Ashford and St. Peter's Hospitals NHS
NHS Foundation Trust

Operational Plan 2016/17

April 2016

1.0 Approach to Activity Planning

The Trust's approach to activity planning is to ensure, in agreement with our commissioners, that we provide holistic capacity that is fully aligned with reasonable demand expectations.

During 2015/16, the Trust worked with North West Surrey CCG (NWS CCG) colleagues and NERA Economic Consulting to establish demand which is estimated to increase by 2.4% during FY2016/17. In a small number of critical areas additional growth has been factored into the plans to take account of RTT and diagnostic waiting times pressures. The Trust has been supported by its commissioners to ensure these targets are achieved.

Our activity plans for 2016/17 are therefore based on ensuring we have sufficient capacity to deal with demand. The core elements of our model are:

- The base level of service provision provided in previous years activity
- 2.4% growth increase
- Demand reductions as a result of QIPP and the NHS Right Care programme assumptions
- Individual service line growth which is expected to be above 2.4% (e.g. Endoscopy)

The Trust uses the NHS IST approved demand and capacity modelling and shares the outputs with commissioners. Work on these remains ongoing and has been prioritised for underperforming specialties with action plans implemented where productivity or capacity have been found to be below expectations.

An overview by specialty of this work thus far is included below;

Specialty	D&C Assessment	Action to Address Shortfall
Urology	Existing capacity is not set up to deliver demand - significantly short by c. 3,000 FU OPAs and c.800 theatre slots.	An additional Consultant has been recruited & existing job plans will be adapted.
Colorectal	Additional c. 200 FU OPAs and c. 100 admissions are required.	Post CCT fellows have been recruited to provide this additional required capacity.
Dermatology	Existing capacity is not set up to deliver demand - significantly short by c. 400 New OPAs and c.3,000 FU OPAs.	An additional Consultant has been recruited and we have adapted existing job plans.
Neurology	Existing capacity is not set up to deliver demand - significantly short by c. 500 New OPAs and c.700 FU OPAs.	Recruit an additional Consultant & adapt existing job plans.

Orthopedics	Additional demand caused by repatriation from other providers c 100 operations	In the short term the Trust will source additional weekend working. Medium term Trust working with CCG to reduce demand through Right Care methods.

The Trust's activity returns are submitted jointly with NWS CCG and are underpinned by the agreed planning assumptions. The Trust is confident it has sufficient capacity or an action plan to increase capacity for 2016/17 to enable delivery of the activity levels agreed with commissioners, including contingency internal stretch and/or outsourcing arrangements if the identified increase in resource is delayed and/or found to not be available.

The Trust has used GPS Locums during the summer of 2015 to increase its endoscopy capacity in response to a significant and sustained increase in demand seen from 2015/16 Q2 onwards. The backlog was successfully resolved in the agreed timescales during Summer & Autumn 2015. Although the backlog reduction in the DM01 standard for endoscopy has been delivered, the services of GPS Locums are currently retained supporting the reduction in the planned waiting list for endoscopy and providing stretch contingency capacity until such time that the Trust can enhance its endoscopy facilities. It should be noted NWS CCG have also implemented a community demand reduction scheme to restrict a quantity of specific endoscopy referrals.

The Trust experienced difficult winters during 2014/15 and 2015/16 with non-elective demand exceeding our available bed capacity which caused significant elective cancellations.

System planning for 2015/16 winter resilience was based on the recommendations of the previous year which included the requirement to postpone non-urgent elective procedures from 23rd December 2015 to 10th January 2016 (inclusive). This provided necessary additional bed stock & workforce to cater for the increase in non-elective demand. Most specialties have scheduled recovery of this lost capacity during Q4 although a number of sub-specialties within General Surgery (Colorectal, Upper GI and Vascular) are utilising outsourcing (c. 100 cases) to the independent sector to provide additional resilience for the recovery.

The Trust has an extensive recovery plan agreed with commissioners to deliver the required target agreed within the STP framework. Activities include process and workforce improvements in conjunction with the development of an Urgent Care Centre.

The Trust works in full collaboration with its commissioners, ensuring capacity is planned to meet the expected demands of the community. Extensive performance and quality information is reported and reviewed with Commissioners on a monthly basis and adhoc as required. This allows the Trust and Commissioners to react expediently where demand exceeds capacity or where scheduled variations are required. The Trust and its primary commissioner are focusing on areas identified through Right Care to reduce demand and supply through the implementation of new schemes to manage clinical variation.

2.0 Approach to quality planning

The Trust is guided by the NHS Constitution and the CQC's regulations under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 and these underpin our approach to quality. Our key quality improvement priorities are laid out in this operational business plan and our draft "Quality Account Priorities" document for 2016/17. The methodology used to set our quality plans is outlined below:

National and local commissioning priorities

National and local commissioning priorities are incorporated in quality planning as part of the contract negotiations with our host CCG Commissioner and NHSE. The Trust is currently working with our host Commissioner to refresh the proposed local quality contract measures and is awaiting proposals from NHSE. The Trust reports to the host CCG monthly on these measures and is held to account through review of performance against agreed targets both through formalised data review and via the interactive Quality Review Meetings which include deep dives into priority areas according to emerging trends.

Goals as defined by strategy

The Trust's "Quality, Safety and Risk Management Strategy 2012-2017" has a focus on preventing harm at its core. Our draft quality and business plan priorities as evidenced in the sections that follow which emphasis how the Trust works to achieve a safety positive culture.

The operational planning process incorporates both measures carried forward as priorities from 2015/16 and new measures for 2016/17. A review of performance against Q3 2015/16 business plan was undertaken in January 2016 and this enabled identification of measures to be carried forward as ongoing priorities for 2016/17. New Operational plan measures for 2016/17 were identified following consultation with clinical leads and professional heads of service.

Goals as defined by quality account

Priorities have been determined following review of 2015/16 progress, input from the "Quality Safety and Risk Management Strategy" and consideration of guidance including:

- Everyone Counts: Planning for patients 2014/15 to 2018/19
- NHS Outcomes Framework 2015/16
- NHS Five Year Forward View: October 2014
- A Promise to Learn – A Commitment to Act (Berwick Review Into Patient Safety) August 2013

The Trust submitted to its January 2016 Board meeting the process for consultation and review of its Quality Account priorities for 2016/17. This was further informed by; a review of performance against Q3 2015/16 Quality Account priorities, identification of measures to be carried forward and identification of new proposed measures based on existing performance. When setting our Quality Account priorities a consultation exercise is undertaken with Staff, Governors, Healthwatch Surrey, Surrey County Council, North West Surrey CCG and other

external representatives who attend our Quality Stakeholder Workshops in order to obtain feedback on our draft Quality Account priorities for the upcoming year. The proposed Quality Account measures for 2016/17 were approved by the Board in March 2016 and will be shared publicly in the Annual Report.

Each Division outlines in its local business plans the key service improvement objectives it has for each year, and these are summarised within their local departmental action documents.

Nursing revalidation is a key programme this year and we have a dedicated lead to progress this to ensure that Trust personnel are supported to meet external timescales.

Quality mapping against sector priorities

This mapping table shows demonstrates how key sector priorities have been incorporated in our quality processes planned for 2016/17.

Everyone counts: Planning for patients 2014/15 to 2018/19	
Patient Safety – participation in new NHS Safety Thermometers	Incorporated in quality priorities for harm free care
Patient experience – proven methods to enhance feedback from vulnerable patient groups	Business plan priority on evaluating the Adopt a Grandparent pilot scheme
Safeguarding – demonstrating how safeguarding duties will be discharged	Quality priority on Mental Health Act training as part of clinical staff safeguarding training
Supporting staff to innovate	Quality and business plan priorities on implementing the regional Academic Health Science Network safety culture and leadership and improvement capability test site pilot
NHS Outcomes Framework	
Domain 1 – preventing premature death	Reducing in-hospital mortality (business plan) via Sign up to Safety Campaign 20% reduction in falls compared to the prior year
Domain 2 – enhancing quality of life for people with long term conditions by ensuring people feel supported to manage their condition	Quality priority that 50% applicable dementia patients to have This is Me/REACH documents
Domain 3 – helping people recover from ill health episodes	Quality priority on reducing target for 30 day readmissions

Domain 4 – positive experience of care through improving outpatient experience	Quality priority 15 Steps Tool for evaluating outpatient experience
Domain 5 – reducing avoidable harm	Quality priorities on venous thromboembolism
Domain 5 – improving culture of safety reporting	Business plan priority on frontline staff capability to perform safety incident root cause analysis
Five year forward view	
Parity of esteem between physical and mental health	Mental Health Act training scheme review as quality priority
NICE guidance uniformly implemented	Quality priority on NICE Guideline NG31, Care of Dying Adults in Last Days of Life

Care Quality Commission (CQC) inspection

The Trust was inspected by the CQC in March 2015 and received an overall good rating. The Trust has 10 compliance actions currently outstanding and these are being monitored through the CQC Quality Review Group with divisional representatives, with monitoring monthly by both the Quality Performance Committee and Trust Board. The CQC is provided with regular updates on both the compliance actions and 'should' actions both of which are being progressed through detailed action plans. In November 2015 the Trust's Internal Auditor reviewed to provide assurance that action plans arising as a result of CQC inspections were implemented to ensure that appropriate remedial action has actually been taken. The Internal Auditors concluded that the Trust has established a robust and effective process which monitors the implementation of their CQC action plan and there were no improvement actions arising from the review.

Avoidable mortality

The Trust currently has an internal programme for reviewing individual in-hospital deaths which is reported to Trust Board as part of the monthly quality report. As a response to the December 2015 NHS England letter outlining the intention to publish avoidable mortality by Trust along with a Mortality Governance Guide, the Trust participated in the self-assessment tool during January 2016 and will review its mortality review process in light of the Mortality Governance Guide.

2.1 Approach to quality improvement

Organisation-wide improvement methodology

Quality and safety will be maintained and improved throughout the year via our quality priorities, Operational plan priorities and key Trust wide improvement programmes. Our achievements are monitored through a combination of quality reporting and operational performance monitoring through our formalised governance structure.

Quality improvement is supported by our corporate quality function, divisional quality teams and the project management office which leads the transformation programme. The 2015 Transformation and Improvement Strategy sets out our approach to quality improvement (QI) and is based on a proven change management approach which harnesses a blend of models: Prince 2, the Institute for Healthcare Improvement's Model for Improvement including PDSA, and our *Be the Change* innovation programme. We also develop soft-skills and people-focused improvement skills, through coaching and mentoring of teams. The Trust also participates in regional improvement work supported by the KSS Academic Health Science Network.

Quality improvement governance systems

The transformation programme has robust and clear governance and support structures to oversee the improvement activities, via Transformation Programme Board (which reports to Trust Executive Committee) and other QI forums. Corporate quality governance is via the Quality Performance Committee, Quality Governance Committee, Risk Scrutiny Committee and the Clinical Effectiveness and National Audit Review Group. Divisional quality governance links into the corporate committees and is supported by divisional quality governance committees.

Executive lead

The joint executive leads for quality and safety are the Chief Nurse, Mrs Heather Caudle, and the Medical Director, Dr David Fluck. The executive lead for our transformation programme is Mrs Valerie Bartlett, Deputy Chief Executive.

Quality priorities for 2016/17

The Trust is finalising its quality priorities for 2016/17. High level categories of priorities are outlined below. The detailed draft measures can be provided upon request.

- Safety – improving harm free care
- Safety – embedding and measuring safety culture
- Clinical effectiveness – readmissions
- Clinical effectiveness – learning from audits and NICE guidance
- Patient experience – vulnerable groups
- Patient experience – feedback of outpatient experience
- Patient experience – inpatient experience

Top three risks to quality with mitigation plans

The key risks to quality are monitored via the Board Assurance Framework (BAF). The current top 3 risks to quality per the BAF are (1) capacity and flow in the emergency care pathway, (2) multiple competing priorities for staff including operational pressures and the Sustainability and Transformation Plan challenges and (3) recruitment, retention and temporary staff reliance in some areas.

Mitigations for (1) include implementation of the Consultant Continuity Model, a focus on improving core processes to improve flow, and the new app for monitoring the A&E performance on a real time basis.

Mitigations for (2) include corporate scorecard review, quarterly monitoring of corporate objectives and STP steering group.

Mitigations for (3) include a detailed workforce and recruitment plan focussing on branding, positioning and microsites for hard to recruit areas.

Well-led elements of the CQC regulations

Based on March 2015 ratings the Trust is rated as good overall for the well-led domain. Within services at St Peter's Hospital Critical Care, Children and Young People's Services, and Maternity and Gynaecology services required improvement, as did Outpatients and Diagnostic Imaging at Ashford Hospital. The Trust has since been implementing its CQC action plan during 2015 to implement the improvements needed.

Sign up to safety priorities for 2016/17

The Trust participates in the Sign up to Safety Campaign and is developing its Safety Improvement Plan as part of this initiative which we commenced in January 2015. The Sign up to Safety Campaign incorporates findings from the second Francis Report and the Berwick Report. The Safety Improvement Plan for this campaign includes as focus areas the antenatal and intrapartum care pathways, pressure ulcers, venous thromboembolism, falls and deteriorating patients.

Assurance that Association of Medical Royal Colleges (AOMRC) guidance on responsible consultant

The Trust is currently working to implement the AOMRC guidance on responsible consultant.

All patients in the Medical specialities have a clear allocated Consultant in charge of their care and the Division is taking steps to ensure that this is maintained throughout their stay.

In paediatrics and neonatology we have 'attending' consultants who are the accountable consultant for a defined period of time – typically a week. For obstetrics and gynaecology the "accountable clinician" system is in use. There are plans to migrate to a consultant of the week system as well.

Within Trauma and Orthopaedics every patient admitted on an elective care or ambulatory trauma pathway is admitted under the care of a named consultant and remains under that consultant until discharge. Emergency admissions are admitted under the on-call consultant but will usually pass to the care of the operating consultant where surgery is necessary.

2.2 Seven Day Services

Reducing variability and maintaining continuity of care is key to improving outcomes and reducing harm and is the core intention of the Trust's Clinical Professional Strategy currently being written by the Medical Director. This strategy, which aims for outcomes of excellent patient experience and clinical care that do not vary upon day of the week, will be delivered via a number of vehicles including Keogh Standards and longer-term transformational change.

The transformational change programme is supported by the Trust's Programme Management Office, and centres on transforming traditional models of care to "functional units of care". This is a unit, whose staffing profile is built around the patient's needs, enabling flexibility to respond to a group of patients with similar healthcare requirements, ensuring continuity of care and harmony of shift patterns. This is a pilot initiative sharing learning in conjunction with NHS England's Sustainable Improvement team.

The Keogh Standards work involves participating in NHS England sentinel data collection review in March and June this year. In addition to this the Trust is exploring including Keogh Standards in the Best Care clinical care audit.

The overarching Keogh work-plan is in the developmental phase and is being guided by the base-lining work. This is an important focus area for the Divisions across 2016/17 and the overview of current divisional preparedness is outlined below.

The Paediatrics Division has no evidence of excess weekend deaths and attributes this to existing good levels of Consultant presence during the weekend. The Women's Health and Paediatrics division has undertaken a preliminary baseline review against the Keogh Standards and is actively progressing the gap analysis and determining key metrics.

The Division of Medicine has already made a commitment to recruit sufficient consultants and juniors to cover a 7 day inpatient service, with the recruitment of 2 out of the 7.5 wte consultants required. All specialties within this Division are now compliant with Keogh standard 2 "Time to 1st Consultant Review within 14 hours of arrival".

Recruitment of the remaining consultants is either underway or planned for this year, to enable compliance with Keogh Standard 8 "On-going review" in all areas. Due, however, to existing vacancies in the care of the elderly consultant workforce there is significant risk to the provision of 7 day care if the Division is unable to recruit substantively.

The Surgical Division intends to undertake an audit to better formulate the baseline position for the surgical specialties. Trauma and Orthopaedics plan to undertake a job plan review around the Consultant of the Week model.

In addition to the 24 hour urgent provision of all imaging modalities for Accident and Emergency and Inpatients, Imaging Service provides GP and Outpatient services for Ultrasound at weekends and some evenings at both hospital sites. There is also provision of 7 day Outpatient access for CT and MRI services. The Diagnostic's Business Plan builds on the above.

The Therapies team provides weekend services in Accident and Emergency, Acute Medicine, Respiratory Physiotherapy including Critical Care plus Trauma and Elective Orthopaedics. The 2016/17 Operational Plan includes expanding these to include Stroke and further develops the models of working.

2.3 Quality impact assessment process

The Trust has a formal process for the review of cost improvement programmes (CIPs) involving QSIA – Quality and Safety Impact Assessment addressing patient safety, staff safety, clinical effectiveness, patient experience and regulation. CIPs are risk stratified and monitored according to risk profile. Low/medium risk plans are monitored divisionally. High/extreme risk plans require a detailed assessment and are formally presented by the clinical lead to an Executive led Panel for review. In-year monitoring of quality impact assessment is by divisional quality teams, monthly formal performance meetings and via Finance Department monthly CIP process review.

2.4 Triangulation of indicators

The Trust Board monitors quality, workforce and financial indicators monthly. The Balanced Scorecard contains 15 best outcomes measures, 13 workforce measures, 17 excellent experience measures and 19 productivity measures which in combination cover safety, effectiveness, patient experience, clinical outcomes, operational performance and finance. The detailed measures can be provided upon request. The QEWS dashboard (Quality, Experience, Workforce and Safety) is a further monitoring tool reviewed monthly by Trust Board which additionally encompasses ward clinical care audits, harm free care and further patient experience measures. The Board uses this information to drive performance improvement trust wide, supported by the detailed data also reviewed by Executives through the monthly divisional specialty performance review regime.

3.0 Approach to Workforce Planning

Articulation of a robust approach to workforce planning with clinical engagement

ASPH aims to design and develop workforce models that meet the needs of our patients. To achieve this, the Trust needs to find solutions to the challenges of workforce availability and workforce redesign. In particular, increasing demand and pressures in our emergency care pathway require an expansion and appointment to our medical and therapist workforce and a solution to our recruitment challenges.

The annual workforce planning cycle is led by the divisional level HR Business Partners. The multi-disciplinary clinical leaders within the divisional teams are supported in identifying the workforce implications of their strategic plans. In particular the HRBPs are providing analytical support to identify current and future workforce opportunities and gaps. The process considers the clinical and financial importance of developing a flexible and adaptable workforce that is fit for purpose. A particular focus is given to understanding the current continuity of care pressure created by the reliance on agency staff and the need to provide care to a patient population with increasingly complex needs.

The workforce planning process in 2015/16 has a particular focus on the junior doctor workforce, as a consequence of the reducing numbers of doctors in training in the acute setting. The focus at ASPH is to ensure that the Trust is able to secure the optimum number of junior doctors and where appropriate consider alternative workforce supply. This includes the continued use of Physician Associate's and the introduction of new Support Worker roles (band 4) to provide administrative support to junior doctors is currently being considered. The Trust will also be looking at how to optimise new roles by connecting them more formally with other clinical support functions such as pharmacy.

The governance process for board approval of workforce plans

The Workforce & Organisational Development Committee is a subcommittee of the Trust Board. Non-executive and Executive members develop and provide assurance to the Board on the delivery of robust workforce development strategies. This includes keeping an overview on long term workforce changes and strategies for delivering these. At the beginning of the business planning cycle, the Board debated and described the future workforce priorities, in particular the mechanisms for creating a workforce establishment that delivers safe standards of care 7 days per week.

At an operational level the divisional teams are expected to develop robust workforce plans which identify how they will deliver the 'skilled and motivated team' strategic Trust objectives. Executive level scrutiny and challenge is given to the divisional plans and the final workforce plan will be submitted to the Board in April for approval.

Local workforce transformation programmes and productivity schemes

A critical component of the Trust's plans for the coming months will be to ensure that it is supporting, developing and adapting the workforce to facilitate the significant system-wide transformation objectives. In particular, components of our workforce will move to working in the integrated models of care. These include, but are not limited to; NW Surrey's Locality

hubs, Urgent Care Centres and on the "discharge to assess" pathway. All of this demands greater cross-agency collaboration for our medical and therapies workforce in particular, but the drive to deliver care in a genuinely patient centred way - as Functional Units - also means our teams working across specialty and professional boundaries. For the most part, the opportunities identified so far involve the workforce adopting different ways of working, but as this progresses, we expect to progress the dialogue around new roles - Clinical Care Coordinators for example or hybrid therapies roles. Alongside these developments, we will also continue to implement the Keogh standards and to mobilise our consultant teams in delivering seven day inpatient care.

The effective use of e-rostering and reduction in reliance on agency staffing

Throughout 2015 weekly nurse rostering meetings were held with the senior divisional nursing teams to promote effective rostering and to ensure optimal use of our staffing resources. In 2016 we will build on this by implementing the latest version of the rostering software in March 2016. This will ensure we can maximise the systems and make the link between acuity and staffing levels.

There is an active programme of Nurse recruitment within the UK, EEU and worldwide. The on-site recruitment days held every month have had a particularly positive effect with a good number of new recruits joining the Trust every month. Our efforts in 2016 will be focused more than ever on retaining them in the Trust through development opportunities, career pathways and other benefits.

We are negotiating with our nurse agency suppliers to meet the Monitor rate caps and have introduced a tiered approach for those agencies willing to work with us on meeting the rate caps and those who are not. In 2015 we have restricted our use of nursing suppliers to those on the framework term, and we intend to continue ensuring we are compliant with this practice. We have set a trajectory to reduce our qualified Nurse agency expenditure to 8% by March 2016 and 6% in 16/17. However, the Trust expects to face significant difficulties in reducing agency spend in a number of hard to recruit to areas. These include theatres, critical care, A&E and paediatrics.

In 2015 we began the implementation of our medical bookings software through a master vend contract with Asclepius Medical Services. So far this has given us far greater management information on medical bookings to implement controls and assurance, and to meet and work towards the Monitor Agency Rules. In 2016 we will use this to remove all off-contract non-framework agencies. We will mirror the governance good practice systems we already have in place in nursing, to support service managers and drive reductions in medical agency use. We are introducing a Safer staffing step approach for the medical bookings to ensure we have tried all options before we consider escalated agency rates. We are beginning to attract medical agency staff to join our bank through use of the Monitor rate caps and will continue to promote the bank or permanent contracts to our temporary doctors in 2016.

The Trust has been set an overall agency expenditure ceiling for 2016/17 of £11.480m. Given for 2015/16 we are currently forecasting total agency expenditure of £15.4m this is an extremely challenging target and its delivery therefore remains high risk. The Trust continues to work on additional mitigating actions though.

Alignment with Local Education and Training Board plans to ensure workforce supply needs are met

The Trust works with HEKSS to align our plans with the five strategic priorities of the LETB and wider workforce initiatives. This includes ensuring that we shape the commissioning process and make best use of the commissioned places with our local HEIs. We ensure that workforce supply needs including trainee places, student support needs and current employee learning and CPD needs are identified during business planning in order to grow our own workforce and contribute to long term workforce supply.

The finance and study leave committee works to ensure that resources are allocated where they are needed and can address local supply issues for example supporting succession planning in hard to recruit specialties. We have worked flexibly with support from the LETB to ensure the commissioned programmes best meet our workforce requirements. The LETB supported us this year to pilot a resilience programme for our staff with benefits to both HEKSS and the Trust. In 2015 we have exceeded the target for apprentices agreed with our LETB and we will be further developing our approach to the use of apprentice posts to grow our own talent and create career paths to enable both development of the workforce and retention to address future supply needs. Our workforce supply strategies are developed in consultation with the LETB.

Triangulation of quality and safety metrics with workforce indicators to identify areas of risk

The Trust produces a dashboard which triangulates quality, patient experience and workforce indicators as a predictor of potential areas of concern. The dashboard is regularly reviewed and assurance is given to the Board through a formal review of the dashboard at the Quality & Performance committee.

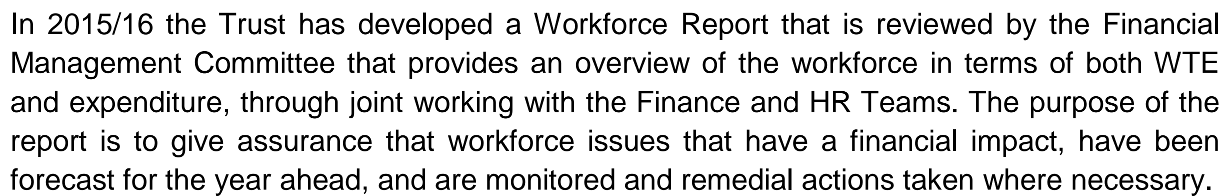
The application and monitoring of quality impact assessments for all workforce CIPs

All CIP schemes have detailed supporting templates setting out the scheme, its profile, the risks and an assessment of any impacts on service quality. These documents are reviewed by the leadership team of the Chief Nurses and Medical Directors departments.

Balancing of agency rules with the achievement of appropriate staffing levels

To support the introduction of the Qualified Nurse agency cap in October 2015, the Trust developed a Safer Staffing Policy requiring wards and clinical areas to review staffing levels and shortfalls, assess these against patient acuity, consider alternatives to booking agency, and to escalate for agency use if required to ensure patient safety.

To be able to implement the Agency spend cap the Trust needed to convert the financial cap into shifts on wards, and to support this each ward/areas has been allocated a 'Shopping Basket' that allows the ward manager to see at a glance how many agency shifts can be booked per day/per week, before going over their individual cap. This has proved effective in some areas, although difficult to achieve in critical areas with hard to fill posts, however we have seen Qualified Nurse agency spend reduce month on month in response. We will continue this to support our wards in 2016/17.



In 2015/16 the Trust has developed a Workforce Report that is reviewed by the Financial Management Committee that provides an overview of the workforce in terms of both WTE and expenditure, through joint working with the Finance and HR Teams. The purpose of the report is to give assurance that workforce issues that have a financial impact, have been forecast for the year ahead, and are monitored and remedial actions taken where necessary.

The report to date has focused on Nursing & Midwifery and Medical staff and each month builds on refining the projections around expenditure based on recruitment and turnover, staffing shortages, use of agency, impact of Monitor agency rules, enabling us to build up a picture and explore the issues.

The report will be further developed in 2016/17 to include other staff groups and to refine identification of issues and their impact on financial forecasting.

Systems in place to regularly review and address workforce risk areas

The Trust's Workforce & Organisational Development Committee receives a Workforce Report in which the workforce indicators are RAG rated in line with the Trust's balanced scorecard to the Board. The report provides a detailed analysis of the key workforce indicators, such as turnover, recruitment, temporary staffing, mandatory training, along with narrative outlining the actions taken or planned to address poor performing indicators. Each year the report is reviewed to ensure it is monitoring and reporting on the indicators that may be of risk to the Trust, and of interest to the Board. The workforce issues that are identified as risks in the Trust's risk register are captured in the report. The report is a way of ensuring that any workforce concerns are highlighted to the committee and in due course the Board and it provides assurance that workforce issues are being reviewed, and addressed.

4.0 Approach to financial planning

4.1 Summary

The Trust is aware of the unprecedented financial challenges facing the NHS this year and firmly believes if we are to do the best we can for patients we must leave no stone unturned in our efforts to make our money go as far as possible.

We have therefore submitted a plan, which is extremely stretching from a financial perspective. Our plan takes full advantage of our efficiency opportunities, supports the expected agency capping rules and more efficient procurement practices, and contains only our highest priority and value-for-money capital schemes.

Since the February draft plan was submitted we have continued to refine our plan but have not changed it materially.

4.2 Financial forecasts and modelling

Our priorities for quality, workforce and activity have been built into the financial forecasts in our draft operational plans. We have also undertaken internal assurance processes to ensure that our plans are internally and externally consistent with both the national expectations and local circumstances.

The Trust's services are predominately commissioned by two bodies:

- NW Surrey Clinical Commissioning Group (CCG) commissions the majority of our services and is the source of c72% of our commissioned income. The CCG have developed a strategic commissioning plan and five year transformation programme called Better Care Better Health, which signals a clear intention to move care out of hospital and into primary and community settings, strengthening community services to reduce hospital admissions and re-procuring a range of planned care services to be provided in the community, at lower prices.
- NHS England commissions the specialist services we provide, including cardiovascular and neonatal services, with a contract value of c15.3% of our commissioned income.
- A further 5% of our commissioned income is from Hounslow CCG, and 2.5% from CCGs in East Berkshire.

The Trust's plans are aligned with commissioners subject to in-year growth, 18 week backlogs and repatriated activity being paid for in line with the payment by results guidance. Our plans include delivery by the system of £4.7m of QIPP schemes in 2016/17 and the associated cost responses, however to remain within the CCG's affordability envelope will require additional in year activity reductions totalling c£4.5m. The Trust has underwritten £2.5m of the QIPP schemes as these are within our direct control to effect implementation and we continue to work with the CCG on further demand mitigation initiatives.

In order to ensure we remain financially sustainable in the medium term we will need to

- deliver a substantial cost reduction programme of 3.9% per annum
- work across the health economy to reduce emergency activity and readmissions

- help support our commissioners by implementing more cost effective care pathways for example around musco-skelatal services
- consistently deliver upper quartile productivity levels

As an alternative to cost cutting, and with the agreement of our commissioners, we continue to look to repatriate activity which could either be undertaken by us more locally or which historically has been outsourced by us to local private providers.

In order to deliver an efficiency agenda of this scale staff across the Trust continue to develop schemes which are transformational in nature and which will drive fundamental productivity improvements across our both clinical and corporate services. This implies working in partnership with other organisations to deliver schemes beyond the Trust's traditional boundaries and the adoption of more efficient technologies to support streamlined care in less costly settings.

Our budget for 2016/17 is based on current activity levels, adjusted for commissioner assumed growth of 2.4%, QIPP and BCF schemes of £4.7m. This will be supported by various contracts with CCGs in due course. The Heads of Terms for our main contracts for 2016/17 have yet to be signed.

Our main assumptions in respect of activity and price changes for 2016/17 are:

- The expected national percentage uplifts have been applied to national tariff and non-tariff activity. In addition the abolition of the specialist commissioning cap provides the Trust with a £1.0m uplift.
- Private patient income is planned to increase by a modest 3%, with further development options being considered and which will be built into plans as they become firm.
- Education and training funds is expected to remain flat.
- Other income streams have been inflated in line with specific contractual agreements.
- Activity trends are profiled in line with standard demographic changes.
- Our assumptions around Maternity services are based on the growing reputation and popularity of our Midwife led unit the Abbey Birthing Centre which we continue to expect to increase deliveries
- Over-performance in activity from previous years has been built into our plans with the commissioners. Where commissioners view this to be unaffordable they are building QIPP plans to offset the risks and where these are sufficiently robust they have been factored into our plans.

In terms of cost inflation the Trust has applied the Monitor uplifts for pay, drugs and non-pay. The Trust's CNST premium has been notified as a 17% increase.

Investments include the full year effect of the 2015/16 nurse acuity review and investment to continue the move towards seven day working. There are also cost impacts associated with growth, QIPP and the delivery of revenue generation schemes

4.3 Efficiency savings for 2016/17

The Trust with its divisions and specialties has worked up a robust plan for improving its financial position in line with the control total set for 2016/17 by NHS Improvement.

Historically, the Trust has delivered significant annual savings, and although we have reviewed many elements of care pathways we still have further pathway redesign to complete. As last year, this year we will continue to focus the majority of our efforts around our Emergency Services.

Building on the progress we have made over recent years, we will:

- Create a joined-up acute 'hub' of all the appropriate services and agencies at the 'front-door' of the hospital
- Ensure consistency of approach to daily Consultant ward rounds and to move further to enabling 7 day Consultant reviews of all inpatients
- Focus on filling our remaining medical vacancies and removing expensive agency staffing
- Work with partners to ensure the timely discharge of patients to community setting. Increased community rehabilitation pathways and Integrated Care Team provision continues to reduce our bed base. The Trust will continue to aim for a 5% annual improvement in our length of stay in order to underpin our best in class length of stay performance, but this will require the whole system to work seamlessly and without delays
- We will further improve the management of Outpatients with a clearer strategy for these services. Process improvements and costs savings will be achieved through addressing inappropriate attendances and by directing patients straight to tests, further reductions in our DNA rates and in clinic cancellations, a 5% annual improvement of clinic utilisation and improved overall space utilisation. We will also complete our review of nursing skill mix requirements and make changes as necessary to better match resources to demand. Our improvement programme will ensure clinic opening times and locations match patient requirements, and that patient delays are minimised by ensuring clinics are appropriately resourced and managed. Utilisation of electronic records and adopting electronic information capture technologies will further support productivity improvement.
- We will further improve theatre utilisation and productivity. We will continue to increase our day case rates, aiming for best in class performance. Our elective services redesign will also examine other areas in the elective pathway where there are opportunities for productivity improvements.
- Ashford Hospital offers an excellent environment for planned care which offers excellent patient experience and higher levels of productivity and efficiency. We will identify further opportunities to transfer planned surgical activity from St Peter's Hospital to Ashford Hospital.
- A CIP programme of £10.7m, equating to 3.9% of income, has been developed for 2016/17. All CIP schemes have detailed supporting templates setting out the scheme, profiling, risks and include an assessment of any impacts on service quality and how

this will be monitored in year. EBITDA is planned to increase by £13.9m to £25.9m in 2016/17 as a result of the control total and associated income from the Sustainability and Transformation Fund, with below the line items reducing the surplus after restructuring and impairment costs to £12.3m. Cash balances at year end are planned to be £15.7m. The Financial Sustainability Risk Rating is forecast to be at least a 3 for each quarter of 2016/17, rising to 4 by the end of the financial year.

We will drive efficiency in 2016/17 by achieving:

- Upper quartile length of stay, with sufficient flex in our capacity to meet demand when it is highest
- Improvements in length of stay in all specialties of 5% year on year
- Delivery of trajectories to meet expected staffing levels
- Temporary staffing <8% of our pay bill and agency staffing <7% of our pay bill
- Theatre efficiency >85%, all specialties to improve by 5% year on year. Upper quartile day-case rates, undertaken in Ashford whenever possible, clinically appropriate outpatient follow up rates, all specialties to improve by 3% year on year
- All Specialties to exceed profitability targets, no loss making specialties.
- Private patient income to increase by >2% year on year
- Fully validated data to be central to all metrics and specialty review processes.

4.4 Lord Carter's provider productivity work programme

The excellent relative performance with an ATC of 91 and a potential productivity improvement of just 3% or £8m whilst positive, it also leaves us with us with a significant challenge going forward if we are to continue to make savings and to reduce our cost base. It is for this reason that we see our proposed merger with Royal Surrey County Hospital (temporarily paused) as one way of ensuring our future clinical and financial viability by unlocking further corporate synergies and clinical service rationalisation opportunities.

In terms of the deliverability of the opportunities identified for the Trust, these mirror our own internal analyses and we continue to work upon these. The current main challenges for the Trust continue to be around agency staffing levels and recruitment difficulties, as well as loss making specialist services such as vascular and more generally, discharge delays. We have also identified a range of opportunities through the recent system wide work we have been undertaking with North West Surrey CCG.

We continue to actively engage with all Lord Carter's process and take full advantage of the efficiencies Lord Carter has identified.

The Trust is working with its main commissioner to review the findings of the Right Care programme. The work programmes are currently being finalised but the first wave schemes will focus around Orthopaedics, Cardiology and Endoscopy.

4.5 Agency rules

The Trust will continue to work towards our annual ceiling for the maximum use of agency staff, fully use framework contracts and comply with the hourly cap on rates for nursing, medical and other staff groups. We accept these are a core condition of access to the Sustainability and Transformation Fund and all these savings have been fully factored into our cost improvement plans, however this is a high risk area for the plan. Additionally:

- We have implemented central controls to stop staff contacting agencies direct
- All bookings will be made electronically by via either our "Asclepius" system for medical staff or "Healthroster" for nursing staff:
- Divisions will not be permitted to approve escalated rates. Escalated rate requests must be for patient safety reasons only and must be approved by the vacancy panel and out of hours, by the Director On-Call
- A weekly meeting will take place to support service managers and to enforce compliance with the Monitor rules

4.6 Procurement

The Trust continues to develop and tighten up on our e-procurement practices with our key systems initiative next year being the replacement of our Powergate system with NHS Supplies eDC gold system. This will complete our e-procurement architecture, align ourselves with the Royal Surrey County and drive further compliance with due process.

By working in partnership with others we expect to realise:

- Reductions in purchase price of consignment stock
- Cost avoidance via enhanced expiry date management
- Enhanced management information and internal control
- Improved and informed decision making capability
- Reduction in requisition and put-away activity
- Reduction in supply chain related clinical input
- Improved engagement between supply chain stakeholders
- Faster response in the event of product recalls
- Improved supplier relationships.
- Reduced resources required for annual physical stock take

We will continue to report and share data on what we are paying for the top 100 most common non-pay items, and we look forward to meeting the challenge of matching the best price available for the NHS once this information is available.

4.7 Capital planning

A high quality environment supports better delivery of care, both in terms of promoting patient recovery and ensuring modern, efficient pathways of care. We currently face considerable pressures on space in our hospitals, including in A&E, in critical care (which is currently delivered in multiple locations), in endoscopy and potentially in terms of overall ward space. Our capital plan will go a substantial way to resolve the most critical issues in all these areas. We also have plans with a Housing Association to expand our key worker accommodation in order that we can continue to recruit and retain staff, We are also actively pursuing a substantial land sale opportunity with Surrey and Borders Partnership FT in order to release capital funds for further emergency pathway investments

The summer of 2016 will finally see the introduction of our Electronic Medical Record and will enable us to drive improvements and standardising practice. The move towards the routine use of high quality digital information at the point of care will bring a number of benefits for patients and clinicians:

- All frontline clinicians will be able to see up-to-date information about patients, their medications and their history at the point of care – providing safer, joined up treatment
- All frontline clinicians will be more efficient through reduced bureaucracy leaving them with the maximum ‘time to care’.
- Patients, and their carers, will no longer need to keep repeating their medical history to health professionals at different stages of their care.
- prevent drugs being prescribed incorrectly because patient notes have been lost

We have prioritised our remaining capital investments to address key backlog maintenance, equipment and IT requirements.

5.0 Sustainability and Transformation Plan

The Trust and our Commissioners have proposed a 'Core Surrey' planning footprint that encompasses North West Surrey, Guildford & Waverley and Surrey Downs CCGs, known as Surrey Heartlands. This footprint is consistent with both patient flows and the Trust's own merger plans.

In terms of population flows we believe that coming together in this way will create a meaningful planning footprint that enables strategic change to ensure the sustainability and financial viability of acute and specialist services over the planning horizon of the STP, whilst also ensuring delivery of new models of 'accountable care' at local level.

Operating on a wider planning footprint will still focus around localities and multidisciplinary team working close to our patients but use the larger scale to build resilience, transformation capability and innovation, for example the Surrey wide single health and social care record.

As a larger footprint we can also plan to develop and share our skills and resources to enable us to have sufficient capacity, competence and capability to accommodate those areas of specialist commissioning and primary care management that are currently undertaken at an NHS England level.

Our footprint includes populations that have similar but distinctive health needs and challenges. There are variations in outcomes for our collective residents and these will continue to be addressed through local area plans supported by continued integrated working with colleagues from the Surrey County and Borough Councils.

We see the Trust's role in accelerating progress in 2016/17 towards delivering the Forward View as being:

- Supporting the commissioners by working on addressing the local issues identified in the Rightcare analyses.
- Supporting the commissioners by delivering key aspects of the NWS Better Care Better Health action plan
- Supporting health delivery through the accelerated adoption of electronic medical records
- Creating a sustainable acute sector by continuing to work with the Royal Surrey County Hospital
- Improving Health outcomes through our many quality initiatives.
- Playing our part in Carter initiatives to reduce costs, by securing a sustainable workforce and adopting best practice procurement recommendations.

The Trust has been working with the health economy for some time now and is already part way through the implementation of the above initiatives

Sustainability and Transformation Fund 2016/17 Offer

The Trust has been set a control total of a £12.965m surplus, before impairments, and an STF allocation of £8.4m. Taking into account the previously notified national tariff and specialist marginal rate changes and cost improvements of £10.7m (3.9% of turnover) we had planned a surplus of £1.4m before impairments. This therefore implies an additional level of stretch of £3.1m. We are aware that the level of stretch expected by each provider is differential and takes into account a number of factors such as the benefit derived from the suspension of sanctions (which we have valued at £1.3m) leaving a shortfall of £1.8m, which we have developed internal mitigating actions for.

We would highlight that our control total does not take into account our specific circumstances, in particular, pathology restructuring costs of £0.3m following an agreement to expand Surrey Pathology Services across the Royal Berkshire and Heatherwood & Wexham Park hospitals. This non-recurrent 2016/17 spend will generate substantial savings in future years.

In terms of the risks to the delivery of a £12.3m post impairment surplus we would highlight the following at this stage:

- Contract affordability for all our commissioners and in particular the basis on which performance in excess of contracted levels is reimbursed – the plan assumes £5m of over-performance (which is at similar levels to prior years);
- The delivery of our A&E recovery trajectory targeting compliance from Q3 2016/17;
- The delivery of our 18 week target in Q1 & Q2 2016/17;
- The potential for increased emergency activity to crowd out elective activity and affect our planned care performance targets and income levels;
- The CCG retender of the MSK services puts the Trust at risk of losing £11.5m of income in 2016/17 (half year impact);
- Any shortfall in our £10.7m CIP plans and the £3.1m STP stretch target would need to be covered non-recurrently in 2016/17 by the Trust; and
- Workforce recruitment and safer staffing factors put at risk compliance with the £11.4m total agency cap.

The Board considered the STF offer on the 5th February 2016 and decided to accept subject to continuing discussions over the above risks and issues.

6.0 Membership and Elections

The Board recognises the value and importance of engaging with Governors in order that the Governors may properly fulfil their role as a conduit between the Board and Ashford & St Peter's Hospitals NHS Foundation Trust's stakeholders.

Engagement by the Board with Governors takes many forms. For 2016/17 the constructive working relationship will continue with discussion on a number of matters both in and out of Council meetings. As well as the quarterly Council meetings the Board and Governors also meet at least twice a year to discuss strategic issues and input into the Trust business plan. The Governors have been consulted on the development of the Annual Plan 2016/17 at two workshops held in October 2015 and February 2016. Governors have also been involved in agreeing the priorities for the Quality Accounts.

There are regular seminars and informal meetings open to all Governors and hosted by the Chairman and Chief Executive. All Governors have a 'buddy' Non-executive Director who is available as a point of contact to advise and support in addition to the support routinely offered by the Membership Office.

All Directors are encouraged to attend the Council of Governors' formal meetings. Governors have continued to take up the opportunity to attend the open Board meetings.

In the past year there have been elections for Governors for our constituencies of; Hounslow (1 Governor), Runneymede (3 Governors), Medical (1 Governor), AHP's (1 Governor). During 2016/17, merger decisions allowing, there are planned to be elections for the constituencies of Hounslow (3 Governors), Spelthorne (3 Governors), Surrey Heath (1 Governor), Woking (3 Governors), A&C (1 Governor), Volunteers (1 Governor) and Nursing (1 Governor).

Foundation Trust membership

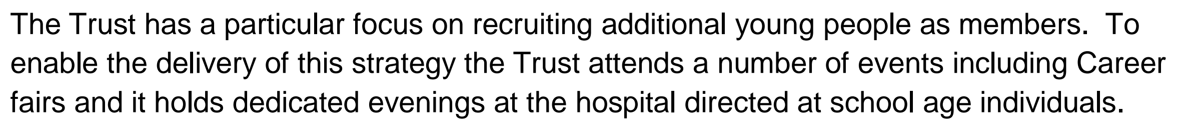
Members fall into two constituencies:

*Public Constituency; a*nyone living in the Boroughs of Elmbridge, Runnymede, Spelthorne, Woking and parts of the following Boroughs; Guildford, Hounslow, Richmond upon Thames, Surrey Heath and Windsor and Maidenhead. They are defined by electoral wards, each of which can elect one or more Governors as set out in the Constitution.

Staff Constituency; any permanent member of staff, including registered volunteers, can be a staff member. There are five classes which each elect one Governor; nursing and midwifery; medical and dental; ancillary / admin / clerical / managerial; allied health professionals and volunteers. Staff are automatically members unless they decide to opt out.

We are currently considering whether to add an additional patient/carer constituency to give an opportunity for patients and carers who live outside our immediate catchment area to become members of the Trust

The Trust holds numerous events throughout the year enabling the Governors and the wider public to meet. These include; membership events, the annual members meeting and Governors attending public meetings on the merger with RSCH.



The Trust has a particular focus on recruiting additional young people as members. To enable the delivery of this strategy the Trust attends a number of events including Career fairs and it holds dedicated evenings at the hospital directed at school age individuals.

Membership numbers as at 31 March 2016

Public: 7,212

Staff: 3,490

Total: 10,702