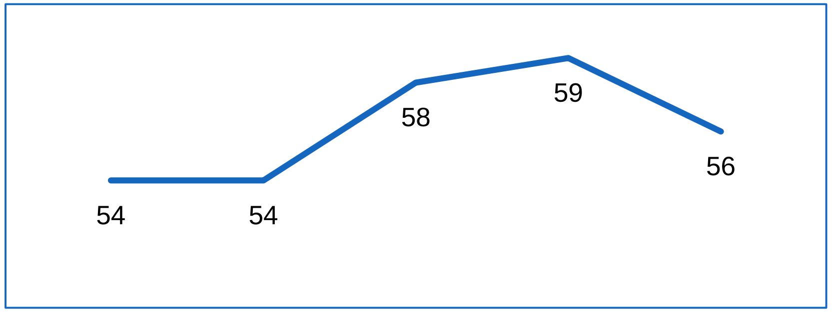
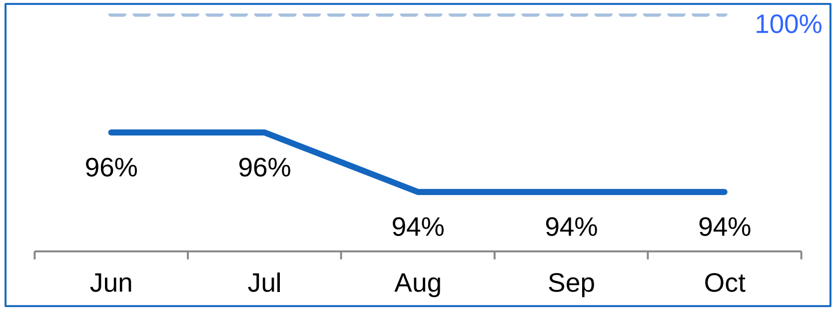
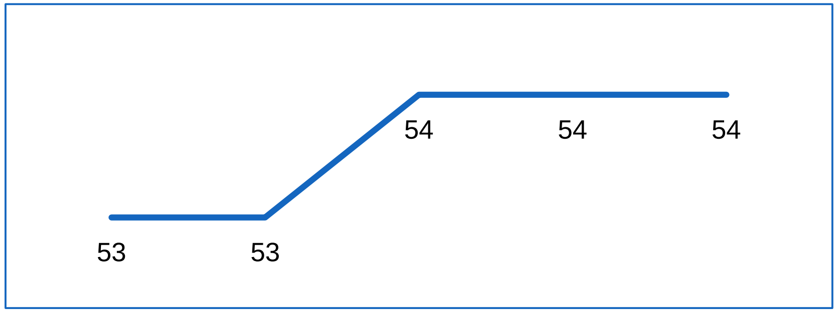
Recent trend:

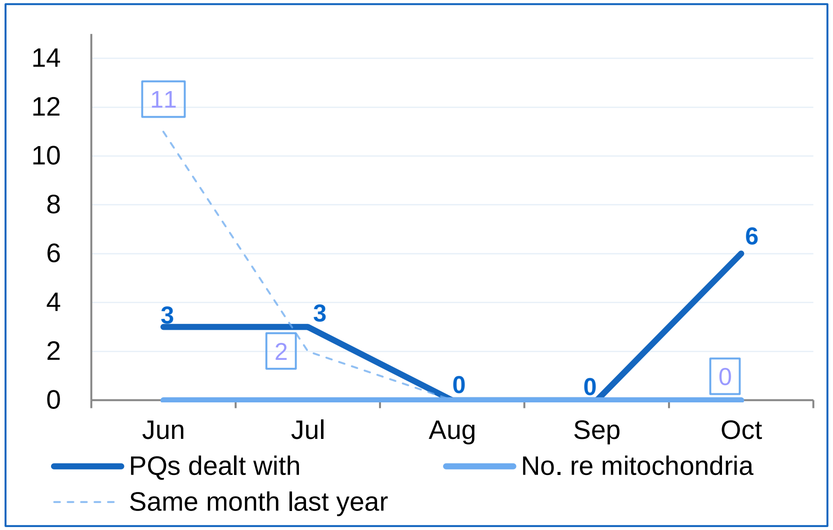
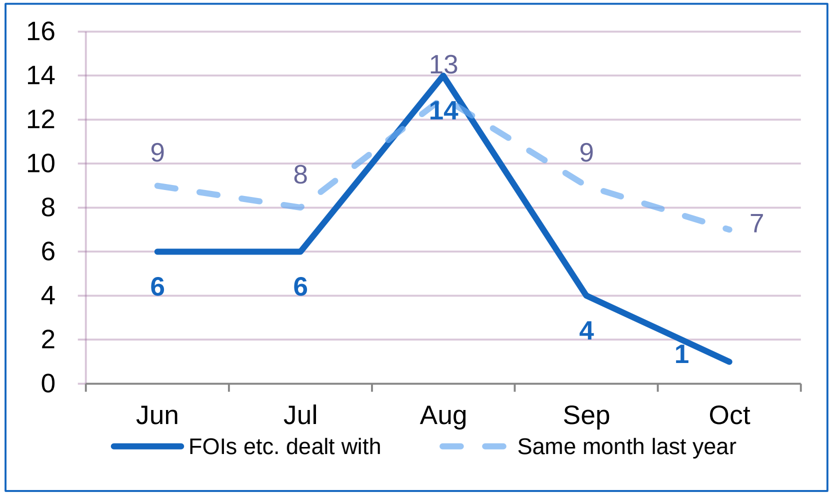


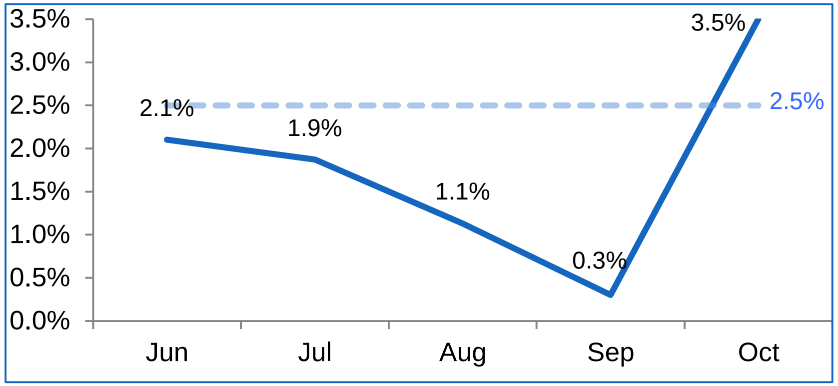
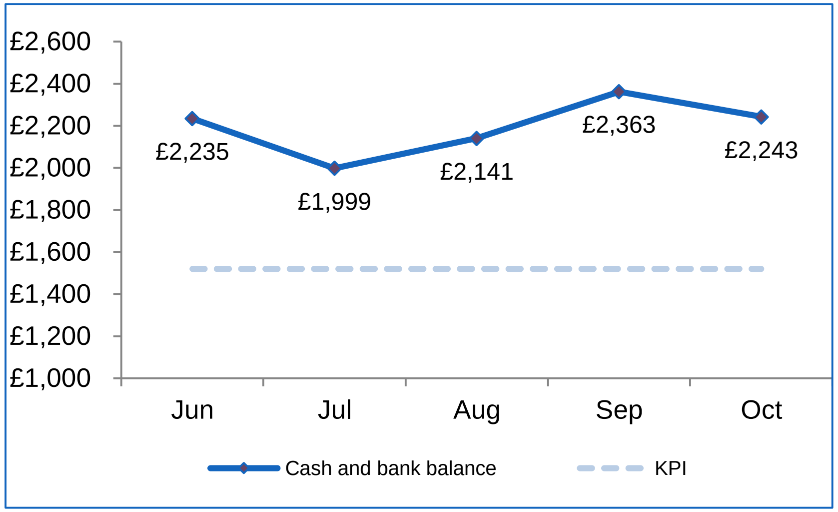
Aim: Return to 70wd or less

Notes: KPI: Less than or equal to 70 working days.

Commentary: One report was sent at 21wd and another at 25wd. One report was sent at 32wd due to multiple management reviews and actions required by the PR before the report could be completed.

Indicator	Performance	RAG	Recent trend[1]	Aim[2]	Notes
Monthly percentage of PGD applications processed within three months (66 working days).	100%			Maintain 100%	KPI: 100% processed (i.e. considered by SAC) within three months (66 working days) of receipt of completed application.
Average number of working days taken.	56				
Annualised (rolling year) percentage of PGD applications processed within three months (66 working days)	94%			Maintain 100%	KPI: As above. (Annualised score). Per the above measure, performance has dropped below the target due to two complex applications falling outside the KPI in May and June 2016. The annualised figure will now be impacted until 2017.
Average number of working days taken.	54				

Indicator	Performance	RAG	Recent trend[1]	Aim[2]	Notes
Number of requests for contributions to Parliamentary questions	Total = 6	⇧		No KPI – tracked for general monitoring purposes.	Volume indicator. Last year's numbers were notably high, for a period. Many of those PQs related to the work we were then doing on mitochondria scientific review.
Number of Freedom of Information (FOI), Environmental Information Regulations (EIR) requests and Data Protection Act (DPA) requests	1	⇩		No KPI – tracked for general monitoring purposes.	Volume indicator. There does not appear to be any trend or predictability in the volume or focus of our FOI (and other) requests.

<table>
<tr><th>Indicator</th><th>Performance</th><th>RAG</th><th>Recent trend[1]</th><th>Aim[2]</th><th>Notes</th></tr>
<tr><td>Staff sickness absence rate (%) per month.</td><td>3.5%</td><td></td><td>
</td><td>Maintain 2.5% or less</td><td>KPI: Absence rate of ≤ 2.5%.
Public sector sickness absence rate average is eight days lost per person per year (3.0%).</td></tr>
<tr><td>Commentary:</td><td colspan="5">The sick rate is comparatively high for this month, owing to one extended period of sick leave, and the normal seasonal range of cold/flu viruses.</td></tr>
<tr><td>Cash and bank balance</td><td>£2,243k</td><td></td><td>
</td><td>Reduce</td><td>KPI: To move closer to minimum £1,520k cash reserves (figure agreed with DH).</td></tr>
<tr><td>Commentary:</td><td colspan="5">In July, increased suppliers' activities contributed to an 11% reduction in the bank balance. However August saw an increase, owing mainly to successful chasing of debts over 60 days. The increase in September resulted again from debt chasing, and also from moneys received from grant in aid. Increased supplier activities in October contributed to a 5% reduction in the bank balance.</td></tr>
</table>

Indicator	Performance	RAG	Recent trend[1]	Aim[2]	Notes
Management accounts	**October 2016:**				

Income & Expenditure Account

Oct-2016

Accounting Period Period 7 16-17
Cost Centre Name All Cost Centres
Department Name All Departments

	Year to Date				Full Year		
	Actual YTD £	**Budget YTD £**	**Variance YTD £**	**% Variance YTD %**	**Forecast £**	**Budget £**	**Variance £**
Grant-in-aid	469	469	-	-	933	938	(5)
Licence Fees	3,127	2,639	488	19	5,377	4,472	905
Other Income	3	4	(1)	(28)	6	6	-
Total Income	3,599	3,111	487	16	6,316	5,416	900
Revenue Costs - Charged to Expenditure							
Salaries (excluding Authority)	1,547	1,569	22	(1)	2,653	2,679	(26)
Shared Services	41	50	9	(18)	60	81	(21)
Employer's NI Contributions	153	145	(8)	6	272	247	24
Employer's Pension Contribution	327	335	8	(2)	572	573	(1)
Authority salaries inc. NI Contributions	85	85	(1)	1	147	146	1
Temporary Staff costs	71	-	(71)		93	-	93
Other Staff Costs	135	144	14	(9)	249	265	(16)
Other Authority/Committee costs	64	91	26	(29)	148	156	(8)
Other Compliance Costs	7	17	10	(59)	20	28	(7)
Other Strategy Costs	27	66	40	(60)	133	142	(9)
Facilities Costs incl non-cash	275	303	28	(9)	483	488	(4)
IT costs Costs	66	54	(12)	23	89	93	(4)
Legal Costs	332	238	(93)	39	656	400	256
Professional Fees	41	39	(2)	4	68	67	-
Total Revenue Costs	3,171	3,137	(30)	1	5,642	5,361	280
Total Surplus/(Deficit) before Capital & Project costs	*428*	*(25)*	*518*	*2,035*	*674*	*55*	*620*
IFQ & Other Project Costs - Reserves funded	374	472	98	(21)	567	477	90
Other Capital Costs	10	50	40	(80)	100	100	-
TOTAL NET ACTIVITY	**44**	**(548)**	**379**		**6**	**(522)**	**530**

Indicator	Performance	RAG	Recent trend[1]	Aim[2]	Notes

Commentary:

Summarised management accounts – commentary October 2016

Income

For the seven months ended 31 October, we have exceeded our budgeted treatment fee income by £488k (18.5%) up by 0.5% on what was reported at the end of Q2 (September). This affects our forecast outturn for the year which we are currently reporting to be £5.4m which is a slight decrease from the £5.5m reported at the end of September. It is difficult to say if this will tail off or drop suddenly. Constant monitoring and re-forecasting will be carried out till the end of Q3.

Expenditure

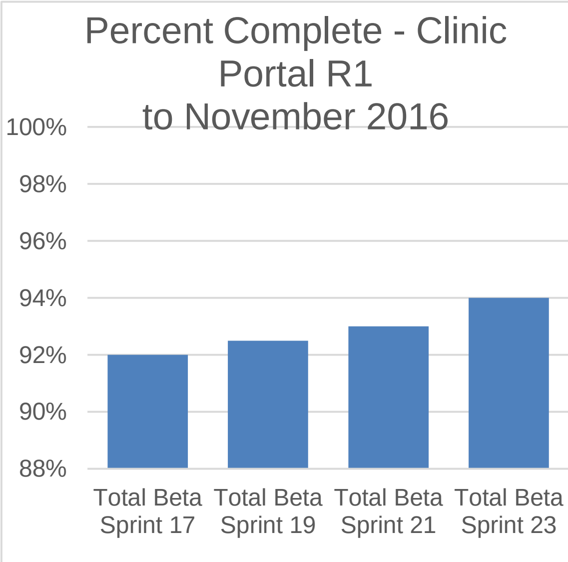
Reporting by exception:
Staff costs year-to-date are above budget by £41k due to agency staff costs incurred to back-fill key staff working on the IfQ Programme. We are forecasting a year end variance of £71k above budget. Other areas of over spend against budget are:
IT costs year-to-date which are £12k above budget compared to £11k reported in Q2. Legal costs year-to-date continue to exceed budget by £93k against £125k reported in Q2 also. The position being reported at year end is an over spend by £256k. This is due to inclusion of accruals for at least one case that comes to fruition in December 2016.

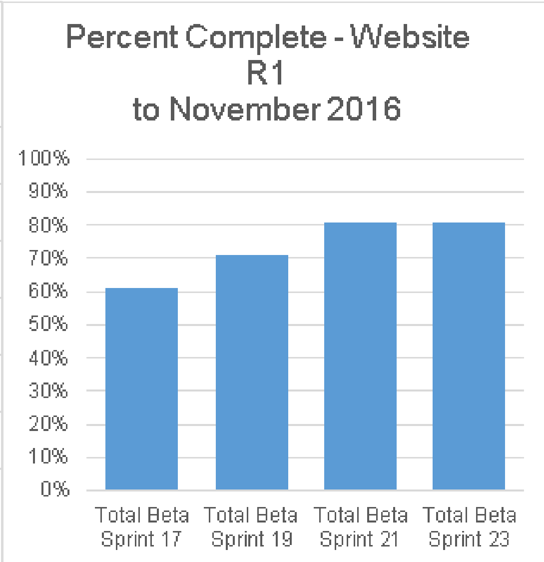
IfQ and other project costs

Year-to-date IfQ is showing an underspend against budget by 21% (£98k) and forecast to overspend by 19% (£90k) at year-end which takes into account extra budget agreed by SMT. Regular meetings with the PMO to discuss the budget are taking place to ensure both finance and PMO are in agreement of what costs are outstanding.

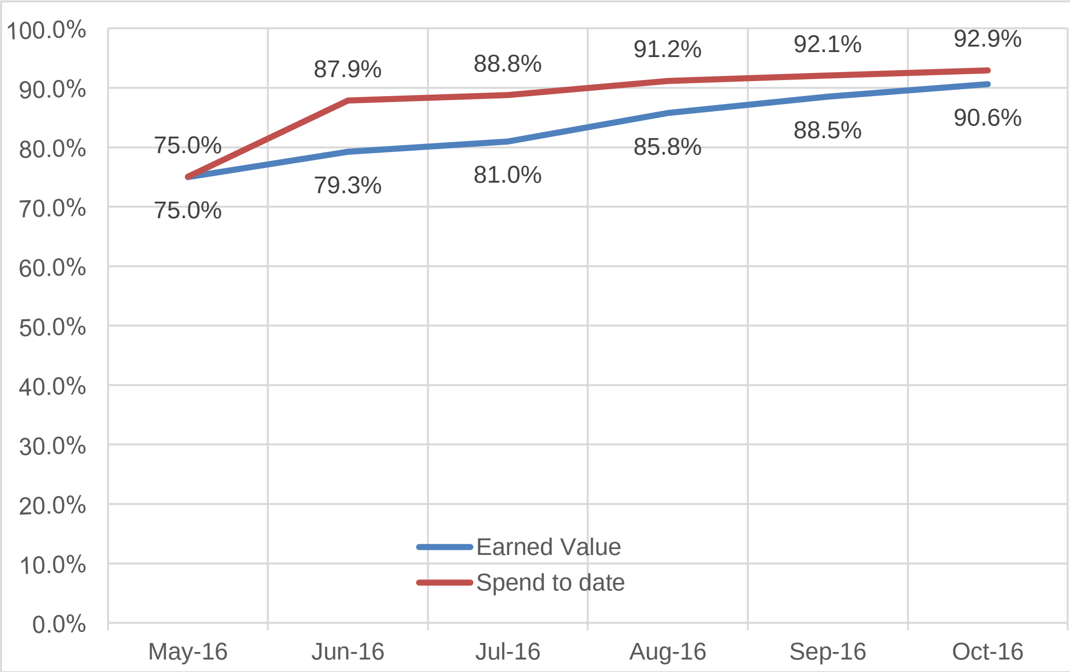
IfQ indicators: October update for beta project phase

Frequency / trigger point	Metric	Purpose	Latest status:
At programme set-up / major reorganisation / new tranche	MSP health check overall score achieved / maximum score as a %	Is the programme set up to deliver?	**October update:** The MSP health check was completed previously with the final report circulated to the IfQ programme board. The IS team has been able to evidence that enough assurance is in place for data migration and the new EDI. The assurance on data migration is set to start in January and the report will be presented to IfQ PB and CMG.
Monthly	Timescales: we changed the burndown chart showing remaining estimate of work to a chart showing percentage of works complete.	Is there scope creep/over-run?	**October update:** The Clinic portal has now passed the GDS assesment and has been allowed to progress to live. The portal team will be focusing on getting the necessary work completed in order to go live early January including addressing remaining GDS recommendations. The website work has been delayed, partially due to the focus on getting the portal ready for the GDS assessment. We are now gathering all the remaining work for the website to be scheduled with RR, although changes may materialise folowing the outcome of the JR in December.





IfQ indicators: October update for beta project phase

Frequency / trigger point	Metric	Purpose	Latest status:
Monthly	Cost: earned value (% complete * estimated spend at completion)	Is the spend in line with milestone delivery?	There are four things we can attribute value to: websites and CaFC; Clinic Portal; the Register and internal systems; defined dataset, discovery, stakeholder engagement etc. 25% of the value of the 1.8M programme cost at completion has been attributed to each project. **October update:** The spend to date has risen slightly compared to last month and is now again joining the earned value. As we reach the end of beta (and thus most of the expenditure on the Reading Room contract) and complete the live phase we expect the earned value to reach its peak reflecting the beta work being finished. It may make sense to discontinue this metric at that point, since most release two costs are internal staff salaries. 

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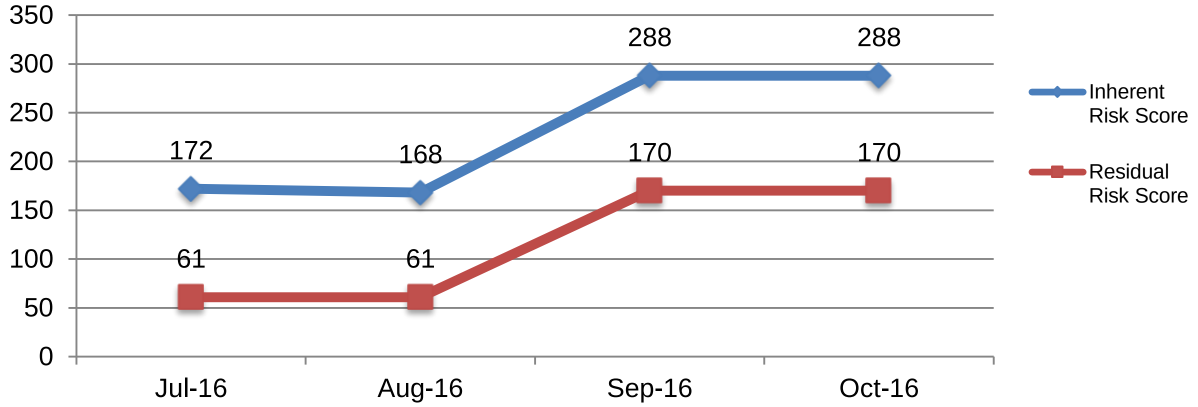
Frequency / trigger point	Metric	Purpose	Latest status:
Monthly	Stakeholder engagement: combined stakeholder engagement score (internal plus external stakeholder events or communic-ations)	Are we keeping stakeholders with us? Is it getting better or worse?	**October update:** In October we sent out an edition of Clinic Focus specifically around IfQ. This included information about the new clinic portal and data verification. We held two show and tell sessions for staff in October. We continued to use social media to encourage feedback for the beta website. Engagement score =4
Monthly	Risks: sum of risk scores (L x I)	Is overall risk getting worse or better (could identify death by a thousand cuts)?	**October update:** The line graph below represents the overall IfQ risk score, which combines the perceived impact and likelihood of the current risks on hand each month. The overall risk score for the IfQ Programme increased significantly following a risk review meeting held in early Oct. The mitigations or acceptance of the risks have been processed although we need to make sure all risks are once more reviewed and monitored in the upcoming months. The major risks are associated with resources, timescales, regulatory monitoring, quality, financial, development, patient information, data security and business continuity. 

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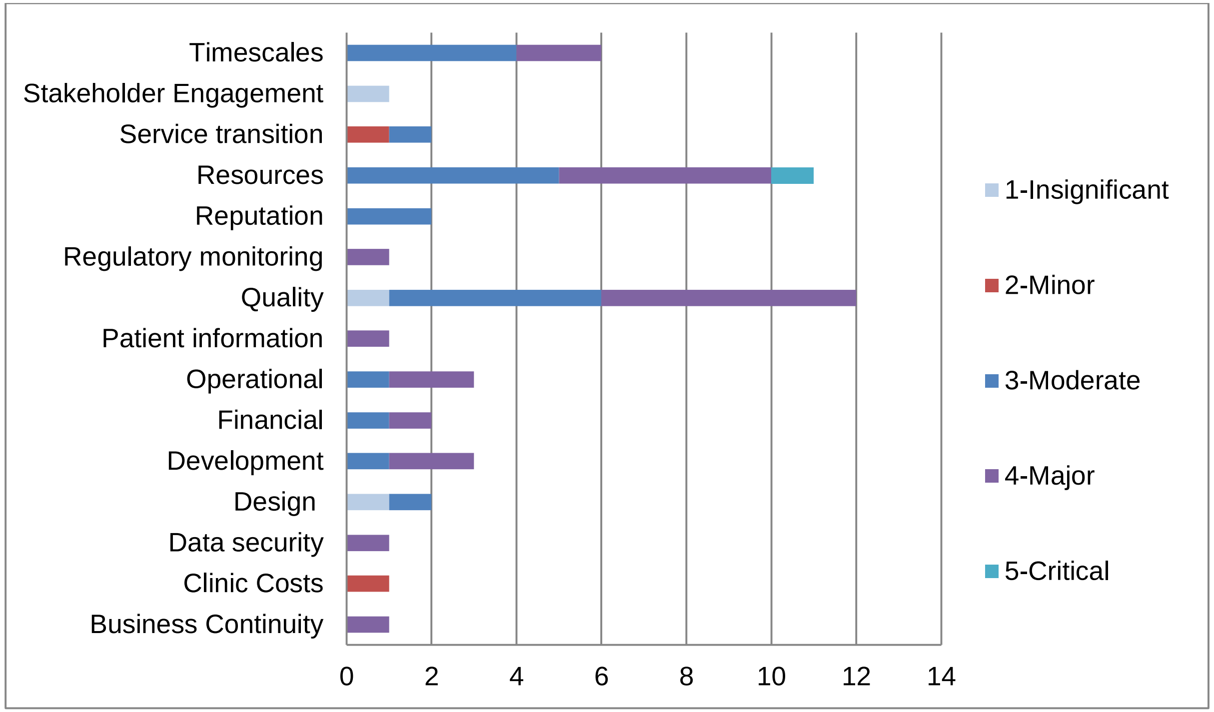
Frequency / trigger point	Metric	Purpose	Latest status:
			
Quarterly	Benefits: value (£) of tangible benefits planned to be delivered by the programme	Is the value of the benefits increasing or decreasing – could trigger a review of the business case?	**October to November update:** The realisation of benefits should be reviewed based on the business case. No issues have been raised regarding benefits realisation to date, and we expect the business case to be delivered.