Pennine Care NHS
NHS Foundation Trust

Strategic Plan

2013/14 – 2015/16

Pennine Care NHS Foundation Trust

1.0 Executive Summary

The Strategic Plan 2013/14 – 2015/16 sets out the Trust's intentions in respect of its future direction, taking into account its current vision, goals, objectives and **Principles of Care (**2.1). The Trust has undertaken a robust and comprehensive assessment of the current strategic position, considering its strengths and development needs within the context of the external environment in which it operates.

Set within the context of the Service Development Strategy (SDS), the Trust expects 2013/14 to be a year of consolidation, following the growth of its geographical footprint and service portfolio in the previous two years, as well as one of transition towards future transformation. Taking into account the challenging financial climate and the need to ensure the delivery of safe and effective clinical services, the Trust is preparing for a major transformation programme that will deliver significant service developments at pace and scale over the next three years.

The Transformation Programme will be enabled by the alignment of robust systems, processes and organisational development and learning that will ensure effective financial management, a flexible, skilled workforce, strong clinical governance and the productive use of technology.

The Strategic Plan sets out our approach to delivering productivity and efficiency gains within a programme management structure that ensures robust performance management, while keeping a clear focus on maintaining quality standards.

The Trust recognises the risks and challenges within the local health economy, and the wider external environment, and has worked hard to put mitigation plans in place to manage these effectively. In addition, the Trust is also working hard to further develop strategic alliances and partnerships where they bring patient benefits and strategic advantage.

Taking all of the above into account, we have produced a Financial Plan that is robust, detailed, and achievable for the future.

The Trust's financial strategy develops a prudent financial model driven by robust and structured service redesign leading to cost reduction. The Trust strategy is to maintain its strong Financial Risk Rating. It addresses the challenges of the changed commissioner landscape by articulating a vision for strategic partnering and integrating care within the local health economy over the medium term.

The Trust has addressed cost pressures that have arisen, through tariff adjustments to commissioner funding; incremental drift of staff salaries; and inflation on pay and non-pay, by developing a £25.3m three year Cost Improvement Programme (CIP) which is consistent with the Trust's Service Development Strategy. Income generation plans are also being developed for 2014/15 and 2015/16 through repatriation of out-of-area treatments for local patients. This approach aims to have a positive impact on patient care and experience whilst bringing costs down for the local health economy.

The Board fully endorses the Strategic Plan and the future direction of service transformation. Through the Transformation Programme, and close working with commissioners and GPs, the Trust believes it will continue to be a trusted, high quality and financially viable service provider in the future, meeting the needs of people, service users and their carers in our local communities.

2.0 Strategic Context and Direction

2.1 Trust vision

Pennine Care NHS Foundation Trust's (the Trust) vision is shown below:

We are working to deliver safe, effective and high quality care closer to home.

Achievement of the vision is supported by five strategic goals, which guide the Trust in its forward planning and service delivery. The strategic goals are:

Service excellence
Best use of resources
A great place to work
Leading service provider
Responsive and accountable to our communities

The five strategic goals are further underpinned by a series of high-level objectives that guide the formulation of the Trust's Strategic Plan, Service Development Strategy (SDS) and more detailed service-level business plans.

Strategic goals	High level objectives
Service excellence	Provide safe and effective commissioned services; Deliver an excellent experience for service users and carers; Involve people who use services in service change and redesign; Deliver efficient, innovative and competitive services.
Best use of resources	Work within a financial plan that supports and enables delivery of commissioned services; Identify opportunities for developing and enhancing services; Continually assess our business and market position to ensure we remain relevant to, and valued by, our service users and commissioners; Maximise the effectiveness of resources by being efficient and innovative.
A great place to work	Promote a culture of openness, transparency and innovation, that values everyone's contribution in delivering high quality patient care; Create a trained, well developed workforce committed to the delivery of the Principles of Care; Expect personal responsibility and accountability in the delivery of patient care.
Leading service provider	Work with commissioners to influence service design and improve service delivery; Respond proactively to commissioner intentions; Continue to build on the development and delivery of 'care closer to home'; Deliver high quality outcomes.
Responsive and accountable to our communities	Promote and deliver health and wellbeing in our local communities;

Strategic goals	High level objectives
	Listen, involve and be accountable to our public governors and membership to enhance community engagement; Contribute to developments in our communities through our Corporate Social Responsibility work.

In addition, the Trust continues to deliver and develop services within the ethos of its **Principles of Care**, developed by our staff in 2011/12.These principles are the basis of the Trust's care offer and set out our expectation in delivering high quality services:

1. **Safe and effective services**
   "It's my responsibility"
2. **Meaningful and individualised**
   "It's how I would want to be treated"
3. **Engaging and valuing**
   "No decision about me, without me"
4. **Constructive challenge**
   "We can be even better"
5. **Governance procedures enable**
   "Everything I do is about excellence in practice"
6. **Focused and specific**
   "I'm clear about the vision and how I can influence"
7. **Competent skilled workforce**
   "I make a difference in what I do"
8. **Clear and open communication and dialogue**
   "I have a voice"
9. **Visible leadership**
   "I am a clinical leader"
10. **Shared accountability**
    "Trust Board, services, teams and individuals all have a role"

2.2 Trust profile

The Trust is a multi-borough organisation that provides community and mental health services. Community services are provided for Bury, Heywood, Middleton and Rochdale (HMR) and Oldham. From April 2013/14, we are also the provider of community services in Trafford, after being successful via procurement during 2012/13.

Mental health services are provided for Bury, Heywood, Middleton and Rochdale (HMR), Oldham, Stockport and Tameside and Glossop. The Trust is also commissioned to provide mental health services to parts of the High Peak, East Lancashire and North Manchester areas via additional contracts.

The Trust provides a range of integrated services in partnership with seven Local Authorities – Oldham, Bury, Rochdale, Tameside, Stockport, High Peak and Trafford.

It also provides services on acute hospital sites across its footprint and shares these with Pennine Acute Hospitals NHS Trust (PAHT) (covering Bury, Rochdale and Oldham Hospitals), Stockport NHS Foundation Trust, Tameside NHS Foundation Trust and Central Manchester NHS Foundation Trust (Trafford General Hospital).

A representation of our footprint is shown in the map below:

The following table describes the Trust's significant commissioning arrangements:

Commissioner	Services		
	Mental Health	Community Services	Dental
CCGs			
Oldham	√	√	
Heywood, Middleton & Rochdale	√	√	
Stockport	√		
Tameside	√		
Bury	√	√	
Trafford	√	√	
Cheshire and Wirral	√		
Manchester	√	√	
North Derbyshire	√		
Local Authority			
Oldham	√	√	
Rochdale		√	
Bury		√	
Tameside	√	√	
Commissioning Board Local Area Team			
Greater Manchester		√	√
Cheshire and Wirral	√		
Other			
Meridian Healthcare Limited		√	

2.3 Our strategic position within the local health economy

This section contains a high level assessment of our strategic position within the local health economy. It also has an overview of the Trust's key competitors and provides an analysis of our relative strength/weakness against these.

The Trust has assessed its strategic position within the local health economy against the following types of competitor:

Large scale local NHS providers (FTs and acute trusts); Local authorities;
Small scale NHS providers (GP provider partnerships);
Large, national, private sector health care providers;
Small local private sector health care providers;
Large, national, third sector providers; and
Small, local, third sector providers.

The full assessment is included in Appendix 5, however the Trust believes it has a comparatively strong strategic position locally and where weaknesses have been identified, mitigation strategies are in place.

2.3.1 High level assessment of competitors

The assessment below analyses the main providers who may choose to bid for services the Trust currently provides. Further detail is contained within Appendix 5 due to the commercial nature of the assessment.

Provider type	Competitor	Service interest
Acute NHS provider	Pennine Acute Hospitals NHS Trust Stockport NHS Foundation Trust Tameside and Glossop NHS Foundation Trust Central Manchester NHS Foundation Trust University Hospital South Manchester NHS Foundation Trust Bolton NHS Foundation Trust	All community services AQP services
Mental Health NHS provider	Greater Manchester West NHS Foundation Trust Manchester Mental Health and Social Care Trust Derby Hospitals NHS Foundation Trust	All mental health services
Aspirant Community Foundation Trust	Bridgewater Community Healthcare NHS Trust (Ashton, Wigan and Leigh, Halton and St. Helens, Warrington and Community Dental services)	All Community services Dental services
Integration with another community based provider	Oldham Limited Liability Partnership (GP provider) Bury GP Federation Go-to-Doc	All/some community services As above Urgent care services
Independent sector providers	For example: Virgin Assura Care UK Serco Specsavers	All community services Some community services Audiology AQP

Provider type	Competitor	Service interest
Third sector	Delphi Drug and Alcohol Council CRI Lifeline Addiction Dependency Solutions Turning Point	Drug and alcohol services
Local authorities	6 co-terminus LAs (Oldham, Bury, Rochdale, Tameside, Trafford and Stockport)	Mental health services Intermediate care services Emerging integrated care models

The Trust has a robust system for gathering market intelligence as services are put out to tender. Our New Business Strategy supports decision making on which tenders to pursue.

2.3.2 Analysis of the external environment

The Trust has used PEST (political, economic, social and technological) and SWOT (strengths, weaknesses, opportunities and threats) analyses to assess and forecast health, demographic and demand changes.

The main themes from these are outlined below:

Economic downturn impact on the employment prospects for local people, causing increased deprivation and potential increases in need for health and social care services;

Economic impact of public sector service reduction in social care and health;

Increased demand due to an aging population and increased life expectancy;

Increased demand due to a range of public health challenges (obesity, increased alcohol use, complexity of children's needs);

Advances in technology allowing more people to manage their own care at home and people with more complex needs being managed in the community.

The detail of these analyses is included in Appendix 5. Mitigation against issues and risks associated with the key themes have been fully considered and built into the Trust's SDS and Strategic Plan.

2.3.3 Analysis of Pennine Care's market share and forecasts of changing trends

As described in section 2.2, Pennine Care provides a wide range of mental health and community services across Greater Manchester and holds a number of regional contracts, specifically for specialist mental health services. The Trust's portfolio of services, and consequently market share, has seen steady growth since authorisation of Pennine Care as a Foundation Trust in 2008.

During 2012/13, the Trust submitted bids for, and won, several tenders, and acquired new services in line with the Trust's strategy for new business including:

Intermediate Care service in Tameside;

Greater Manchester AQP contracts for Podiatry and Audiology;

Learning Disability services in Stockport;

Slow stream Low Secure Unit in Tameside;

Greater Manchester Bowel Screening service;

Community Paediatric service in Heywood, Middleton and Rochdale;

Adult and Children's Community services (including CAMHS) in Trafford.

The most significant of these was the successful bid for a range of adult and children's community and mental health services within the borough of Trafford. The services transferred on 1st April 2013, increasing the Trust's workforce by 664, turnover by £23 million and population coverage by 230,000. This has increased the Trust's share of the Greater Manchester health economy and extended its geographical footprint.

The Trust is refreshing its Commercial Strategy during 2013/14.

2.4 Strategic risks, threats and opportunities from commissioning intentions

2.4.1 Key changes to commissioning

This section outlines the main changes in the commissioning strategies and the Trust's response to these. Understanding the key changes and redesign of commissioning in the context of the changing political, demographic and economic climate has been key to the Trust's business planning for 2013/14 and the development of the SDS for the coming years.

Regional strategy: 'Healthier Together'

It has been recognised in Greater Manchester, across the health and social care system, that there is a need for whole system reform to achieve more efficient and effective service design. The focus of this work relates mainly to acute trust configurations. Healthier Together is a review of health and social care in Greater Manchester that is accountable to Greater Manchester's twelve Clinical Commissioning Groups (CCGs) including the six that currently commission the majority of our services.

Healthier Together aims to redesign services around the following areas:

To meet the needs of an aging population with more complex and multiple health conditions;
Enabling the shift to prevention and well being;
Support the delivery of care closer to home where clinically appropriate and safe;
Delivery of enhanced and extended primary care outside of current working hours, such as that required to support End of Life;
Empower our patients to take greater responsibility for their health by promoting and supporting self-care and management of their health, creating a population that is self-reliant and resilient;
Shared decision-making.

Pennine Care is working to influence the thinking of Healthier Together with regard to a community service focus and our SDS is flexible enough to pick up any impacts of Healthier Together changes.

Local commissioning intentions and local health economy context

Pennine Care's local commissioners have stated their intentions in commissioning for the next year, in line with the above regional strategy. The areas that commissioners continue to prioritise are outlined below:

Helping children and young families live secure healthy lives;

Tackling the damaging effects of obesity, smoking and alcohol and other unhealthy lifestyles;

Improving mental health and learning disability services especially for patients with dementia;

Providing more appropriate and cost-effective services for people living with long term conditions;

Providing appointments and treatments especially for people with life-threatening illnesses;

Providing emergency, unscheduled and same-day care for people who suddenly become unwell;

Providing appropriate and compassionate care for people approaching the end of their life;

Improving efficiency and quality of services through new ways of working.

Our SDS is designed to respond to the above commissioning intentions. However, a risk has been identified within the local commissioning environment in respect of the clinical and economic performance of local acute trusts across our footprint. There is a risk that commissioner resources will be focussed on these issues, which will reduce commissioner attention and transformation resources or 'invest to save' opportunities for the Trust. This may also impact on the amount of time and attention commissioners can afford to spend looking at community/mental health issues.

This risk is being mitigated through Trust attendance at all local Transformation Boards and in all contracting arrangements.

2.4.2 Decommissioning and changes in competition regulations

It is clear from our assessment of the current commissioning environment that there is the potential for many current contracts to be put out to tender in future. The highest risk of this seems to be in community and health improvement contracts for 2014/15. The Trust is well placed to respond to these tenders and to influence commissioner thinking on this. The implications and risks associated with this are included in this plan and the Commercial Strategy.

The Trust is currently undertaking a post-project review of the Trafford tender process, in order to capture the key components that contributed to its successful outcome, whilst identifying areas for improvement. It will use this learning to ensure that there is a culture of continuous improvement in respect of bidding for tenders.

2.4.3 Activity-based funding

Approximately half of the Trust's income is attached to some form of activity-based funding (ABF) mechanism (such as payment by results (PbR), any qualified provider (AQP) and commissioning for quality and innovation (CQUIN)). There is, therefore, a risk to the Trust around the variety of ABF contracts, and measures either in place or being proposed by commissioners, and the impact this may have on the Trust's ability to maintain its income. Many of these methodologies are not yet clear or agreed and therefore include risk inherent within them.

Where work streams are progressed (PbR and AQP), plans are in place to appropriately manage and influence decisions that affect the future income base of the Trust.

The establishment of the ABF Group puts in place a risk management structure to proactively identify any potential income risk and establish mechanisms to minimise this.

2.4.4 Quality, Innovation, Productivity and Prevention (QIPP)

Pennine Care's commissioners in the North East sector will continue to develop the National QIPP for Long Term Conditions (LTC) in 2013/14 in collaboration with Pennine Care and other relevant local stakeholders. The Trust is actively supporting the application of the risk stratification tool in GP practices, the Shared Decision Making (SDM)/Self-Management Support (SMS) work streams, and the development of integrated teams with all partners around GP clusters. The Trust is running a year-long collaborative with the local Advancing Quality Alliance (AQuA) to implement SDM/SMS within the respiratory pathway. The learning from these projects will inform the wider SDS for the Trust as well as future commissioning intentions.

2.4.5 Other strategic risks

In addition to the range of threats outlined above, the Trust has also identified the following strategic risks that need to be mitigated to ensure achievement of the SDS in 2013/14:

Achieving the efficiencies required during 2013/14 in light of potential service tenders;

Further unknown reductions in public sector investment across the health and social care economy which impact on the Trust's plans;

Unforeseen delays to the implementation of the Clinical Information System.

2.5 Responding to the changes in the local health economy and commissioning environment

The Trust recognises that the changing commissioner landscape has a number of implications:

Divided commissioning responsibilities between CCGs and Local Authorities; An

increased focus on clinical commissioning for local communities;

Changes in commissioner/provider relationships and the potential loss of organisational memory (due to the dissolution of Primary Care Trusts, the development of Health and Wellbeing Boards, and the move to national commissioning for specialist services).

The Trust is responding to this through its approach to relationship management and will also use this to influence the refresh of its Commercial Strategy. This includes a targeted 'account management' approach to working with commissioners and other key stakeholders and a devolved autonomy approach to local service delivery, to enable local, collaborative approaches to service re-design and transformation.

2.5.1 Collaborative discussions with local Clinical Commissioning Groups (CCGs)

Initial work has been undertaken with the CCGs in the North East sector of Greater Manchester to discuss the Trust's approach and explore the potential opportunities for jointly developing a major transformation programme within the local health economy. Similar discussions are planned with the Trust's commissioners in Stockport, Tameside and Trafford. A number of key themes have emerged so far:

Transformation at scale;
Local versus sector service configuration;
GP engagement;
Integration (neighbourhood teams);
The need for evidence and outcomes;
Governance that enables change at pace and scale.

These are being fed into work on our SDS and the Transformation Programme included within this.

2.6 Considering market position and commissioning intentions in our strategy

As already outlined, the Trust is clear about its market position and the impact commissioner intentions may have on the business during 2013/14. Further work is being undertaken on the Commercial Strategy to support the Trust to respond positively to any commissioning intentions or changes and to maintain and enhance our current market position.

2.7 The Service Development Strategy (SDS) and Transformation Programme

Since 2008, the Trust has used its SDS to drive and grow the business and release efficiency. The SDS provides clear organisational and strategic direction, which will be delivered through a service line management framework that enables 'resolutely local' relationship management and devolved autonomy.

The Trust's Strategic Plan for 2013/14 – 2015/16 has been produced within the context of the Trust's 5 -year strategy, which recognises that the current economic challenges within the NHS will continue to be a significant driver for the foreseeable future. The Board of Directors is clear that the Trust needs to develop and implement a significant programme of service transformation that will ensure its long-term sustainability. The Transformation Programme under development for 2014

onwards will provide the vehicle to drive the transformation of the Trust's community and mental health services at pace and scale.

2.8 Collaboration, Integration and Patient Choice

As outlined previously, The Trust is working with all commissioners to look at integrated care approaches, both across health pathways and with local authorities. The drive behind this work is to improve the service offer to patients and wherever possible to release efficiency.

The Trust has a range of collaborations and partnerships with other organisations and agencies to deliver the best possible care offer. Details of these are included in Appendix 5.

Following the integration of the three community services in 2011/12, the Trust has used the original Co-operation and Competition Panel (CCP) rules to guide its business and partnership decision making. It has regularly sought legal advice as to the appropriateness of joint venture approaches and currently uses Memoranda of Understanding as its main partnership governance. This approach will be reviewed during the refresh of the Commercial Strategy.

The Trust provides patient choice via GPs and as part of AQP in audiology and podiatry. Where commissioned, services are accessed via 'Choose and Book' as part of the GP consultation.

The Trust will be working during 2013/14 on its Provider Licence. The Trust currently meets the range of conditions within the guidance (including those relating to the patient choice and competition oversight) and will continue to adhere to these in making its business decisions.

2.8.1 Integrated service provision along care pathways

The Trust is currently working in partnership with Pennine Acute Hospitals NHS Trust (PAHT) to deliver integrated services for sexual health and diabetes. This approach has provided an opportunity for the two providers to combine their expertise and experience to deliver more streamlined, patient-centered services in community locations, thus facilitating care closer to home.

These two models of integrated working have attracted the interest of other commissioners in the North East sector and work is in progress to extend the sexual health model to Heywood, Middleton and Rochdale and the diabetes model to Bury.

The two organisations (Pennine Care and PAHT) are considering how these services might be provided through a legal, partnership- like entity in the future, which will provide a more formal risk and reward sharing framework. In the meantime, however, this partnership working has facilitated a new approach to the delivery of integrated care pathways, whilst delivering care closer to home and releasing efficiencies.

2.8.2 Collaborative working to support vulnerable people

As a large statutory organisation, Pennine Care feels it has an opportunity to work with partners to champion the needs of vulnerable, older people. It recognises that it has a responsibility that is wider than purely addressing an individual's health or social care needs. As a consequence, the Trust has developed a partnership with Age UK, in order to bring health practitioners and a large third sector provider closer together to try and tackle social isolation, loneliness and depression within our local communities.

The work with Age UK builds upon the Trust's experience of working with partners to support vulnerable people. The Oasis Café, a Community Interest Company run in partnership by a social enterprise company, Pennine Care NHS Foundation Trust and Stockport Borough Council, is run by and for people recovering from mental health issues. Since the café was set up in 2005, it has supported 51 people to volunteer. The majority of staff and volunteers have experienced mental health problems and the café provides training, work experience, confidence and support to people who want to return to employment.

2.9 Diversifying income streams

The Trust's income is largely derived from the delivery of community and mental health services. During the last year, however, the Trust has expanded the range of commissioners for which it provides services.

The Trust has secured business outside its geographical footprint through a successful tender to provide community services in Trafford. The contract award is for the provision of adult and children's (includes child and adolescent mental health services) community services. As well as securing the Trust's strategic position in Greater Manchester, it has also provided the opportunity to work with new commissioners at Trafford CCG and Trafford MBC.

The Trust has a partnership with a private health care organisation to provide intermediate care beds within the borough of Tameside. This partnership has facilitated the rapid mobilisation of an intermediate care facility in a borough where the Trust did not have a readily available, fit-for-purpose estates solution. Building on the experience and expertise of similar services across the Trust, it has been possible to expand our range of services in Tameside, thus demonstrating to the commissioner a broader view of our capacity and capability.

The Trust will continue exploring new business opportunities and further diversification of income streams across commissioners during 2013/14 and beyond.

3.0 Approach taken to quality

Pennine Care has a robust approach to managing the quality of its services and this is the main priority of the organisation from the Board to frontline services. Where quality issues occur and are identified, the Trust acts swiftly and decisively to ensure improvement.

There are currently no existing quality concerns being expressed by the CQC or any external parties.

3.1 Response to the *Francis Report*

Pennine Care has been using learning from the first investigation at Mid-Staffordshire Trust to shape and improve its performance and governance systems in relation to ensuring patient safety and quality services. The publication of the *Francis Report* (February 2013) and the DH response *Patients First and Foremost* (March 2013) have provided additional areas of consideration, which were presented to the Board in May 2013.

All 290 recommendations have been reviewed by the Trust and, while the majority are targeted at national bodies, many are relevant to the Trust and do not require a national mandate or change in policy for us to consider and action. This will further inform our Quality Strategy during 2013/14.

3.2 Quality Assurance System

The Trust has in place a robust quality management system that has evolved and strengthened in line with improved quality reporting systems and information. The quality assurance (QA) system provides key assurance to the Board of Directors. The principle elements of the system are detailed below:

3.2.1 Quality Strategy

The Trust's Quality Strategy sets out our vision for patient safety, excellent patient experience and service improvement/development.

Pennine Care's Clinical and Quality priorities and milestones over the next three years are fully detailed in the Trust's Quality Strategy 2013 - 2016. These are reported on annually through the Trust Quality Account, but are monitored via the Quality Group on a regular basis. The main points

of the strategy for the next three years are outlined below and are set-out in line with the seven steps towards the quality service framework, as defined by the National Quality Board.

Safety
All cost improvement schemes are underpinned by a quality assessment framework; The safety thermometer will continue to be used to assess and improve key safety indicators, for example: Pressure ulcers; slips trips and falls; and urinary tract infections as a result of catheterisation within community and mental health services; Safety indicators are explicit within relevant reporting dashboards; A Trust-wide Patient Safety Information Group (PSIG) is in place to consider incidents and share organisational learning; Involvement of service users in their own assessment of risk and formulation of care plans.
Patient experience
Expansion of systems designed to capture patient satisfaction and experience, e.g. patient kiosks, SMS text messaging; Implementation of the Triangle of Care (adult inpatient services); Triangulation of information from complaints, compliments and patient experience to enable service specific feedback; Enhanced therapeutic environments realised through a range of ward improvement schemes.
Clinical effectiveness
Working within the Advancing Quality indicators for psychosis, dementia care and long term conditions; Improved understanding of issues relating to length of stay and delayed discharges; Delivery of mental health awareness training for community services and physical health training for mental health services; Implementation of a new electronic care records system will help ensure that the best care is being delivered to the right users in a timely manner; Conduct quality reviews to support Care Quality Commission compliance.

The delivery of the Quality Strategy is supported by an Integrated Governance Strategy, which aims to look at governance performance across a wide range of quality indicators.

3.2.2 Performance management

The Quality Group, led by the Medical Director is the overarching group responsible for developing the Quality Strategy, setting quality priorities and commissioning work to improve any areas of non-compliance.

The Integrated Governance Group manages the performance of a range of quality and service indicators to ensure any quality governance issues are appropriately escalated and managed. It also provides assurance on these actions to the Board.

The Trust's Risk Register analyses any risks that have been identified relating to patient and staff safety and service quality. The Risk Register is dynamic, fed by a thorough risk assessment process across all Trust departments and is subject to monthly review at our Integrated Governance Groups at Trust, division and borough levels.

All clinical incidents are recorded on the Trust's Safeguard System and are subject to a review by the governance team. All grade 4 and 5 incidents are circulated to the Board of Directors for review. All actions are captured and presented as part of monthly governance reporting.

3.2.3 Assurance

The Board Assurance Framework captures the range of risks identified by the Trust in terms of achieving our business objectives. This includes quality and service delivery risks and is cross referenced against the Risk Register.

The Trust has a comprehensive audit calendar which ensures that the Trust's services, policies and practices comply with relevant corporate and clinical evidence based standards such as NICE guidance, CQC quality standards, Monitor standards and all other key national priorities and core standards. Where results are less favourable, an action plan is put in place to address these issues. The audit calendar also links directly to the Integrated Business Plan to provide quality assurance around all service development initiatives.

The Trust produces an annual Quality Account which is publicly available and scrutinised by local commissioners, Overview and Scrutiny and local Healthwatch**.** As recommended in the *Francis Report*, the Quality Account is independently audited and assured by the Directors of the Trust.

3.3 Key quality risks

As described in section 3.2.2 above, the Trust actively manages risks through its Risk Register. Themes that are identified on the Risk Register, such as the monitoring of attendance at mandatory training and clinical supervision, are prioritised for remedial action and effective risk management plans put in place.

The key quality risks relate to the requirement to achieve CIPs across services while maintaining quality in the redesigned service provision, and the continuing need to implement an electronic clinical information system to support delivery of high quality care.

In terms of CIPs, the Trust's approach to monitoring the quality impact of CIPs is outlined in section 5.2.4.

In terms of development of the clinical information system, a robust project management framework is in place, reporting to SDG on progress, with any identified risks to the programme mitigated and actively managed.

4.0 Clinical Strategy and Service Development Strategy

4.1 The Service Development Strategy (SDS)

The Trust's SDS has been based for a number of years on delivering care closer to home and pursuing growth. Due to the size and compounding nature of the efficiency targets over the next three years, the Trust is clear that a major Transformation Programme will be required, which will see services completely redesigned based on commissioner intentions. This will see community and mental health services being clustered around GP practices or neighbourhoods and integrated into more locally defined teams.

2013/14 can be viewed as a transitional year towards achieving the major transformation programme as articulated in the SDS.

The SDS is underpinned by the following principles:

High quality services;
Person-centred care;
Building community resilience;
Self-management at the heart of delivery;
Technology maximised;
Clustered/neighbourhood teams;

Integrated with other services;
Skilled and motivated workforce;
The most productive service design.

The SDS and associated Cost Improvement Programme (CIP) are based around transformational themes that aim to drive-up quality and productivity at the same time as tackling variations and inconsistencies in current services to achieve greater efficiencies:

- To continue to deliver against the wide range of Hospital in the Community (HinC) schemes and to extend the in-reach offer to the acute setting to enable early discharge;
- To further develop integrated service models, clustered around GP practices and neighbourhoods, which may extend beyond historical constructs to include housing, education, leisure, police and third sector services;
- Delivering health and wellbeing as part of the core offer of services;
- Extending IAPT (Improving Access to Psychological Therapies) services to physical conditions, including long term conditions and to consolidate IAPT services in supporting GPs who face challenges with mental health presentations;
- To develop collaborative CIP solutions to the challenges community services face where commissioner 'ownership and insight' into community services is an obstacle to proposals for CIPs;
- Consideration of how new mental health intensive care, rehabilitation pathways and supported accommodation could facilitate inpatient redesign;
- Plans to work with potential partners to develop housing and community support, to promote mental health recovery, self-care and co-production;
- To extend, where possible, the Programme Budget and Integrated Pathway Hub (IPH) models;
- The implementation of a Rapid Assessment Interface and Discharge (RAID) service model and delivery against its four objectives: A&E liaison, repeat presentations in A&E with alcohol misuse, liaison for dementia in the acute wards and education around mental health for acute staff;
- The development of centres of excellence for dementia care;
- The redesign of Children and Adolescent Mental Health Services (CAMHS) to meet commissioner expectations;
- The redesign of drug and alcohol services;
- Developing a consistent model for learning disability (LD) services and a campaign for a value-driven LD strategy that would facilitate local investment in LD services;
- The roll-out of the clinical information system (Paris) to support service redesign and productivity.

In addition, the Trust will continue to pursue growth where it brings strategic and/or clinical benefits by responding to tenders, undertaking further mergers and acquisitions and/or expanding existing services, such as selling additional bed capacity across a wider geographical footprint, for example. The SDS is underpinned by an Organisational Development Strategy, Estates Strategy, Information Technology Strategy, People Strategy and Communication Strategy.

4.2 Service Line Management strategy

The Trust has had a Service Line Management (SLM) strategy in place since 2008. It provides an integrated planning and management framework that combines business and management principles, providing clear pathways for decision making and accountability. It creates a clear business planning framework, a performance management system for monitoring operational service delivery and achievement of financial targets.

Service line reports provide services with benchmarked performance data. The system is designed to ensure that operational and financial data is collected and used effectively at service-line level to improve quality and performance. The reports continue to be developed and improved providing service managers with integrated and comprehensive service line information for improved decision making.

In light of the Transformation Programme being developed during 2013/14, it is likely that the Trust's SLM Strategy will also be reviewed.

4.3 Clinical workforce strategy

Through the People strategy and its supporting strategies (HR strategy, Organisational Development strategy and Learning and Development strategy), a vision for the clinical workforce has been developed. The HR strategy identifies current workforce and forecasts the clinical workforce required to deliver current services and future requirements. This is based on planned service changes reflected in the SDS. The workforce strategy ensures that patient safety and quality are central to all service workforce plans with a strong Quality Impact Assessment process in place for service and workforce risks.

Robust plans have been agreed in response to national drivers to increase numbers of specific clinical staff. On example is Health Visitors growth requirements under 'Call to Action'. There is a specific workforce plan for Health Visitors which will meet future organisational requirements as well as meeting the needs of the wider health economy.

Work is continuing within the Trust to support the current context of transformational organisational change. A range of cost improvement programme schemes are being pursued across the Trust's services over the next three years. Work to support these change programmes includes:

An integrated workforce and service planning approach that models the impact of the CIP plan. This is utilised in conjunction with vacancy management and service development opportunities supporting our aspiration to safeguard employment and retain our skilled workforce. Training and Development plans are being linked-in fully to ensure that we train for future employability;

Utilisation of an integrated benchmarking approach, including a demand and capacity review, to better inform workforce planning. This approach is currently being applied to the Trust's district nursing workforce and the outputs will inform the future service redesign in accordance with the principles of the SDS;

An organisational change review to ensure better wrap-around support for employees during times of organisational change;

A Health Visitor (HV) workforce plan that models the impact of recruitment, training and potential retirements, which is monitored and reported on monthly to the HV 'Call to Action' group.

4.4 Clinical sustainability

As the Trust moves towards a process of change at scale, the key viability and sustainability of our clinical services, easy access to services and patient safety remain at the heart of all of our plans.

The Trust does not currently have any services with an identified deficit in critical mass. We are working hard to develop our efficiency plans and continue to improve our services. To ensure appropriate consultant cover, we have moved away from the Royal College's recommendations to a more individualised approach with job planning. This is in keeping with a more flexible way of working, and is an approach which has been approved by the college. As a result, the job planning process will pick up undue calls upon/intensity of work of consultants.

The Trust does have a specific work stream to deliver against the national targets set by the *Health Visitor Implementation Plan 2011-15 – A Call to Action.* As described above, recruitment is being closely managed across the Trust's footprint, supplemented by optimum training plans and supported by an effective leadership and management structure. The plans are being actively monitored to ensure the achievement of local targets.

4.4.1 Innovation in care delivery developed at the Trust or in conjunction with partner organisations

The Trust works hard to develop innovative service models. The aim is to streamline pathways and improve interfaces with other services to improve people's experiences of local health and social

care services and to protect the sustainability of our services. A few recent examples are outlined below:

RAID – Liaison Psychiatry service

RAID (Rapid Assessment Interface and Discharge) is an award-winning service which offers comprehensive 24/7 mental health support to all people aged over 16 within the acute hospital. It promotes quicker discharge from hospital and fewer re -admissions, resulting in reduced numbers of inpatient bed days. It is an innovative new approach in mental health, delivering in-reach services across the hospital. It brings together practitioners from other mental health specialties, including substance misuse and old age psychiatry in one team so that all patients over the age of 16 can be assessed and treated or referred appropriately much earlier.

Integrated care model in Radcliffe

The Trust is working collaboratively with GPs from Redbank Group Practice and Spring Lane Practice in Radcliffe, Bury, to trial a new way of caring for patients who are most in need by having dedicated Care Coordinators to support them.

There is a Care Coordinator focussed on helping adults with long term conditions and another who will support children and families. They will work with patients to help address health problems including how to manage their illness or support with mental health, as well as social care issues such as housing and welfare.

Telehealth

The Trust is piloting telehealth initiatives in three of its boroughs, focusing on patients with chronic obstructive pulmonary disease (COPD) and coronary heart disease (CHD). These pilots are being robustly monitored and formally evaluated to inform the Trust's future plans in respect of future roll-out, which will be linked to the national Three Million Lives campaign. The Trust is also making links between telehealth technology and its work on implementing self-management in order to empower patients to manage their own conditions more effectively and reduce their dependence upon health care (see section 2.3.4).

5.0 Productivity and efficiency

5.1 Plans for productivity and efficiency gains

The Trust has a range of work streams underway that will contribute to further productivity and efficiency gains. They include:

Point prevalence

A piece of work commissioned by the Trust's Acute Care Forum to better understand demands and prevalence across adult inpatient wards.

This was undertaken using a census approach, in which a 'snap shot' of all patients (including those on home leave) was taken on a given date. In order to achieve this, a questionnaire was designed by acute staff that covered a wide variety of areas including risk, barriers to discharge and diagnosis. To ensure that the views/perceptions of all staff groups were captured, the questionnaire was completed by the multi-disciplinary team, thus ensuring a more balanced clinical view of the demands on a ward.

The Acute Care Forum is reviewing this information to assess the wards' performance. Where appropriate, localities will develop action plans to improve productivity and efficiency by removing barriers and streamlining pathways.

This exercise is reported on quarterly to ensure pathways remain efficient as possible.

Temporary workforce

The Trust recognises the need to ensure that it manages its temporary workforce in an effective and efficient manner. A programme of work was initiated in 2012/13 which focused on centralising the Temporary Workforce function to maximise opportunities to achieve administrative efficiencies. As that work has now completed, a long-term temporary workforce strategy will be developed to achieve the following objectives for the organisation:

The availability of a reliable, contingency workforce able to meet unpredictable surges in demand;
A planned, flexible mix of substantive employees and bank workers to inform potential temporary workforce supply;
A planned recruitment approach that ensures that supply matches demand, supports rolling recruitment campaigns and ensures the bank supply is not over-utilised;
A cost-effective contingency workforce provision, with adequate controls to ensure the most appropriate resource is selected;
A contingency workforce that meets the required quality standards related to patient safety and ensures that employment relationships are managed;
Evidence of a competitive pricing structure for all solutions, which offers flexibility to support difficult-to-fill roles, ensuring the opted solution is the most competitive to attract the adequate volume of workers;
Robust contract management to ensure the supplier is obliged to fulfil the terms of the agreement which covers transparency in the process for payment, beneficial payment terms and specified training and checks.

An operational plan is currently being developed to support the achievement of these objectives. This includes in- depth analysis of bank and agency spend; reasons for usage; assessment of controls in place to ensure procurement of agency workers is justified; and review of agency suppliers to ensure that the most cost-effective methods are available to the Trust.

Emergency readmission rates

During 2012, the Trust implemented the RAID service (see section 4.4.1 above), which facilitates reduced emergency re-admission rates. The service has been funded through the CQUIN (Commissioning for Quality and Innovation) framework for two years. Full evaluation of the service outcomes will be completed during 2013/14 and the Trust will be working to demonstrate the productivity and efficiency gains that the service delivers to commissioners, with the aim of securing recurrent funding.

Mobile working

The Trust has recently made a significant investment in the Paris clinical information system, which will support the clinical and information needs of the organisation and facilitate the delivery of its long term business and service objectives. To maximise the benefits of this investment, it is recognised that clinicians should have easy access to real time information whilst working on the move. In today's technological age, location should not be a barrier to accessing correct and secure data and, therefore, the Trust has committed to getting its workforce mobile, with a business case currently being prepared for commissioners.

5.2 CIP planning

In line with our strategic goals, the Cost Improvement Programme (CIP) takes responsibility for the delivery of key targets outlined within the Service Development Strategy 2013 -18. These initiatives (CIP schemes) support the 5-year long term financial model (LTFM) 2013 - 2018.

5.2.1 CIP governance

Pennine Care has delivered financial efficiencies year-on -year since 2008. These have been achieved without significant disruption to service delivery and without detracting from the

expectations of commissioners for quality and value. However, the current financial climate and changes in commissioning expectations mean the Trust has to change and develop a new strategy and associated Transformational Programme.

The Trust is establishing a Business Development function to oversee the co-ordination of engagement on the SDS. Aligned to this, the Trust has also established a Director of Service Development and Partnerships and a CIP Programme Lead who will take overall responsibility for the management and co-ordination of the programme, reporting directly into the Executive Team.

All CIPs are managed via a robust performance management process. All CIPs require a named lead and in the majority of cases this will be a Service/Corporate Director. All CIPs are assessed for the impact they have on quality (see section 5.4). Regular reports on progress are then made into the Integrated Business Planning Group and Service Development Group (Board sub-committee) and actions taken promptly in response to any variance.

5.2.2 CIP profile

Please find attached an outline of the five key CIP schemes for 2013/14 in Appendix 2.

5.2.3 CIP enablers

The Service Development Strategy is managed through a dynamic and active process of clinical engagement. A significant aspect of this approach is the involvement of clinical leaders and clinicians at all levels who contribute via a wide range of established forums. These forums are aligned to the Trust's operational, professional and strategic structures.

All CIP schemes have an identified managerial and clinical lead that is able to contribute to the design and delivery of the CIP and its sign off. In addition, CIP schemes have an established project group, and where necessary wider reference group(s). These forums influence the design and delivery of each scheme and consist of a wide range of stakeholders (e.g.: Allied Health Professionals, doctors, nurses, social care colleagues, managers, human resources, finance, and administration). Staff Side Unions are also engaged on a regular basis, this helps ensure early identification of any staff concerns, comments or suggestions.

As previously described, the implementation of the Trust's Clinical Information System during 2013/14 will be a key enabler to releasing time to care, supporting mobile working and delivering safer services. In addition, a business case for creating a mobile workforce is in the approval phase.

A robust Communication Strategy ensures that key messages about the programme are managed and relationships are maintained with a range of internal and external stakeholders.

5.2.4 Quality impact of CIPs

The Board takes responsibility for ensuring that a full appraisal of the quality impact assessment is completed and recorded and that arrangements are put in place to monitor work going forward. Given the dynamic nature of Cost Improvement schemes, this exercise is part of the Trust's core business and a feature of our Quality Governance Framework.

This process has been informed in part by *Delivering Sustainable Cost Improvement Programmes* (Audit Commission/Monitor, Jan 2012) *and Quality Impact Assess Provider Cost Improvement Plans* (National Quality Board, July 12-Mar 13).

All appropriate CIP schemes are subject to an assessment of their impact on quality. This is undertaken and led by the relevant clinical team and covers an analysis of patient safety, clinical effectiveness and patient experience. The Trust has developed a range of documentation to support this process, these include:

Quality Assurance Dashboard;
Quality Impact Assessment;
Quality Assurance Evaluation Template.

These are monitored on a regular basis and signed off by the Integrated Business Planning group (IBP). Additional scrutiny is also provided through the Quality Assurance Panels and the Trust's Quality Assurance and Clinical Governance structures. Specifically the Quality Group, chaired by the Medical Director, has a crucial role in reviewing, approving and monitoring Cost Improvement Plans and Quality Governance Frameworks and where quality risks are identified, ensuring effective mitigation plans are in place.

6.0 Financial and investment strategy

The Trust's financial strategy is to develop a prudent long term financial model that utilises efficiencies generated from service redesign and cost reduction, to support the delivery of a level four rating within the new 2013/14 Financial Risk Rating (FRR) regime; and a level 3 rating based on the 2012/13 FRR. This position is challenged by the new commissioning framework which has led to a significant proportion of commissioned contracts being for one year, 2013-14.

The key assumptions contained within the plan, and reflected in the signed contracts with commissioners are as follows:

Key assumptions	2013/14	2014/15	2015/16
Tariff adjustment:			
Mental Health	-1.3%	-1.3%	-1.3%
Community Services	-1.3%	-1.3%	-1.3%
Pay inflation	1.0%	1.0%	1.0%
Incremental drift	1.0%	1.0%	1.0%
Non pay inflation	2.45%	2.45%	2.45%

To address the challenges raised by the above assumptions, the Trust has developed a £25.3m three year Cost Improvement Programme (CIP) which supports the annual plan and is consistent with the Trust's Service Development Strategy. The CIP includes service and system redesign work which will release sufficient efficiencies for the Trust to achieve its strategic financial aims.

In recognition of the potential consequences of implementing its savings programme the Trust has included annual non-recurrent restructuring costs of £1m. The Trust is committed to seeking redeployment opportunities for any staff displaced by redesign.

The Trust has identified recurrent schemes for the 2013/14 CIP target and where schemes cannot commence on the 1st April 2013 alternative non recurrent measures have been identified to ensure the saving target is achieved. Robust monthly monitoring of the Trust's financial position is well established, which includes the delivery of CIPs, and is reported to Board on a monthly basis.

The Trust's financial approach is prudent and this is demonstrated by the fact that the LTFM only includes contracted income in 2013/14 with modest growth in 2014/15 and 2015/16.

For 2014/15, the Trust will generate further revenue for the Long Term Long Stay Unit at Tameside General Hospital; and four additional CAMHS beds at Fairfield General Hospital in Bury, both of which are contractually committed.
For 2015/16, the Trust plans to provide Learning Disability beds for the repatriation of expensive Out of Area Treatment placements. This work is being developed in conjunction with commissioners and the Trust is confident demand exists for this service. The delivery of this

initiative will ensure that there are savings throughout the health economy for this service and it has been accounted for in the LTFM in 2015-16.

This prudent approach provides the Trust with a normalised surplus of £3m per annum over the three years.

The Trust continues to work in partnership with Commissioners to ensure that services are transformed and delivered more efficiently away from the acute setting and closer to home. This is evidenced by the continuation of the HinC Strategy which was established in 2012/13 with the North East Sector commissioner, as a two year pilot. As in 2012/13, the North East Sector commissioners have agreed to non-recurrently fund £0.75m in 2013/14 and the Trust will contribute £0.25m. During 2013/14, the Trust aims to appraise the impact of the HinC pilot to inform discussions with commissioners for making the funding recurrent.

One of the key risks in the current economic climate is the existence of short term contracts with the CCGs and other commissioners for the Trust's block contracts. The changing commissioner landscape has forced commissioners to resist commissioning based on a longer term model and they have therefore opted for one year contracts, with the exception of the Trafford community services contract which is three years. There is therefore a risk that the existing contracts will be subject to a tender exercise during 2013-14. The Trust is addressing this risk through communication with key commissioners, including the Local Authorities and articulating a vision for strategic partnering for the health economy over the medium term. This work with commissioners and the recent success in winning the contract for delivering Trafford community services, demonstrates the Trust's ability to compete in a competitive environment which minimises the risk of loss of contracted income.

The Trust has proactively addressed its governance arrangements for emerging activity based income streams, e.g. AQP, by introducing an Executive Director led Activity Based Funding (ABF) Group. The Group oversees the developing mental health clustering, community currencies and activity tariffs.

Work is continuing on the development of Payment by Results for mental health and the Trust is actively engaged with local commissioners and with national strategic objectives. A memorandum of understanding has been signed with local commissioners that allows for information on activity and shadow tariffs to be shared which allows joint working across the local economy.