Strategic Plan Document for 2014-19

Chesterfield Royal Hospital NHS Foundation Trust

(Public Summary)

Proud to care for you…

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Executive Summary

This five year Strategic plan describes Chesterfield Royal Hospital NHS Foundation Trust's (CRH) vision to be a first class District General Hospital (DGH), and confirms the objectives and supporting strategies in place to enable us to achieve this. Our vision is built on a solid history of delivery and financial stability over our nine years as a foundation Trust and within this document we describe the plans, systems and processes we have in place to achieve this aim. This plan sets out the work we are undertaking to further improve the clinical quality of our services to improve the care and experience for our patients.

There is a requirement for all health & social services to evolve due to the changing demands of the population, with increasingly aging population having ongoing complex care requirements. Diagram 1 illustrates the need for change for all health economies and highlights the requirement to work together with partner organisations to a common goal

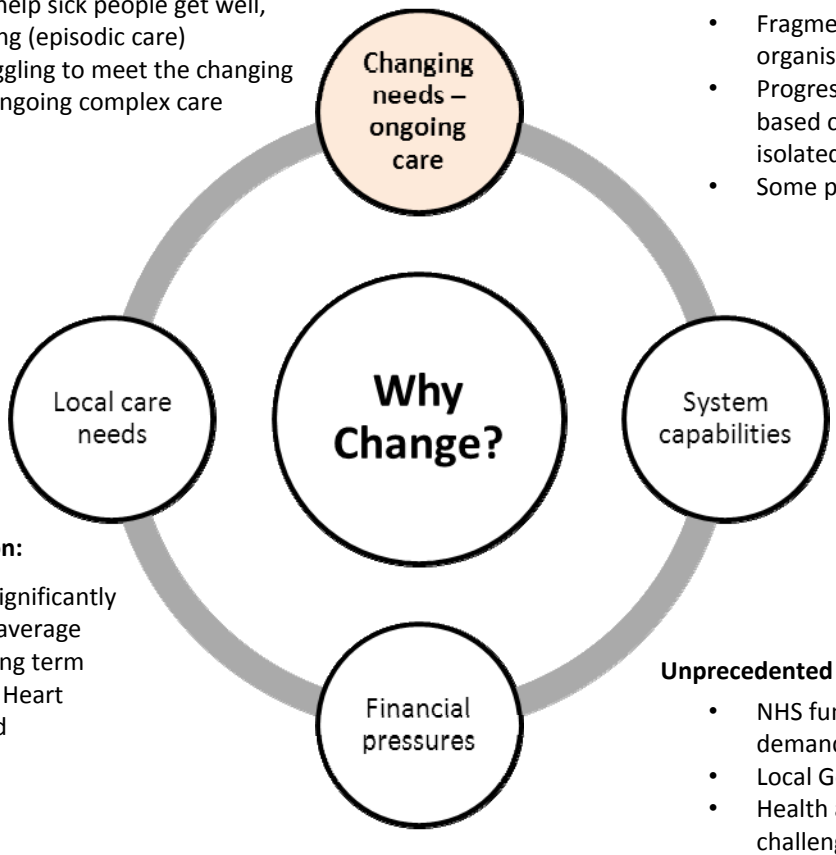
Diagram 1- The Need for Change

Changing needs:

- The NHS was set up to help sick people get well, often in a hospital setting (episodic care)
- The service is now struggling to meet the changing nature of demand for ongoing complex care

Un-resilient services:

- Skills shortages
- Fragmented service provision organised around facilities
- Progress in moving away from bed based care has left some small, isolated wards
- Some poor quality estate



Increasingly elderly population:

- Ageing population - significantly higher than national average
- High prevalence of long term conditions (Coronary Heart Disease, Diabetes and Hypertension)

Unprecedented financial challenge:

- NHS funding flat in real terms but demand growing by c.5% pa.
- Local Government -28%
- Health and adult social care challenge is £125m-£150m

The plan describes the work we have in place to deliver £38.54m in efficiency schemes over the next 5 years and how we will build on our overarching Clinical Services Strategy (CSS) to define at specialty level a strategic plan to ensure long term clinical, operational and financial sustainability in collaboration with our local health partners. The plan confirms how our transformation programme and associated governance structures have been developed to support the delivery of our forecast requirement of savings and provides detailed confirmation of our financial strategy, in the environment of delivering high quality services consistently 7 days a week

Flexibility to respond to external influences and contingencies to flex services provided in partnership is integral to this five year strategy and will enable the organisation to adapt and evolve quickly to changing pressures and risks.

We will evolve as a hospital, increasingly delivering services as part of a regional network of acute providers and as an integral part of a fully integrated health and social care system in North Derbyshire.

The plan also shows how the new Quality Strategy will demand that the Trust make all decisions based on improving the patient experience and delivering sustainable, appropriate, and high performing services.

Sustainability & High Performing Services

1.1 Key Strategies for high quality services

This strategy document has been structured to follow guidance provided by Monitor, but also to describe our journey as a hospital which is realistic and congruent with partner organisations. It complements the strategies of other health community partners and supports the vision of the local Unit of Planning for North Derbyshire.

The Strategy has been written to include the following aspects that describe the journey and influence how it will adapt and evolve over the coming 5 years.

What are the key influences- Section 2.3 identifies the key influences on decision making over the next 3-5 years, identified through a 'bottom-up' programme of clinically led speciality based planning, the political agenda promoting integration and partnership, and the need to ensure services are of high quality whilst being delivered within a difficult financial environment. The Trust will be required, through its Governance arrangements, to ensure that these strategies are in-line with our partner organisations, which will be facing similar external influences.

What are the risks as a result of these influences- The potential impact of the key influences will be illustrated in terms of key scenario's (section 2.3 & 5.3) but will not be absolute as the strategy needs to be flexible enough to adapt accordingly to ensure that the organisation can develop and evolve to the needs of the Local Health Community.

What are the core service elements that form the basis of our reinvented DGH? The services that are provided currently by the organisation may not be the services in the future. Considerable discussion is taking place to identify what services, and in what form, will be delivered by the organisation over the next 5 years. This document will suggest different models for speciality services that may, be provided in different settings and in partnership with others.

What clinical service strategies align and contribute to this direction of travel- The Trust intends to meet these challenges through the development of this 5 year strategy which encompasses several on-going work-streams within the organisation, including a 5 year clinical services strategy (CSS), the implementation of a comprehensive programme of service redesign and through developing a variety of partnerships and networks both within the local health economy (LHE) and also regionally with providers in both South Yorkshire and the East Midlands

What is the potential for integration/collaboration with other providers within the local health economy- The Trust works in close collaboration with the LHE, in particular both Clinical Commissioning Groups (North Derbyshire and Hardwick) to ensure that the 5 year plan is congruent with the commissioning intentions. Indeed work is ongoing to develop a common narrative, developed by all of the commissioners and providers, for the North Derbyshire Unit of Planning as a means of developing a common goal for healthcare in the region.

The Trust CSS is being formulated in close partnership with the Clinical Commissioning Groups (CCGs) to ensure that the Trust is investing in the appropriate services and divesting in services that the CCG and NHS England may want to commission in an alternative way in the future.

In addition, the Trust has a formal partnership agreement with acute providers in South Yorkshire. This 'Woking Together' programme provides a framework for developing new models of service delivery on a networked basis in a form that is both sustainable and clinically appropriate. This strategy will address the question of more integration with partnership working, developing improved patient pathways and preventing delays in care. There will be vision to remove boundaries between organisations both physically and emotionally, whilst maintaining that every decision the Trust makes should be based around high quality care with the patient in the centre.

What are the Trusts plans to operate within the perceived financial constraints- Section 6 will identify the core principles for steering the organisation through the next 5 year journey to maintain quality standards and maintain financial balance.

2.1 2014-19 Challenges and plan

"The changing needs of our patients - often frail, some with dementia, many with comorbidities - and the changing opportunities offered by new treatments and technologies mean that if we think creatively and if we challenge some of our self-imposed constraints we're going to find we've got some new options."
Simon Stevens, CEO NHS England, 4 June 2014

We will position our hospital as a model healthcare provider offering high quality, appropriate and sustainable services. This will be achieved for our local community through new integrated models of care delivered in partnership with mental health, social, primary and community care providers. We will deliver acute and specialist care increasingly as part of a regional network of hospitals offering complementary services with shared staffing, on call and service delivery arrangements.

The Strategic Plan for 2014/15 - 2018/19 is designed to respond to a number of key challenges which include more partnership and integration within the community and by adopting different models of care according to patient need. This offers opportunities to proactively shape the models of healthcare that are provided at CRH.

These challenges are summarised below in (table 1) and discussed in more detail later. The key influences (section 2.3) will shape the Strategy, but it is imperative that the strategy is flexible enough to adapt accordingly to ensure that the organisation can develop and evolve to the needs of the Local Health Community.

Table 1- Key Influences

1. **The need to develop sustainable clinical services which deliver improved care in terms of clinical effectiveness, patient safety and patient experience.**
2. **To support the design, development & integration of primary, acute, community based health services and our social services partners.**
3. **To support the Local Health Community in providing care closer to home for the patients of North Derbyshire.**
4. **Deliver the level of access/clinical activity that meets the expectations of our patients & commissioners.**
5. **To deliver the range of services within agreed financial boundaries, whilst supporting the development of the Better Care Fund.**
6. **To deliver major site infrastructure and utilise IM&T to support transformational change through the development of a clinical portal and through greater integration with external partners.**
7. **To work with partners to develop a truly integrated service with Single Points of contact to signpost patients to the most appropriate Service/location.**
8. **To consolidate the organisational leadership changes that have recently been introduced and to embed a culture of true staff engagement and involvement in clinical decision making.**
9. **To embed 7-day services into the culture of the organisation and in the service models being developed as part of our Clinical Services Strategy.**

2.2 Vision, Objectives and Values

Chesterfield Royal Hospital (CRH) has a track record of delivering high performing clinical services for the population of North Derbyshire. This continued success delivered throughout our nine years of Foundation Trust status is due to our dedicated staff, financial stability and investment programme, robust governance processes and joint commitment and assurance by our Board of Directors and Council of Governors to provide high quality services to the people we serve.

Over the last two years working with our governors and external stakeholders we have crystallised the long term vision for the Trust in a simple statement supported by 6 strategic objectives and underpinned by a set of core values which are increasingly at the heart of determining the way in which we approach their delivery.

These values chime with the changing ethos within the wider NHS which reflects the learning from a range of national work but most particularly the public inquiry into the failings at Stafford Hospital led by Sir Robert Francis QC.

We aim to build on this solid foundation to deliver our vision for the sort of hospital we want to be:

A first class district general hospital (DGH) – the model of what a DGH can be in the service of its community – delivering high quality clinical care, offering exceptional experience for our patients; and creating a great place for our staff to work.

A 'model DGH' is a provider of clinically appropriate services to a high standard in a way that's sustainable. A key principle is the idea of partnerships which is about being a 'networked' organisation both within the local health economy (vertically) with a range of different types of providers including social care. Examples of which are developing the Urgent Care Village concept, the new Acute Re-enablement Unit, Healthcare of the Elderly consultant outreach, the Falls Partnership (as a possible precursor to a multi-agency rapid response assessment service), and consolidating community rehab beds at CRH etc.

This also applies across the region with other acute providers (horizontally). Examples of which are reflected in our work with the East Midlands and South Yorkshire e.g. the Working Together Programme i.e. collaborative service models to deliver sustainable and consistent 7 day services, developing existing networks e.g. stroke, trauma, vascular, cancer etc and creating new ones e.g. radiology.

In our vision the organisation uses the term 'Model DGH' but over the next 5 years the Strategic direction of the organisation may need to be adapted in order to become more flexible as a 'model healthcare provider' as a hub for services within the county and the wider population. The Trust has made these connections and positions itself as the North Derbyshire hub for specialist services and diagnostics as part of an integrated model particularly in relation to unplanned care. The joint strategy development work taking place with North Derbyshire & Hardwick commissioners and partner organisations in the local health economy supports this.

To achieve this vision our six strategic objectives are as follows-

For our patients and our community we will:

1. **Provide high-quality, safe and person-centred care;**
2. **Deliver sustainable, appropriate and high performing services; and**
3. **Build on existing partnerships and create new ones to deliver better care.**

For our hospital and staff we will:

4. **Support and develop our staff;**
5. **Manage our money wisely, foster innovation and become more efficient through improving quality of care; and**
6. **Provide an infrastructure to support delivery.**

Each of our aims is supported by a detailed enabling strategy that sets out the specific steps we will take to achieve them, and by when. Strategic Objective 3 will be developed to ensure that the organisation becomes a provider of high quality clinical care that is appropriate for the population and sustainable by being a 'networked' organisation both within the local health economy and with a range of different types of provider, including social care (Diagram 2).

Our Values

At Chesterfield Royal our **Proud to CARE** ethos is at the heart of how we run the hospital – looking after our patients and taking care of our staff:

Compassion

- **Compassionate care delivered with professionalism and a positive, friendly attitude.**
- **Care that preserves dignity and respects the person; putting patients at the heart of all we do.**
- **Respecting the unique and individual contribution that each of our staff members make – fair, positive and inclusive, recognising diversity and using it to enrich our organisation.**

Achievement

- **Excellent care, safe services and a positive experience every time.**
- **Exceeding expectations by delivering first-class performance, bettering national standards through innovation and ingenuity.**

Relationships

- **An open and honest relationship with our patients, staff, partners and our communities**
- **Working in partnership in the interests of our patients.**
- **Acting in a socially responsible way and meeting our commitments to the local community.**

Environment

- **Providing a hospital environment that is modern, clean and safe – conducive to care and recovery; and a good place to work.**

Diagram 2- A Strategy Roadmap

Strategic Objective		How this links to our Strategic Plan 2104-2019	Section
1	**Provide high QUALITY, safe and person-centred care**	•**Quality Strategy and Improvement Plan** A systematic programme to improve quality of care and safety over the next 3 years. •**Quality Governance Review** Implementation of Deloitte recommendations by October 2014.	3
2	**Deliver sustainable, appropriate and high performing services**	•**Clinical Services Strategy** A detailed specialty level plan to ensure all services are appropriate to this hospital and can be delivered to a high standards in a sustainable way, •**A national pilot site for 7-day services** Using support from NHSIQ to develop service models as part of our Clinical Services Strategy.	1 & 5
3	**Build on existing partnerships and create new ones to deliver better care**	• **'Working Together' programme** A collaboration with South Yorkshire acute Trusts to develop networked approaches to delivering services in a sustainable way. •**Derbyshire 21st Century Care Programme** Playing an integral part in the local health economy's plans for more integrated services. •**Pathology Alliance** Partnering with other East Midlands acute providers to develop integrated pathology services.	2
4	**Support and develop our staff**	•**People Strategy** A systematic programme of organizational development to foster openness, greater staff engagement, and to develop leaders. •**Workforce Strategy** Developing long term plans to ensure we have the right people with the requisite skills to develop pour aims.	4
5	**Manage our money wisely, foster innovation and become more efficient to improve quality of care; and**	•**Transformation Programme** A structured 5 year plan to improve quality and efficiency support by a Project Management Office (PMO).	5 & 6
6	**Provide an infrastructure to support delivery**	•**IM&T Strategy** A plan to invest in technology to support our aims. In year 1 we replaced our PAS system and introduced a maternity system. Our next priorities are the development of a clinical portal, integrating our clinical systems, and the replacement of PACS. •**Site Development Plan** Investment in facilities to support improved service delivery, e.g. Theatre upgrade, Urgent Care Village, Cancer Care Unit, and community Midwifery bases.	4

2.3 Influences & Risks

External influences will be a driving force over the coming years in the journey to becoming a model DGH, or 'model Healthcare Provider' and these will change over time. The Trust will evaluate these factors and review them regularly to ensure that the direction of travel is consistent with Department of Health policy and local CCG drivers. Each one of these external factors will influence the development of specialities within the organisation and effect the provision of services on the site.

The organisation identified the main key *internal & external* influencing themes during the process of developing the Clinical Services Strategy. These have been themed as there is some variation within the specialities, but allude to the areas where the organisation can make changes and predict interactions/consequences of decision making.

By identifying these current influences & risks the Trust can mitigate them as part of the planning process and adapt if/when these aspects change. The presentation of the key external and internal influencing factors drives the decision making process, but also ensure that alternative/contingency options are considered to safeguard that the Trust is sustainable regardless of any unpredicted change in Government policy

When identifying and responding to these external and internal influencing factors, it is clear that the 5 year strategy must be flexible to adapt accordingly and that plans in place in 2015 in respect of 2018 may have to change to accommodate new policy and drivers. The Trust has identified these factors as part of the Clinical Services Strategy workshops and formulated the plans appropriately with contingencies in place.

2.4 Collaboration and engagement with the Local Health Economy (LHE)

CRH has a strong market presence being the only District General Hospital (DGH) serving the population of North Derbyshire, which consists of approximately 400,000 people. We have a reputation across the health community for delivery of high performing services in terms of clinical standards and waiting times. We have an easily accessible site, have invested significantly in major capital redevelopments over the past 5 years to improve the clinical environment for our patients and have adequate levels of parking available in comparison to similar organisations. All of these factors contribute to ensuring that we remain the hospital of choice for the population of North Derbyshire.

Over the next 5 years we intend to work closely with our clinical commissioners and across our health community to identify and confirm commissioner requested services and location specific services. As part of our commitment to partnership working the Trust is engaging with the LHE in order to develop the Clinical Services Strategy, 7-day Services, and integrated models of care delivered in partnership with health and social care providers, underpinned by the Better Care Fund.

Underpinning all the future models of care is the defining principle of 7-day services. A system wide approach is required that covers all settings of care.

7 day services aims to address the significant variation in outcomes for patients admitted to hospitals at the weekend across the NHS in England. This is seen in mortality rates, patient experience, the length of hospital stays and readmission rates. For example, the increased risk of mortality at the weekend could be as high as 11 per cent on a Saturday and 16 per cent on a Sunday, according to an analysis of over 14 million hospital admissions in 2009/10. Causes include: variable staffing levels in hospitals at the weekend; fewer decision makers of consultant level and experience; a lack of consistent support services such as diagnostics and a lack of community and primary care services that could prevent some unnecessary admissions and support timely discharge.

2.4.1 Planning Process & Local Commissioning intentions

NHS services were set up to provide episodic care to help people recover from short-term illness, often in an acute hospital setting. However, these services are now struggling to cope with demand due to an aging population and increasing numbers of people requiring long-term care.

Analysis of population demography and health status conducted in 2013 shows a picture of an *increasingly aging population* with *complex health and social needs* affecting all areas of the hospital. The Office of National Statistics (ONS) projections for our catchment population suggest a 16.2% population growth across all ages within 20 years.

Department of Health statistics suggest that in Derbyshire approximately 5% of the population will demand 45% of the health provision. These patients often present with complex chronic conditions. A further 15% of the population have at least one long-term condition and this group account for a further 25% of the health resource (diagram 4).

Trust & LHE Response

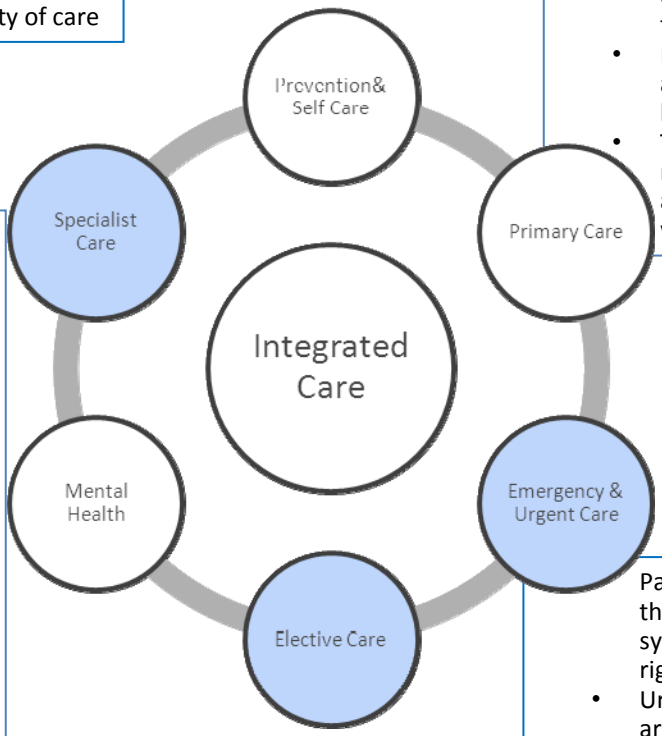
Integrated care is essential to ensure that the health and social care system align their priorities, strategies, workforce and other assets to provide seamless care to the population. Diagram 3 shows some aspects of where the LHE in Derbyshire are working together to provide integrated care & identifies CRH as key stakeholder

Diagram 3- Integrated Care

- A reduction in the prevalence of long term conditions
- Individuals and communities are confident and able to be resilient in times of adversity

- Collaboration on a regional or sub-regional scale to bring together the necessary critical mass to maintain rotas/cover and realise economies of scale
- Consultant resource pooled to provide specialist 24/7 regional centres and outreach to local hospitals to provide continuity of care

- A consistent (7 day) patient centred model of primary care that ensures continuity of care – delivered through GP federations/networks.
- Differentiated access, delivery and support for patients with long term conditions.
- Those not in the high risk group receive high quality routine care at short notice in a convenient way



- Ensuring 'parity of esteem' between mental and physical health
- New service models developed to engage those with more chaotic lifestyles, those with LTCs and those with dementia whose needs are best met by a range of providers working together.
- A standardised Primary Care service that feels empowered and capable to directly manage mental health problems
- Care is delivered as close to home as possible with GPs at the centre.

Patients are able to easily navigate the urgent and emergency care system to get the right care in the right place, first time.

- Urgent and emergency care services are connected into a cohesive network
- There is a true Single Point of Access for health professionals, providing 24/7 access to physical, social and mental health services.
- Keogh standards for 7-day working and pathway delivery

- All elective contacts have a point and are valuable.
- New ways of providing elective care: more 'fluid' - specialists working with generalists; alternative types of outpatient clinic; single end to end service commissioned for a specific conditions, etc.

The demographic changes present an increased pressure on our health care system. Associated with the aging population we are seeing increased levels of morbidity, an increase in complexity of case mix, prevalence of long term conditions and complex health care requirements. Within our catchment geography are areas with high levels of deprivation, with high levels of incapacity due to chronic ill health, higher than England average levels of hospital admissions for both emergency and elective care and higher levels of cancer and dementia prevalence.

Both local CCGs have indicated their intentions to continue to focus on demand management of elective referrals. Both CCGs have below national average GP referral rates and GP referral growth rates however this is against a

backdrop of growth in non-elective admissions year on year over the last 5 years averaging between 2.86% and 5.42%. The development of the Adult Re-enablement Unit in collaboration with the CCGs and other LHE partners will result in fewer non-elective admissions and reduction in Length of Stay for older patients.

North Derbyshire Local Health Economy

The development of integrated models of care in this area is being overseen by a steering group comprising of executive level membership of the various health and social care bodies and is known as the 21st Century Steering Group, of which CRH is an integral member. It is facilitating the implementation of a number of integrated initiatives to provide seamless care across organisational boundaries in North Derbyshire such as:

- implementation of the Virtual Ward led by Hardwick CCG,
- development of an Urgent Care Village,
- the establishment of an Adult Re-enablement unit based at CRH,
- the co-location of the GP Out of Hours service adjacent to the hospital's ED,
- to develop a county wide model for integrated care under the auspices of the Derbyshire Health and Well Being Board, and
- to maximise the effectiveness of our collective resources & assets to the benefit of our patients.

East Midlands

During 2013/14 a good start was made with our partnering arrangements into the East Midlands. These will continue to be operationally embedded and include:

- East Midlands Trauma Network
- Derbyshire county-wide vascular surgical service jointly with Derby Royal Hospital
- Integrated Pathology services for the East Midlands
- Nottingham University Hospitals for shared procurement of major IM&T systems including the Patient Administration System (PAS) the Picture Archiving and Storage System for digital images (PACS) and a maternity system

South Yorkshire

In 2013/14 the Trust entered a formal partnership with Trusts in South Yorkshire, Mid Yorkshire and North Derbyshire (SYMYND) 'Working Together'. A PMO was established and a range of projects initiated which will also be operationally embedded and include:

- Developing sustainable models for smaller specialities e.g. Ear, Nose, & Throat (ENT), Oral & Maxo-Facial Surgery (OMFS), and Opthalmology
- Developing consistent acute services across 7-days,
- Procurement,
- South Yorkshire and Doncaster & Bassetlaw Cellular Pathology Alliance.

2.5 **Current Context, Market Analysis, and Competitor Analysis**

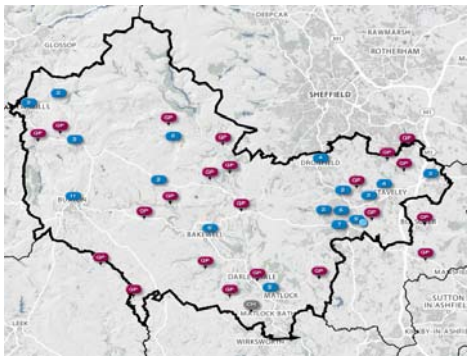
The demographic data illustrates the diverse demography of the population in Derbyshire and highlights the challenges faced in providing a fit for purpose health system for the population at the right time by the right people. Derbyshire has a large variance in its population from the mainly rural areas in the west with generally better health outcomes, but with a higher proportion of older people to mainly urban areas with higher levels of deprivation and poorer health in the East. This identifies areas where currently there may be little or no requirement for care of the elderly input, in future the positioning of these services may have to be relocated. It emphasises the need to review health and social services and for organisations to work in a more integrated manner to provide services where they are of greatest need. The partnership working with the CCGs and Derbyshire Community Health Services is essential to the 'blurring of boundaries' in order for services to be reallocated as required. The Trust vision will be further developed over the next 5 years to adopt a more inclusive approach to this.

Diagram 4 illustrates the layout of Acute & Community Hospitals, and GP practices across North Derbyshire, which further illustrates the potential for co-location of services throughout the locality and the potential to review what

services are delivered via community & acute hospitals. This may also emphasise the potential for rationalisation of services either at fewer or different locations and the opportunity for more services provided closer to home. There are:

- District General Hospital -1
- Community Hospitals - 7
- Emergency Department - 1
- Urgent Care Centres - 2
- Mental Health Trust - 1
- 54 GP Practices - 54
- Local Authority - 1

Diagram 4- Health Services across North Derbyshire



- **Areas requiring higher levels of intervention**

  The information provided by Department of Health indicate that there are variances in the levels of intervention required across the county within both CCGs and the organisations strategy acknowledges this by developing strategies both at local and county level that involve partnership and integrated working. Although the organisation has developed clinical strategies and corporate strategies, it is acknowledged that these will need to be flexible and adaptable to accommodate external influences as stated in section 2.3.

2.5.1 Funding Analysis & Commissioning Intentions

Why Change?

Over the next 5 years, based on the current financial pressures and the combined commissioner expectations it is anticipated that expenditure, if left unmitigated, will increase to circa £700m. The expected available funds in 2018/19 are expected to be in the order of £550m, hence the anticipated cost-pressure for the health economy, is £150m. A significant proportion of this is expected to be delivered by providers, of which CRH has the greatest contribution.

2.5.2 Impact of the Better Care Fund

The Better Care Fund (BCF) was launched mid 2013 by NHS England & the Local Government Association setting out opportunities presented to Health & Social care to use public money more wisely in order to provide care to patients closer to home and prevent avoidable hospital admissions, amongst other targets. £3.8bn has been identified and allocated by pooling together the NHS and Local Government resources that are already committed to existing core activities; it is therefore not 'new' money. It calls for a new shared approach to delivering services and presents Councils, CCGs, and providers with an opportunity to shape sustainable health and care. However, it does create challenges for providers, especially acute providers like CRH, as funding will be expected to transfer from acute to community/social care services, rising to c£26m for North Derbyshire & Hardwick CCGs in 2015/16.

There is considerable collaboration already underway within the LHE identifying ways in which this fund can be best utilised to benefit the population of Derbyshire. Integrated models of care are being developed by the 21st Century Steering Group and the Urgent Care Steering Group which is facilitating the implementation of a number of initiatives to provide seamless care across organisational boundaries in North Derbyshire. For example the implementation of the Virtual Ward led by Hardwick CCG, the establishment of an Adult Re-enablement Unit based at CRH but supported by a range of staff from the hospital, community services and adult social care, the co-location of the GP Out of Hours service adjacent to the hospital's ED to allow appropriate movement of patients between the two services and more.

Members of this group and representatives from the South Derbyshire LHE together with partners from Derbyshire County Council have, and will continue to, work collaboratively to develop a county wide model for integrated care, and there has been very good engagement in the development of the plan, under the auspices of the Derbyshire Health and Well Being Board, which will form the basis for the application of the Better Care Fund (BCF).

Success would result in reduced admission to hospital and reduced LOS. This will enable the organisation to reduce its acute bed numbers. Part of our business model and a viable scenario is to seek to provide more services 'out of hospital' settings, e.g. frail & elderly services and maternity services. In addition, the vacated ward space would provide opportunities to bring community rehabilitation onto the site supporting the LHE's aims to rationalise community hospitals and will also support greater integration and 'blurring or organisational boundaries' between community and acute trusts.

2.5.3 Francis, Keogh, Berwick, Cavendish & other National Drivers

The Francis Report is the final report into the care provided by Mid Staffordshire NHS Foundation Trust. The report's chair, Robert Francis QC, concluded that patients were routinely neglected by a Trust too focused on financial targets, so much so that it lost sight of its responsibility to provide safe care. The report contains 290 recommendations which have implications for all levels of the health service and all who work in the NHS.

Many of the recommendations following the Francis, Berwick, & Keogh reports which define quality care as providing Patient Safety, Patient Experience, and Effectiveness of care, are already in the process of being implemented at CRH. In order to develop an action plan, the report and its recommendations have been shared widely with groups of staff, the Trust Board, and other key stakeholders to gain a wide range of ideas for implementation. These ideas formed an initial action plan which was approved by the Board earlier in the year and is monitored regularly by the Quality Assurance Group.

The Trust is keen to use these reports as a springboard to providing better quality care and a number of themes have stimulated planned action:

- Focus on a culture of caring- There will be an increased focus on nurse training, education and professional development on the practical requirements of delivering compassionate care. The Trust also plans to re-launch its 'Proud to Care' ethos through the 'Lets Talk Care' programme and our values are being incorporated into recruitment, training, and appraisal.

- Improving leadership- Develop a programme for leaders in Band 3-7 designed to equip them with the skills to lead their teams. Continue to ensure that matrons spend at least 60% of their time on the ward, and undertake patient safety culture survey (MAPSAF). Development for senior leaders will also support them to influence culture, work in partnership, and lead change effectively.

- Communication with Patients- Regular interaction and engagement between nurses and patients and those close to them should be systematised through regular ward rounds, and all staff need to be enabled to interact constructively, in a helpful and friendly fashion, with patients and visitors.

In addition the Trust is responding to the Cavendish Report[4] by:

- Ensuring that all Healthcare Assistants (HCAs) recruited undergo the appropriate induction training before they are allowed to work unsupervised.

- Developing a career framework to ensure that individuals are demonstrating the right level of competence before progressing further.

- Revising our recruitment approach to recruit for values.

- Participating in the Pre Degree HCA pilot which is a structured way to provide a career pathway through to nursing.

3.1 Quality Strategy

In March 2014 the Trust launched its Quality Strategy which describes how the Trust will systematically improve the quality of its services in line with the 5 domains which the CQC uses to assess services which are:

- **That services should be well-led**
- **That they should be safe**
- **That services should be delivered in a caring way**
- **That treatment and care should be effective and**
- **Be responsive to patients and carers needs**

Delivering high quality, safe and person centred care is the most important aim of our hospital. Our Quality Strategy sets out how we intend to do this and make further improvements over the next five years to ensure that we provide the very best care for all of our patients.

The Strategy was subject to wide consultation with the Trust's Leadership Assembly, Council of Governors and Hospital Leadership Team prior to approval by the Board of Directors in March 2014.

On an annual basis the Trust will make information about quality publically available by publishing a report on the quality of our services, focusing on patient experience, clinical effectiveness and patient safety, and describing our quality improvement priorities for the coming year. This report will be linked to the priorities identified in our Quality Strategy.

The Quality accounts provide an assessment of the quality of care provided by the Trust and priorities for improvement. Specifically our Quality Accounts enable:

- The Board to focus on quality improvement as a core function
- The public to hold us to account for the quality of healthcare services that we provide
- Patients and their carers to make better informed choices
- The Board to communicate the priorities and rationale for quality improvement

In line with Commissioning for Quality and Innovation (CQUIN) requirements we have extended the 'Friends and Family Test' (FFT) to include ED and Maternity departments and the FFT for Staff. The FFT score for 2013/14 for In-patients areas was increased by a further 5% (56% to 61%) on 2012/13 and continual work is being carried out with ward matrons to increase further in the next 2 financial years.

3.2 Quality Concerns & Risks

Through our risk management and governance processes we have identified the following risks which are captured on our risk register.

Compliance Against CQC Essential Standards – During 2013/14 the Trust has been subject to three visits by the CQC. Of the three outcomes originally inspected, the Trust is now fully compliant with two and the level of concern on the third, Outcome 1 – respecting and involving people who use the service, has been reduced from 'moderate' to 'minor'.

In addition, during the most recent visit in November 2013, the CQC also reviewed Outcome 16 – assessing and monitoring the quality of services. This resulted in a 'moderate' concern which was anticipated by the Trust as we had already commissioned an independent external review by Deloitte of our quality governance system, using Monitors Quality Governance Assurance Framework.

The CQC have recently reduced the Trust's risk rating, in a positive aspect, which is the lowest possible rating of six (6) and is based on the unlikelihood that people may not be receiving safe, effective, high quality care.

Progress on the actions to achieve compliance with the outstanding areas is monitored regularly by a corporate steering group that reports to the Board

The Trust commissioned an interim report in April 2014 of its progress in implementing an action plan to address the recommendations of the external independent review of quality governance undertaken in the autumn of 2013. The report of the interim review has confirmed that the organisation has made significant progress in meeting the recommendations. A further follow up review of quality governance will be commissioned in autumn 2014 in order to assess the Trust against Monitor's quality governance assessment framework (QGAF).

The Quality strategy has clear objectives underpinned by measurable goals and milestones; a new fully integrated performance report which links back to the quality strategy and strategic objectives is being launched; a detailed programme of Board development with aspects focussed on quality, safety and patient experience is being developed; an enhanced programme of quality impact assessments is in place.

Infection Control – By the end of March 14 we had reported 36 post 72 hours hospital-acquired C.difficile infections, which was above our target of 23 for 2013/14. Despite this, the Trust is still likely to continue to show a year on year reduction which has been achieved through a range of interventions put in place to reduce the risk to patients, including:-

- **Improving education and training for staff,**
- **Introduction of the point of care educator,**
- **Daily infection control ward round on all ward areas,**

4.1 Risks to sustainability of Strategic Plans

Independent research[5] states that effective strategic planning identifies and mitigates the risk and ensures that a provider organisation can continue to deliver high quality care for patients. The Trust Board underwent a Strategic Planning self-assessment in March 2014 to evaluate the Trusts engagement with the planning process, the extent to which the plan is based on accurate and correctly analysed inputs, and the level at which initiatives are monitored.

The Trust self-assessment concluded that the organisation displayed a positive approach to the planning process and maintained a quality approach to strategic planning. There were some areas of development which were developed into an action to complete in 2014-15. By completing this assessment and working collaboratively with the North Derbyshire Unit of Planning the Trust can mitigate the risks to the strategic plans.

4.2 Supporting or enabling strategies

In order for the Trust vision to be achieved it is underpinned by a number of supporting strategies which are outlined in the following paragraphs.

4.2.1 Our People

The Trusts People Strategy is designed to support the achievement of the six objectives for the hospital. It specifically underpins the achievement of delivering sustainable, appropriate and high performing services for our patients and communities, supporting and developing our people, and is underpinned by the vision of having a truly engaged workforce. We want our people to feel well led, supported, developed, and cared for,

Our overall objectives for the next 5 years can be summarised as follows:

To develop effective leadership capability throughout the Trust

We will be developing our leaders through a variety of routes, right through from the tools and training that we give to managers in their first appointment leading a team, through to more formal development for middle and senior managers which will enable them to motivate and inspire their teams.

To have the right people with the right skills in the right place at the right time and cost

Our workforce planning over the next 5 years will need to take account of significant change across the health and social care system, such as the provision of more services across 7 days, person centred care and the more integrated approach to patient pathways will present challenges in relation to supply of people with the right skills and where they work. This coupled with funding and education commissioning challenges will mean we have to look at new workforce models for the delivery of care, often in partnership with other organisations

To equip all staff with the skills, knowledge and behaviours required for their current role, and future career, to support the delivery of safe, effective, high quality care and services

We need to provide all colleagues with a level of education and learning support to enable them to do their jobs effectively

To provide an environment that helps all our people work effectively

Our staff survey results present a mixed picture in terms of how engaged our people are with the Trust and what we are trying to do. Over the next 5 years we will be using more regular feedback from colleagues to inform our activities to ensure we are resolving issues that get in the way. We will be continuously improving our communication channels and ensuring we have mechanisms in place to help our people raise issues if they need to.

To engage all our people with our Proud to Care values

In order to deliver an exceptional patient experience it is critical that our people understand what is at the heart of the care and compassion needed to do that. Starting with our Let's Talk Care programme we will continue to work with our people, to give them feedback on what great care looks and feels like to patients.

To support the health & wellbeing of colleagues

We have a responsibility to all colleagues to help them stay healthy at work. We have recently developed a health and wellbeing strategy and will be developing a plan for each year to include specific initiatives that will encourage people to take responsibility for their own health and wellbeing as well as support that we can provide as a Trust.

Investment of £1.7m in Permanent Nursing Staffing

The Trust has recently approved the investment of a further £1.7m in permanent nursing staffing in order to improve quality and reduce cost. This was following the six monthly review of staffing levels aimed to improve the patient experience.

Use of Temporary Staffing – A review in October 2013 showed that following a decision to increase ward establishments across the Trust in the previous 12 months, the Trust has faced a significant challenge in recruiting sufficient numbers of nursing staff to fill the additional posts.

In order to address the staffing issues identified a temporary staffing project board has been set up to deliver the following:

- Implementation of a managed service for bank and agency staffing (06/2014),
- Overseas recruitment of registered nurses to fill vacant posts within the Trust (05/2014),
- Nursing recruitment initiatives for 2013 and beyond to improve the Trust's ability to attract staff.
- Nursing establishment review to consider how we proactively aim to recruit to levels above recurrently funded establishments to achieve a significant reduction in vacancy rates e.g. aim for 104% to achieve 100%, rather than aiming for 100% and getting 96% fill.

In addition to the actions identified above, we will undertake the following actions to continually review staffing levels on our inpatient wards and other 'at-risk' areas:

- Undertake a twice yearly review of all in patient ward areas to ensure staffing levels are safe and meet the needs of patients and quality, safe and effective service delivery,
- We will continue with the 18 month implementation of e–rostering across the organisation to ensure the best use of our existing establishments,
- Review shortages in key areas of the medical workforce and allied health professionals,
- Develop innovative job role design to attract the right staff.

4.2.2 Site Development Plan

The current site development plan (details summarised in Section 6.5) forms part of the Trusts overall financial plan and also forms the basis of the estate and building elements of the Trusts capital programme. The plan is compatible with the development of the Trusts clinical services strategy.

Aside from the ward refurbishment, the critical building scheme for 2014/15 is the refurbishment of the operating theatres which is due to be completed in June 2014 and the extension to the Medical Records department to assist with the better management of patient notes.

As the programme moves forward into 2015/16 allocations have been ear-marked for work on:

- Cancer Centre,
- Endoscopy Upgrade, and
- Phase 1 of the Urgent Care Village (congruent with the plan to develop a Health Campus),

The Trust is a long established member of the local Cancer Network, working principally with Weston Park Hospital in Sheffield. Through this relationship we have steadily increased the local provision of chemotherapy and are planning to develop a new cancer facility on site to accommodate this, and predicted future, growth. The organisation is exploring potential partnerships with a charitable organisation as a means of delivering this. In the

longer term there is the potential to develop radiotherapy on site as the cancer network pursues a decentralised model for this service, with strategic options around other centralization of services.

However, consideration is been given developing the site in light of potential to move from a more traditional DGH model to a healthcare campus of the future, which may incorporate different aspects of acute, community, or social care provision.

4.2.3 IM&T Strategy

The IT strategy aims to balance many competing priorities on the Trusts IT services in an effective and rational way as the NHS enters a period of intense and rapid change. It is aimed at providing services that are focussed on improving access to patient information and supporting speedier and more effective decision making, whilst supporting the broader integration agenda with partner organisations. The following are the key priorities for the IT department over the next 5 years.

- **PAS system- 2014**
- **Clinical portal- 2016**
- **Advanced reporting via the trust's existing data warehouse**
- **East Midlands PACS consortium**
- **Maternity IT system- 2014-2015**
- **Modernise trust IT infrastructure**
- **Further develop the 5-year IM&T replacement system plan**
- **Access to partner IT networks to encourage & enable more partnership and efficient working**

4.2.4 Facilities Services

Setting aside the capital investment programme for the built environment, the role of the facilities team as a whole is to plan its services around both the clinical priorities and the contracts agreed with our commissioners.

The facilities team has the challenge of being more agile in the delivery of their services as clinical requirements change. For example, the move to 7-day services will bring some changes to the facilities function. Although we have a comprehensive 7-day cleaning service on our wards if we are to move toward, for example, more out-patient activity at weekends and during the evenings then we will need to revisit our arrangements for cleaning. Similarly more operating at weekends may change our approach to maintenance within the operating theatres. Changes to theatres scheduling and the level of activity within theatres also brings with it changes to decontamination rotas and the way in which we look to provide our decontamination services. This means revisiting working hours and may mean moving to extended shifts.

The opportunities for taking a more commercial approach to the management of the Trusts estate and its retail functions is a real opportunity for facilities services in future. As part of our transformation programme we are working with commercial advisors to explore opportunities for using our estate as a means to generate additional revenue to support clinical services.

Integration of facilities services and closer working with our partners are opportunities within the quality and financial agenda and may provide greater patient experience with more seamless services.

4.3 Impact on Costs

Current headcount in the Trust is 3651 and we anticipate that this will remain relatively stable as our nurse establishment should be fully recruited by end 14/15. Small changes will happen as a result of efficiency initiatives across the Trust to achieve our Cost Improvement Plans (CIP) targets for 2014/15 & 2015/16, including a review of corporate structures following the work done to re-organise clinical services into Divisions.

Staffing numbers need to be flexible in order to respond to the changing economic climate and there may need to alterations to staffing levels accordingly. In order for the Trust strategic direction to be adaptable over the next 5 years and the requirement to become more integrated, we expect to flex the number and skill-mix of staff according to patient requirements and the changing delivery model either within the organisation or in the community.

In addition work will be undertaken reviewing staffing models and flexibility under Agenda for Change terms and conditions to drive improved productivity and reduce pay costs to identify potential contributions to the cost improvement target over the next 5 years. Whilst some investment may be required to support 7 day services this will be required to be off-set by improved efficiency of clinical pathways.

Locum and agency spend has been high in some services and action during 13/14 in microbiology and ED has reduced spend on locum doctors in the year. A further reduction is targeted in 14/15. The investment in permanent nursing roles following targeted recruitment activity and a planned move to a managed service for the provision of temporary staff will reduce the agency spend, with a targeted reduction over two years of a third, which equates to £2m. This is supported by the experience of other organisations who have implemented this approach.

5.1 Strategic Priorities

Diagram 5 below provides an illustration of the strategies and milestones to be delivered over the next 5years. This illustrates the planned implementation, however it must be recognised that there is a requirement for this process to be flexible and as external & internal factors influence decision making, these projections may be delayed, postponed, or substituted with alternative options.

Diagram 5- Key milestones 2014-2019

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Quality	←	Quality Strategy →			
	Governance Review				
People	Let's talk Care	e-learning	Blurring of organisational boundaries		
	New Appraisals	Talent Management	Different engagement campaigns		
	Pulse Surveys		Management development programmes		
Infrastructure	Maternity System →	←	Clinical Portal →		
	PAS		Blurring of organisational Boundaries		
	e-rostering →	→	Site Development Plan- Health Campus		
	Operating Theatres	Urgent Care Village →			
		Cancer Unit			
	←		Infrastructure Upgrade →		
			IT Strategy review		
Services		Endoscopy development	Diabetes Integrated Care Pathway		
		Cancer Pathway Reviews	Bowel Scope Screening Service		
		Pathology			
			Development of on-site Cancer Services		
			Child In-Patient Transition Ward		
			Develop near Patient Testing Services		
			Cellular Pathology Alliance		
			Child Urgent Assessment Unit		
Transformation	Clinical Services Strategy	Planned & Urgent Care Pathway	Health Campus		
	←	7 day services →			
		←	Commercial Opportunities →		

5.2 Transformation Programme

The Trusts Transformation Programme sets out a 5 year plan to deliver a minimum of 4% efficiency improvement (combined internal only and partnership pathway driven) per annum. The Trust engaged external consultants in 2013 to identify potential areas of transformation which could lead to the scale of cost reduction required over the next 5 years. The savings identified in these areas need to be validated as part of the development of the programme.

The transformation programme is designed to support the clinical services strategy and ultimately reduce the costs of delivery whilst continuing to deliver high levels of patient service and experience.

The financial challenge over the next 5 years is to deliver an estimated £38.54m reduction of the operating budget.

The Transformation programme is overseen by a multi-disciplinary Innovation Board (IB) chaired by the Medical Director. The Transformation Support Team (TST) adopts project management office (PMO) and continuous quality improvement (CQI) disciplines providing both support and leadership for Transformation/Innovation projects, and an assurance mechanism to track benefits realisation and successful delivery of these projects

5.2.1 2014-2019 commentary on the top schemes

Primary Divisional Schemes

All Clinical Divisions have a minimum 1.5% and maximum 2% efficiency challenge.

Planned Care Pathway Streamlining

During 2014/15 further work is taking place to reduce Length of Stay (LoS) and improve the patient experience for Surgical and Orthopaedic patients. Reductions to LoS on Hips and Knees and Fractured Necks of Femur (NOF) pathway plus the impact of an enhanced discharge pathway will result in significant efficiencies to the Pathway enabling a reduction in associated bed capacity. Savings from the above initiatives will enable £0.6m in savings which equates to half a surgical ward. Additional work in 2015/16 will continue to focus on the top 10 patient pathways where the Trust is below 'upper quartile' with its peers on length of stay. An improvement to upper quartile across planned care pathways has a concept savings value of a further £300k.

Urgent Care Pathways

Similarly to the Planned Care pathway work, we are scoping our top 10 opportunities based on diagnosis where the Trust is outside of upper quartile performance for appropriate peers on length of stay. This is anticipated to have a net impact of reducing bed requirements by two wards through reduced length of stay and appropriate discharge during 2015/16. The remaining challenge is to deliver a further ward reduction through length of stay (based on current comparators with peers) by 2017/18 and reduce readmission rates, with a further concept value at this point of £2.6m

Further work during 2014/15 is on track to deliver a further reduction of one ward through internal changes in clinical pathways and partnership links with the community around diabetes, respiratory and care of the elderly through an Adult Re-enablement Unit. Following a pilot in Q4 2013/14 the local health environment is supportive of continuing the trusts Adult Re-enablement Unit. The Adult Re-enablement Unit improves patient outcomes and patient flow by focusing multi-organisational health and social care expertise immediately on admission to support the return of patient's to their own homes as soon as possible.

Theatres Efficiency Programme

The Trust has made significant progress in improving the utilisation of lists that are planned to run (intra list) to between 95% and 99% from below 80% in 2010 benchmarking. The target is for around 85% intra list utilisation and the cost of this gap is currently around £600k. To this end the new theatres management team have re-launched the Theatres Efficiency Programme as part of the Transformation agenda.

Agency Locum Workforce

Part of the People Strategy is focussing on our ability to retain and recruit the appropriate clinical staff to support workforce requirements. For medical locum agency, three areas (ED, Microbiology, and Ophthalmology) have already enabled savings of approximately £0.7m to be achieved in 2013/14, with additional full year effect savings £0.5m expected to be achieved in 2014/15. Vacant consultant posts in Diabetes and Acute Physicians in our Emergency Management Unit are planned to be filled prior to April enabling further savings of an additional £0.5m on agency cover.

During 2014/15 work will also come to fruition to change the way in which locum services are procured and managed, giving the Trust better coverage while reducing the unit cost for the use of locums.

Savings of £2.0 million in reduced nursing agency spend are assumed based on the dual impact of the implementation of a managed nurse bank service and additional recruitment to at least 30 wte's, including recruitment from overseas.

In 2014/15 we are planning to reduce agency expenditure on senior administrative roles by £0.5m.

Commercial Opportunities and Procurement

In 2013/14 the trust has been reviewing a number of commercial opportunities to increase cash revenues and/or decrease costs, which directly support improvements to patient care or have no detrimental impacts.

For example the trust will look to make best value of the available site through the Site Development Plan (Section 4.2.2), review opportunity to develop commercial partnerships, support staff with opportunities around salary sacrifice (e.g. Car Schemes) and look to take further advantage of advertising and sponsorship. This will include working with commercial advisors on how to maximise the economic opportunities of the site.

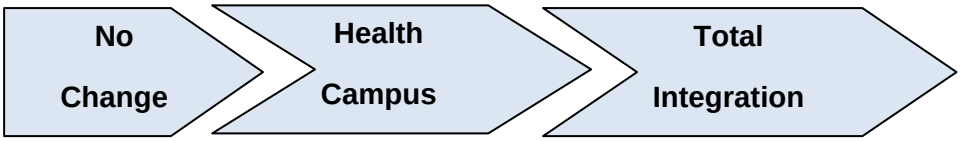
The Trust is also targeting procurement savings of a minimum of £0.6m in three main areas, product standardisation and value for money review of top ten spend clinical and non-clinical consumables, rationalisation of product catalogues and review of contracts.

5.3 Clinical Strategy & Strategic Scenarios

Smaller district general hospitals can thrive but the way services are provided to local patients must change to guarantee quality care. Size is likely to become more of an issue as hospitals face greater pressures to recruit staff to further improve the quality of care. It is essential that CRH identify new models of care for patients, for example re-designing services to improve the integration of care and move it closer to home; come up with creative ways to address the scale challenges, such as sharing staff with nearby trusts, using new technology, or building networks between smaller hospitals and major centres; and make sure that the right balance is struck in local communities between redesigning services and making sure patients are treated near to where they live.

Integration of services and increase specialisation of services in central locations, in conjunction with pressure on finances result in the requirement to plan for a number of potential scenarios, any of which may be the final result over the next 5 years. For example, scenarios need to vary from no change, which will inevitably result in the loss of services as CCGs cease procuring loss making services from the Trust, to a total integration of services and organisations in order to provide the right services at the right time in the right place.

The strategic plan of the organisation is to adapt and improve the services provided in relation to demand of the population needs. As part of this there a several options to consider on a spectrum of possibilities:



As discussed in section 2.5.1 ‘no change’ is not an option for an organisation that wishes to remain financially, operationally, and clinically sustainable. Therefore, a journey to become a model healthcare provider must continue along the above spectrum. According to the external and internal influences (table 2 & 3) there is a requirement to become more integrated and work in partnership. If organisations are to continue along the line of integration, then at some point the partner organisations may want to consider total integration, or mixture of operating models. These scenarios (table 2) are only included to raise awareness that over the next 5 years, the LHE will be considering

We have developed a programme of work, designed to support our Divisions to undertake a detailed analysis of individual service lines/specialities to test for long term sustainability and where necessary develop plans to address any areas of weakness. We will use the Monitor sustainability tests to ensure the strategies are developed to deliver services which are clinically, operationally and financially sustainable, and which provide a high quality experience for our patients. The underpinning demand and activity projections to support our strategic analysis will be jointly agreed with our commissioners and we will continue to engage with key stakeholders to inform and challenge our analysis and strategic options.

To enable the development of service line strategies and ensure a consistent approach we have classified our portfolio of services against the following areas & identified the following high level strategic option (table 3). The Trust Board will utilise these clinically led objectives in order to plan the strategic direction of the organisation. There is a requirement for these objectives to flexible in order to respond to changing need and political directions.
these, and this organisation must be aware of this and be ready to adapt the strategy accordingly.

Table 2- Scenario Setting

Scenario	Result
No Change.	Unable to mitigate financial gap.
Minimal Change.	Break-up of organisation and potential loss of core services.
Increase in Out-reach services.	More services provided in the community releasing capacity on site.
Increase in In-reach services.	More community services provided on site. Review of site utilisation and potential increased capital cost.
Level 2 Emergency Department (hours to be considered).	Potential loss of specialist clinicians. Consider alternative services.
Successful reduction in admissions & LoS	Increased opportunities to utilise site in a more diverse way.
Health Campus.	Review of all services in the LHE to ensure right service in right place at the right time.
Total integration.	Restructuring the LHE to include single point commissioning from only one provider.

Table 3- Strategic Options available

Service Line Strategy	Acute Core Services	Supporting Core Services	Value Added Services
Invest	●	●	●
Divest			●
Redesign	●	●	●
Partner		●	●

The CSS, which is in progress at present and will be completed later in 2014, is an amalgamation of the specific divisional strategies and builds on our mission to be a first class district general hospital and specifically supports our corporate objective of *delivering sustainable appropriate and high performing services for our patients and communities;* and alongside our Quality Strategy are the means by which we will drive sustainable quality improvement.

By engaging with our patients, staff, commissioners and local communities our Clinical Services Strategy will provide the framework by which we review each of our clinical services, developing them as necessary, forming partnerships with other providers where this provides the best model of high quality care and occasionally withdrawing from provision of a local service.

The strategy will also identify any areas where we believe we could offer a better service than other providers so will also highlight new areas in which we could provide health care.

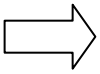
It is expected that the Clinical Services Strategy will be summarised by the end of Q1 2014, reviewed and prioritised by the end of Q2 and implementation to follow thereafter.

Improvement of the quality of patient care, safety, experience and clinical outcomes will be an inherent part of the strategy. Diagram 6 illustrates the work and the plans developed in collaboration with the North Derbyshire LHE to develop a seamless integrated urgent care pathway to ensure only patients who need to attend an emergency do so, and that their length of stay is as short as possible.

Diagram 6- North Derbyshire Urgent Care Key Changes centred on Integrated Care

From:

- Multiple points of access.
- ED seen as a lower risk 'place of safety'.
- Patients unnecessarily conveyed by ambulance to ED .
- Patients chose ED over primary care.
- Variation in MIU service specification , opening hours & safety (Royal College Paediatrics).
- Difficulty recruiting ED and Acute Consultants and Registrars.
- Patients admitted unnecessarily as alternatives are not understood or available at the most appropriate times.
- Patient experience, safety and clinical outcomes vary by day of week.
- 'Bed based' rehabilitation model.
- Mental Health patients with a physical health episode admitted to acute hospital.
- "Medically fit for discharge".
- Discharge processes are bureaucratic, difficult to navigate and cause unnecessary delay
- Community care delivered in single site, single ward facilities.
- After 9pm, mental health services are only available to known patients .
- Multiple reactive initiatives.
- Delayed Transfers of Care account for c.6% of bed days?



To:

- The system is configured to provide responsive, effective and personalised out of hospital urgent care.
- Emergency patients are treated in the most appropriate centre with the expertise and facilities in order to maximise their chances of survival and a good recovery - only patients with acute healthcare needs are admitted to an acute hospital.
- There is a true Single Point of Access for health professionals, providing 24/7 access to physical , social and mental health services.
- Patients are able to easily navigate the urgent and emergency care system to get the right advice in the right place, first time.
- Keogh standards for 7-day services and pathway delivery have been implemented [and may involve working in partnership with other healthcare providers].
- Care plans for known patients are kept up to date and available at all urgent and emergency care access points so that a patient's information is always available to those treating them.
- Urgent and emergency care services are connected into a cohesive network so the overall system is more than just the sum of its parts.

Objectives- Medicine & Emergency Care Division	Year
Review of Urgent Care Provision with the aim of reducing waiting times, whilst delivering high standard of care in a purpose built environment.	2014-2019
Integrated Care pathways for patients with Diabetes- right place, right time, and right patient.	2015-2016
Develop a fully operational ambulatory care services that meets best practice tariff and become a centre of excellence for Acute Medicine.	2016-2017
Integrated Pathway for patients with Diabetes with a specialist Diabetes ward on-site.	2015-2016
Develop an Integrated & Sustainable Acute Oncology & Palliative Care Service.	2015-2016
Co-location of Cancer Services in a new Cancer Unit to include supporting the Survivorship.	2015-2016
Develop and extend the Cardiology Catheter Lab to increase the capacity for Angiogram and provide earlier intervention for patients with acute cardiac symptoms.	2016
Provide a fully operational Endobronchial Ultrasound (EBUS) service to provide quicker, high quality diagnostics	2016-2017

for patients with lung cancer.	
To establish cross-boundary operational structures with external partners to aid fully supported early discharge for patients suffering from stroke.	2014-2015
To provide a fully integrated and streamlined Haematology services.	2016-2017
To provide a fully operational 7 day Cardio-Respiratory service.	2017-2018
To develop a fully operational & sustainable consultant led Skin Cancer Service.	2015-2019
To develop the current blood monitoring system to improve both the quality and efficiency of the Rheumatology service.	2016-2017

Objectives- Surgery Division	**Year**
Analyse Service Portfolio in line with local population demand, commissioner intentions, economic sustainability of service and quality. Therefore optimise service portfolio for future. Cross index service analysis to needs of 7 day working pilot in terms of each individual service possibility to move to seven days.	2014-2019
Deliver Bowel Scope screening service as independent site	2014-2017
Review planned care pathway including day case functionality, Critical Care capacity and flow, theatre efficiency, conclude theatre refurbishment	2014-2017
Use participation in local service partnership discussions (South Yorkshire Working Together Programme) and others) to redesign service profile locally while optimising delivery in a cooperative regional fashion, e.g. Ear-Nose-Throat, Maxillo-Facial, and Ophthalmology. Develop Fragility fracture pathway and improve management while reducing mean length of stay. Develop Critical Care facilities in line with new guidelines/likely commissioning specifications, possibly develop new combined critical care unit.	2014-2019

Objectives- Womens & Childrens Division	**Year**
Develop a Paediatric Assessment Unit (PAU) with streamlined pathways from ED.	2014
Development of a Newborn & Infant Physical Examination Programme (NIPE) clinic	2015
Provide and improve education to parents by developing accommodation fit for purpose to deliver this.	2015
Ensure over 70% of neonatal nurses are speciality trained.	2015
Development of a transitional area for babies who are tube-fed.	2015
Develop an In-Patient Transition ward for adolescent patients.	2015
Provide ANC provision 24/7 & 7 day access to EPAU.	2016

Develop a Service Specification with commissioners for Community Paediatric Nursing.	2016
Invest in Midwifery Training but review workforce due to reductions in number of births.	2016

Objectives- Clinical Support Services Division	**Year**
Provide 7-day support to front-line services	2015-2016
Partner with external organisations to develop & improve access to services, e.g. Pathology & Radiology networks.	2015-2019
Develop a 'Near Patient Testing' Service.	2015
MRI Capacity Planning.	2015
Ultrasound Workforce Strategy.	2015
Improved user interface and demand management process.	2015

5.4 Training and Development of Staff

From the workforce plan that has been developed these are the areas that we see as priorities over the next 5 years:

Specific skills-

- Care for the frail elderly
- Dementia care
- Diabetes care
- End of Life care
- Care training for Healthcare Assistants
- Skills to work collaboratively across boundaries, e.g. community nursing skills for acute workforce
- Specialist skill training for ED workforce, e.g. paediatrics

More general trends-

- More learning beyond registration support for all populations
- Increased development of specialist nurses, in particular where we have consultant / middle grade doctor shortages
- Increased use of new roles such as Advanced Nurse Practitioners and Physicians Assistants to supplement the skill mix in the workforce
- Increased mentoring and clinical supervision for newly qualified nurses as the balance of the workforce shifts to being more inexperienced
- Leadership development as outlined in 4.3.3
- Increasing the skill base across the Trust in leading and driving innovation as this will be critical.
- Increased use of apprentices to 'train our own' as the future workforce both in clinical and non-clinical areas
- Increased skill bas to enable a broader range of care through each patient contact.

It is also clear that in the coming years more of the training will be delivered at the point of care and this may mean more outreach training in specific skill areas such as management of pain, dementia etc.

5.5 Communication Plan

As with the 2 year Operational Plan, the organisation intends to communicate the contents widely and to engage with staff in the deliverables. The communication will be cascaded by the usual media to colleagues within and external to the organisation and also to all stakeholders. The organisation will make use of social media to promote the strategic plan and raise the content at public meetings and meetings with its members.

6.1 Trust Financial Position

The Trust has a track record and reputation for sound financial management. In 2013-2014 the Trust delivered:

- Surplus of £2.1m (plan of £2.6m) excluding Impairments in 2013/14.
- EBITDA of 5.8%.
- Cash balance of £42.6m (plan of £41m)
- Finance Risk Rating of 4 throughout Q1 and Q2 2013/14
- Continuity of Service Risk Rating (COSRR) of 4 for Q3 and Q4

In addition the trust has a positive track record of achieving a 4% efficiency saving year on year and holds contingency reserves of £3.0m to help manage any cost pressures during the course of its financial year.

The Trust's approved working capital facility (WCF) of £11m ended on 30 September 2013 and has not been renewed given the sound cash position of the Trust.

However, over the duration of this strategy we acknowledge the economic climate will present significant challenge to the organisation to maintain the same level of financial stability, whilst responding to the increasing demand and expectations on the services we provide to our patients.

6.2 Key financial planning assumptions

Key financial principles are show below in diagram 7. The top of the pyramid shows the trust plans to achieve a stable COSRR of 4 in each financial period. Working down the pyramid are the supporting financial indicators and the underlying assumptions within the overall financial strategy.

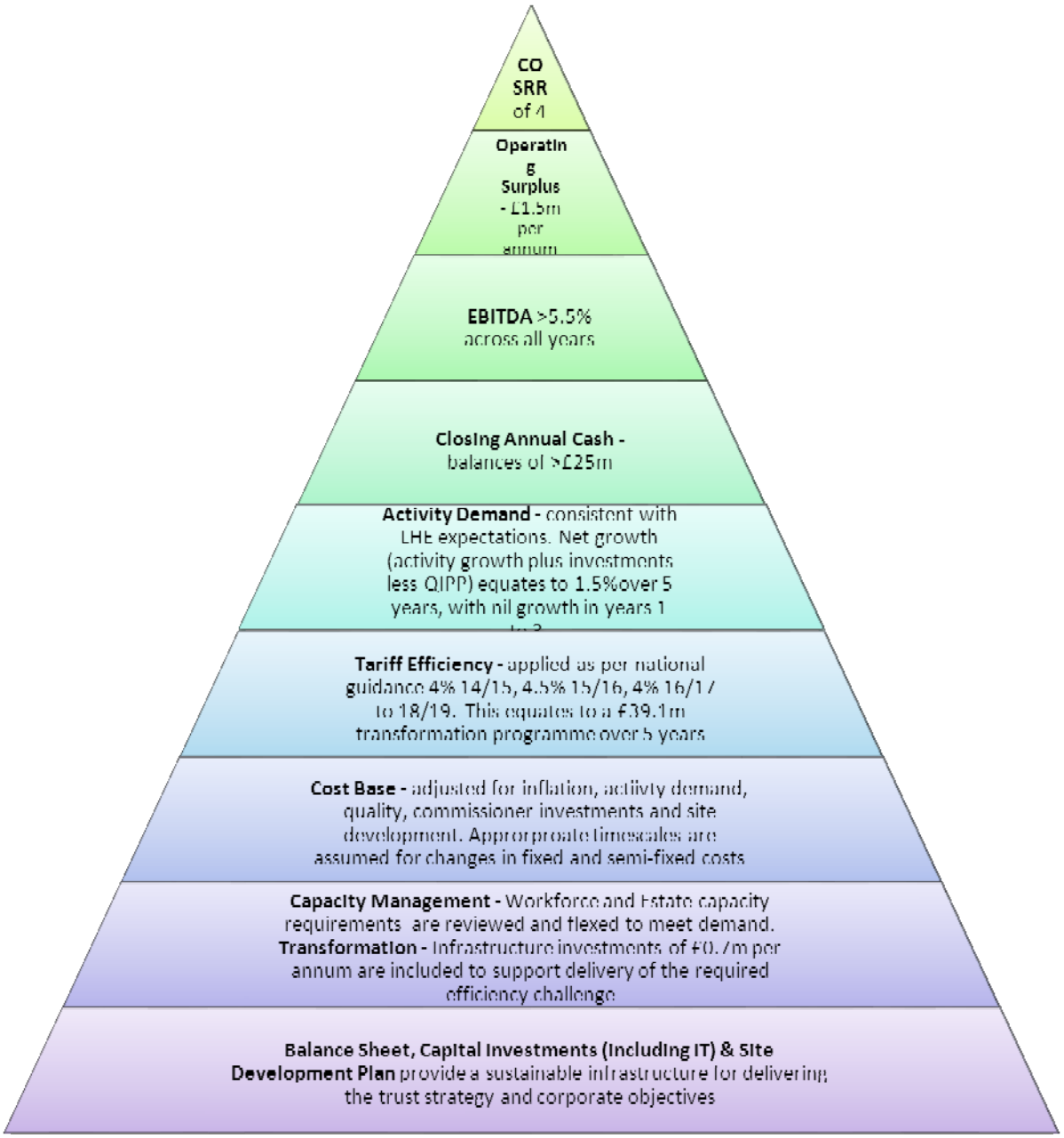
6.2.1 Financial Projections to 2014-2019

These are summarised in Table 4:

Table 4 – Financial Projections Summary

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Turnover	203.8	198.0	200.9	202.9	204.6
Cost Improvement Plan	8.0	7.4	8.7	7.5	7.5
EBITDA	11.4	11.6	12.0	11.9	11.5
Surplus before impairments	1.5	1.5	1.5	1.5	1.5
Impairments	(0.6)	(2.8)	(6.6)	(0.4)	(1.8)
Surplus after impairments	0.9	(1.3)	(5.1)	1.1	(0.3)
Cash	37.5	31.8	25.7	28.0	28.1
Financial/Continuity of Service Risk Rating	4	4	4	4	4
Contingency reserve	3.1	3.1	3.0	3.0	3.0

Diagram 7



Impairments relate to downward revaluation of assets. The impairments noted above, particularly in 2015/16 and 2016/17, relate to capital expenditure on major schemes (see 5.2.2 on theatres, urgent care village, cancer build) being more than the increased value of the asset, resulting in the asset value being impaired on completion down to their new estimated value. As these are new assets no revaluation reserve is in place for these assets.
The impairments are therefore a technical accounting adjustment and the surplus before impairments is the true measure of the underlying financial performance of the trust.

6.3 Congruence of Commissioner & Provider activity and revenue assumptions

The trust recognises the need for the local health economy to have congruent strategic financial plans. The trust has worked in partnership with our local commissioners to develop financial planning assumptions that are both realistic and sensible in terms of meeting the shifting needs of the local patient population and supporting the financial sustainability of all organisations.

The activity assumptions applied to our financial modelling include activity Growth, QIPP, Commissioner Investments and changes to Commissioner non-recurrent funding investments as per commissioning intentions.

6.4 Cost improvement programme

Schemes in place for our five year transformation programme are described in Section 5 of the plan. A £0.7m investment has been made to support the delivery of the Transformation Programme and its associated infrastructure.

6.5 Capital expenditure programme

Capital expenditure investment is forecast as per Table 5 below:

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
Development Schemes					
Theatres	3,900	2,600	1,050		
Orthopaedic Fracture clinic	100	900			
Urgent Care Village Phase 1	100	1,000	3,000		
Cancer Centre	100	5,000	5,000		
Endoscopy upgrade	100	1,000			
Medical Records Extension	500				
Imaging department re-organisation				500	
PACU					2,000
Education Centre development					500
ITU/HDU					1,000
Nightingale ITU					200
TOTAL	**4,800**	**10,500**	**9,050**	**500**	**3,700**
Maintenance Schemes					
Minor Works	230	230	230	230	230
Ward refurbishments	1,000		700	700	700
TOTAL	**1,230**	**230**	**930**	**930**	**930**
Other Capital Expenditure					
IT equipment & applications	2,525	1,660	1,520	1,270	1,010
Other Equipment	1,841	1,542	1,474	1,794	1,500
TOTAL	**4,366**	**3,202**	**2,994**	**3,064**	**2,510**
Total Capital Expenditure	***10,396***	***13,932***	***12,974***	***4,494***	***7,140***
5 Year Capital Programme					***48,936***

6.6 Key financial risks and mitigation

Table 6

Category of risk	Description of risk (including timing)	Potential impact	Mitigating actions / contingency plans in place	Residual concerns	How Trust Board will monitor residual concerns
CIP's / Cost base	Ensuring CIP's are delivered and cost pressures managed.	Non achievement of financial requirements leading to impacts on quality.	Investment in Innovation Board (IB) and Transformation Support Team (TST) to support delivery of CIP's . Contingency reserve funding of £3.0million to act as a buffer. Additional restraints over discretionary spend.	IB and TST not operating as planned. £3.0 million buffer insufficient. Discretionary spend management storing up problems for the future	HLT overseas IB/TST and reports progress to Board. Monthly finance report to Board monitoring progress on achievement of CIP's and use of £3.0million buffer.
Activity	Under performance of activity plans. Inability to increase/decrease capacity sufficiently to match demand. Above contract Non Elective Demand paid at 30% (MRET)	Reduced funding which if not contained will impact on quality. Lack of capacity to match activity impacting on quality. Excess capacity resulting in a cost base in excess of the delivered activity income. Incremental Costs of capacity not supported with sufficient incremental income.	Flexing of capacity to match actual activity (e.g. increased/decreased bed base, theatre lists, and outpatient clinics). Close monitoring of activity versus plan at sub speciality level on monthly basis. Early discussions with commissioners re demand management schemes and balancing of financial risk.	Capacity not flexed sufficiently to deal with significant changes above/below forecast. Demand Management Schemes unable to deliver in the short term.	Monthly reporting of activity to Trust Board and Contract Management Board
Locum / agency	Excessive use of locums / agency staff.	Excess financial cost of locums/agency staff. Impacts on quality of service provided.	Transformation programme work to reduce locum / agency spends. Implementation of a managed nurse bank to manage our temporary non-medical staffing workforce. Clinical services strategy highlighting areas which need to be addressed.	Locum / agency usage not reduced sufficiently.	IB/TST progress reports to HLT and Board. Quarterly monitoring of locum/agency usage by Board.
Quality incentives / penalties	Incentive payments (e.g. CQUIN not being achieved.) Quality targets not being achieved leading to penalties.	Loss of CQUIN income which if uncontained impacts on quality. Penalty payments which if uncontained impacts on quality.	Close monitoring of achievement of CQUIN targets with appropriate action to rectify. Close monitoring of quality targets and contractual limits placed on potential penalties in main risk areas Use of contingency funding of £3.0 million to contain effects of above.	Lost income / penalties that cannot be contained within £3.0 million.	Monthly reporting of performance on CQUIN and quality targets to Board and Commissioners.

Section 7 References

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5. Monitor (2013). *Foundation Trust Strategic Planning Assessment - Research Findings Report* available at http://www.monitor-nhsft.gov.uk/information-nhs-foundation-trusts/planning-and-reporting-processes/annual-planning