



Strategic Plan Document for 2013-14

Southend University Hospital NHS Foundation Trust

Strategic Plan for Year End 31 March 2014 (and 2015, 2016)

This document completed by (and Monitor queries to be directed to):

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Date	30 th May 2013

The attached Strategic Plan is intended to reflect the Trust's Business Plan over the next three years. Information included herein should accurately reflect the strategic and operational plans agreed by the Trust Board.

In signing below, the Trust is confirming that:

- The Strategic Plan is an accurate reflection of the current shared vision and strategy of the Trust Board having had regard to the views of the Council of Governors;
- The Strategic Plan has been subject to at least the same level of Trust Board scrutiny as any of the Trust's other internal business and strategy plans;
- The Strategic Plan is consistent with the Trust's internal operational plans and provides a comprehensive overview of all key factors relevant to the delivery of these plans;
- All plans discussed and any numbers quoted in the Strategic Plan directly relate to the Trust's financial template submission.

Approved on behalf of the Board of Directors by:

Name (Chair)	Alan Tobias OBE
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Signature



Approved on behalf of the Board of Directors by:

Name (Chief Executive)	Jacqueline Totterdell
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Signature



Approved on behalf of the Board of Directors by:

Name (Finance Director)	Brian Shipley
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Signature



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To be published

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Forward Plan

A. Strategic Context & Direction

The Trust's vision

Southend University Hospital NHS Foundation Trust's vision is:

"to provide excellent care by excellent people"

During 2011 the Trust conducted a thorough review of its vision and the strategic objectives required to deliver this vision. This resulted in the development of six key strategic objectives against which performance of the Trust has been measured. These objectives have been reviewed again to ensure they remain the most valid and appropriate in what has been, and will continue to be, dynamic market conditions. This review included consultation with key stakeholders including staff, managers, the Board of Directors ("BoD") and the Council of Governors. While operational performance has been below expected and required levels, the Trust remains committed to delivering at excellent levels across all activities. As part of this, regular dialogue with stakeholder groups will form a key part of ensuring planned activity and improvements are delivered while building on the base of strengths enjoyed by the Trust.

The table below summarises the Trust's ambition:

Our Goal	We want to grow our healthcare services to deliver excellent care for the people of Essex from excellent people
Our Strategy	This means our patient focus keeps getting better. Our staff feel proud to work here and keep making a difference. Our services are sustainable; we keep the core strong and grow selectively. We use research, training and innovation to invest in our future. We recognise and act on the value of partnership of our hospital in our community.
Our Priorities	We work together so patients feel satisfied and cared for. Families, carers and visitors feel assured and supported. Staff feel proud and included; health partners feel they can rely on us. Our community supports us and our regulators hold us in high regard.
Our People	All staff contribute to patient satisfaction; quality of care and clinical excellence define us. Anybody can suggest improvement; everybody is listened to. To care, we actively partner with others across the NHS and other relevant organisations. We are accountable, we make decisions, we learn openly from what we do. Our leaders take collective responsibility in ensuring everybody matters and every detail counts.
Our Organisation	We understand detail; each experience is unique and personal. We challenge ourselves to improve our core services every day and to select new areas where we can make a difference. We learn from the experience and knowledge of our patients and staff; we measure our performance openly; we act to improve every detail because everybody matters.

The strategy addresses 'the how' as well as 'the when' and "the what" the Trust does to create an organisation with a standard for excellence and a reputation commensurate with that. The dynamic nature of the external environment requires the Trust to be an innovative, flexible and dynamic organisation that proactively seeks to improve patient care, patient experience and clinical outcomes whilst ensuring cost of delivery keeps the Trust financially sustainable. Staff must be engaged and feel valued, and there must be engagement with the wider community and key stakeholders which depend on the services delivered by the Trust.

The strategy has the relevant components required to create a transformation of this type:

- A simple vision that is easily shared and understood
- A definition of core services and a plan for selective growth
- Clear values with critical behaviours linked to them
- An overarching framework of measurable objectives which will enable the Trust to improve and search for excellence.

This vision will be delivered through 6 measurable and quantifiable corporate objectives.

These can be summarised as follows:

Corporate Objective	Outcome Measures for the Strategic Period
Objective 1 – Patient Focus: Keep Getting Better Keep getting better so that the care experience of our patients and their families is excellent along with the clinical outcomes we deliver	<ul style="list-style-type: none"> • Performance rated as “better than expected” in the national patients’ experience survey • Clinical outcomes in top quartile of Trusts in England – against the 60 measures in the national outcomes framework • SHMI in top quartile • 10% year on year reduction of complaints • Increase in incident reporting and aim for no recurring SIs • Clinical audit programme evidencing adherence with best practice • Reducing variation in mortality/morbidity 7 days a week • Consistently meeting the quality standards of our regulators
Objective 2 – Sustainability: Keep the Core Strong Ensure our services deliver excellent clinical outcomes. We will make sure our management processes and financial management support a sustainable commitment to excellence in the services we provide	<ul style="list-style-type: none"> • Meet Monitor’s compliance framework fully and achieve a Green governance rating • Fulfil all contractual obligations (i.e. we do what we say we will) • Achieve a financial risk rating of 3 or more • Meet all requirements of the operating framework and compliance with all CQC standards • Demonstrably comply with all relevant Health & Safety standards • Meet DH sustainable development strategy targets including environmental issues, economic considerations and social impact • Our balanced scorecard across all national and local measures is green • Compliant with mandatory training
Objective 3 – Sustainability: Grow Selectively Seek opportunities to grow selectively in those areas in which we excel or with evidence of competitive advantage	<ul style="list-style-type: none"> • Achieve annual growth targets in revenue to reach £290m by 2017 • Increase income through selective growth and selective shrinkage • Adopt innovative models for healthcare delivery • Build in competitive advantage • Develop sustainable growth and market competitiveness • Understand and develop market share • Contribute to a Trust Wide EBITDA of 10% by 2017
Objective 4– Research, education & innovation Clarify and grow areas where our expertise can deliver better outcomes, attract high calibre staff and set new standards for excellence in care, in research and in training. Build on current streams of innovation	<ul style="list-style-type: none"> • Meet our research strategy objectives • Attract high calibre staff who want to work here • Continually demonstrate improvements in outcomes • Double income derived from research by being a national leader in original and programmed research

Corporate Objective	Outcome Measures for the Strategic Period
<p>Objective 5 – Staff feel proud Ensure our staff feel proud to work here and keep making a difference; to foster the skills required to create an excellent organisation with excellent leaders</p>	<ul style="list-style-type: none"> • Staff feel valued, engaged and happy in their job, measured by being in the top quartile of trusts in the NHS staff survey • Top 25% of Trusts for low absenteeism • Top quartile for appraisals completed and development action plans in place (compared to Acute NHS Trusts) • Clear succession planning • Achieve higher productivity (income achieved per WTE)
<p>Objective 6 – Partnership, our hospital our community To support our relationship with the community and with stakeholders, to shape excellent services in our hospital, on the High Street and at home.</p>	<ul style="list-style-type: none"> • Deliver services that are within 20 minutes of everyone in the community (i.e. having convenient & accessible touch points) • Our community recommends us as their preferred provider, reflected in increased referral levels • CCGs to invest in us rather than disinvest • Have a partnership plan that identifies when the Trust will adopt a collaborative or competitive approach in its relations with other providers • Maintain and use a schedule of Stakeholders including map and contact details • Establish Trust services as a respected brand within the community • Ensure charitable and other funds raised match requirements • See a 25% increase in the number of volunteer hours worked

Plans have been developed and approved for each of the Corporate Objectives by the Board of Directors (“BoD”) and will be monitored as part of the Board of Directors on a Bi Monthly review against corporate objectives.

The Trust's Strategic Position

The economic conditions faced by the Trust are amongst the most challenging since the financial crisis of 2008 with current predictions for, at best, very low growth. The impact of this will encompass a further tightening of public funds and an increased appetite for more efficient use of public sector health investment. In tandem, a reduced level of investment in the private sector health economy will further compound the increased competitiveness in the total health economy.

The market local to the Trust will not be immune to these changes, although some past high standards of care and high local reputation will go some way to overcome approaching challenges. However, the Trust has a recent history of failing to identify falling performance standards which have subsequently breached national targets. The Trust, in common with several neighbouring Trusts remains under monthly review by Monitor. It is currently implementing a programme of improvement across key areas including, but not limited to, A&E, Cancer 18/52 week targets and Board governance to ensure full compliance by required deadlines. Many of these areas have seen improvement and recovery plans provide further evidence of the focus on delivering a timely recovery from current breaches. External support has been sought to assist in developing recovery plans.

The local health economy comprises five acute hospital Trusts in the surrounding areas and two major supporting community providers. In addition to this NHS competition are private providers, including established private hospitals run by BMI and Spire Groups. These private providers also receive NHS funded work, which current estimations put at around 25% of their income. There are numerous specialist providers in the local economy providing specialist services across the majority of non-Acute health care. The Trust is the dominant provider in the market place and is undergoing a change in commercial awareness to ensure market opportunities are identified and exploited where appropriate.

In the recent past the NHS brand reached its pinnacle during the role played in the closing ceremony of the 2012 Olympics. Unfortunately this has been followed by months of damaging revelations of poor healthcare delivery, lack of robust governance and basic mis-management. This will have an impact across the NHS, and the Trust will not be immune from the adverse impact of this change in perception. In light of this, the past reluctance of governments to implement significant costs savings on front line NHS services is likely to have waned. The BoD anticipates further pressure for improved efficiency gains will grow significantly over the coming period. This adds significant risk which will be mitigated by the BoD as it drives through internal efficiency programmes and seeks new revenue opportunities with pace. The stated desire to be regulatory compliant, caring and competitive is significant as new and existing competitors seek further opportunity to enter our market as their own comes under its own increased financial pressure.

The NHS is facing similar pressures as the wider economy. However, there are specific demands on hospitals to improve, reform, rescale and reduce the cost of their services and the Trust is not immune to these pressures. Within the local economy the Trust faces continued uncertainty in the form of structural change in how its services are to be commissioned, although this is becoming clearer. It is anticipated that most services will be commissioned for the population of South-East Essex (SEE) by 2 clinical commissioning groups. The first will cover Southend, which has a population of 175,000 and the other will cover Castle Point and Rochford, which has a population of 173,000. However certain services will be commissioned through special commissioning groups. The precise allocation of services between these bodies is still to be fully defined. A concern remains as to the affordability and the impact this may have to the Trust's finances later in the first year.

There is the potential for new forms of competition from both within and outside the NHS, including niche providers or new forms of community-based care. Whilst this is not well developed in SEE at present, the Trust will continually review the market to assess any changes that could potentially affect the hospital. This is likely to present a greater risk as the 'Any Qualified Provider' regulations take hold, although this is also viewed as an opportunity for the Trust to grow for example via vertical integration and broader geographical expansion.

It is anticipated that there will be continued pressure on budgets as the funding challenge continues, with the Trust needing to generate high levels of cost improvements to meet reductions in tariff and commissioner disinvestment plans. Commissioner disinvestment plans continue to focus on reducing the number of outpatient attendances and avoidable emergency admissions, particularly of older adults.

Whilst population growth in SEE is expected to grow at a lower rate than the England average between 2012 and 2015, 2.2% as compared with 2.7% for England, it is expected that there will be a significant growth in the number of older adults which is higher than the England average. The number of people over the age of 65 is expected to increase by 7.7% (5,400) by 2015 and the number of people over the age of 75 is expected to increase by 6.2% (2,100) over the same period. Just under 21% of the local population is currently over 65s and account for 56% of emergency admissions and 74% of emergency bed day use. The over 75 populace account for 6.4% of the total population, generating 41% of emergency admissions and 57% of emergency bed day use. As this is the population that is growing at the fastest rate the impact on acute services can be significant if admission practice does not change. Trust data indicates that admission practice has remained constant over the previous 4 years, highlighting the potential for admissions to increase due to the ageing population. Whilst it is a priority for commissioners to reduce admission rates, work undertaken to date has not had the desired impact. Demand has thus been managed through the Trust's continued drive to reduce length of stay. Based on current admission practice it can be expected that during this annual planning period emergency admissions for over 65s, generated by increasing numbers of people in this age cohort, could increase by 8% requiring 27 more beds or a 7% reduction in length of stay.

Opportunities & Threats

The reorganisation of the NHS commissioning bodies could leave a shortfall in cash that may only become evident in the latter part of this financial year (2013- 2014). This could cause some disruption to the funding of services which the Trust will attempt to mitigate.

The major reorganisation of pathology services across the EoE will have a major impact on the Trust. The Trust's failed bid has been followed by an extended period of uncertainty which remains at time of writing. The Trust has decided to become a major player in pathology and has formulated an aggressive strategy for developing a world class pathology service that is efficient, clinically excellent and scalable. This will be based on a joint venture with a neighbouring Trust. In line with recent enthusiasm from the Government this might develop into an exportable platform.

New providers may offer tailored services more cost effectively than the Trust which may be delivered without the cost of the estate or the drain on resources of some services e.g. A&E. New purchasing relationships may also reduce the amount of business the Trust wins especially where its clinical record and delivery of good patient experience is not consistently high. Also the demand generated by the changing local demographic will put increasing pressure in delivering more inpatient services if alternative care solutions cannot be found. If these threats are not addressed, there is a risk of losing services that the Trust currently provides to the detriment of both the Trust and the community it serves.

Of course, the reverse is also true – there are clear opportunities. The pressure of constrained finance and new competition can help reform the Trust's service configuration, challenge its efficiency and help improve the basic processes and structures that underpin its core services. Discussions with neighbouring trusts have highlighted potential service reconfigurations which the Trust could implement to develop competitive advantage and grow organically and inorganically, by absorbing the weaker services of other providers, while disinvesting services which can be better provided elsewhere.

A key pillar of Government strategy is to facilitate local innovation derived from research in order to deliver improved patient care. The Trust will build on its existing relationships with Anglia Ruskin University and Southend Borough Council to retain its active interest in the development of the local MedTech Campus.

Strengths & Weaknesses

The Trust has real strengths. It has a good multi strata reputation spanning local community, commissioners and clinicians, evidenced by continued recruitment of clinicians at the highest level.

In recent years the Trust has benefited from strong fiscal control that has enabled it to mitigate the impact of changes. It has also been successful in turning around the commercial operations of the Trust with a spate of recent wins of various magnitudes, and delivering across models identified in the Commercial Strategy. This gives confidence for future development, and the likelihood of delivery of the commercial strategy.

The Trust enjoys strong relationships with commissioners and clinical referrers. It has areas of outstanding clinical performance (cancer, urology, IMRT, MSK, COPD, stroke, vascular, etc.) and has untapped potential to use research and its strengths in innovation to expand that reputation and experience in clinical trials and new services. Success in winning HASU status will further add to this when the decision is implemented by the commissioners.

The Trust faces some significant challenges in managing through heritage issues at a time of significant revenue pressure. A substantial investment in the Estate has been approved by the BoD to bring the facilities up to the standards required.

In addition to the position towards improving the Estate the Trust is also working towards compliance across breaches in several key areas of operating performance and governance. An element of this is a focus to reduce the number of serious incidents ("SI"s) and never events while building on the existing positive reporting culture within the Trust.

Services need to be continually improved and must evolve to ensure best practice and the potential to exceed beyond this. The Trust's primary focus of improvement will initially concentrate on: emergency care, cancer, haematology, patient discharge and the care of older adults. New capabilities need to be further developed to enable the Trust to succeed in an uncertain environment; for example, commercial and communications skills, and the experience of forming new partnerships with sector specific experts.

Finally, robust management systems are being implemented to drive performance improvement and sharpen focus on specific clinical services and their associated clinical outcomes where the Trust can be (or are) excellent, and to configure services for future success.

Clinical and Quality Strategy

B. The Trust's Clinical and Quality strategy over the next three years

The Clinical and Quality Strategy over the next 3 years fully supports the Trust's priorities for a vision for excellence in that:

- patients will feel satisfied and cared for
- carers and visitors will feel assured and supported
- our partners feel that they can rely on us
- our services are and will continue to be safe and sustainable
- we will use research, training and innovation to invest in our future
- our regulators will be satisfied that the quality of the care we deliver meets their standards

The focus of the strategy is on 3 'quality priorities' which are underpinned by an organisational emphasis on embedding a culture which supports our vision of excellent care by excellent people, specifically:

- to support a focus on leadership which supports how staff can deliver excellent care
- to improve patient experience
- to Improve clinical outcomes and engender a culture of 'no harm' by ensuring that patient safety is embedded into how the Trust works

The strategy is fundamental in providing a framework that supports the Trust in reviewing its clinical and quality standards, improve its delivery and monitor progress with clear lines of accountability. In the context of the organisational change that has taken place, attention has been centred on establishing a robust foundation for future quality assurance and development.

For 2013/14 and beyond the priorities are:

- To embed the Quality Framework and Strategy that reflects the Trust's vision and supports the Business Units to deliver it and will, as a minimum, comply and build on Monitor's Quality Governance Framework. In particular, this will focus on quality governance with processes to seek assurance built into the Business Unit structure at all levels. We will further develop clinical systems and processes which will keep quality and patient safety at the centre of the Trust's agenda and ensure we meet the standard defined in Monitor's Quality Governance Framework.
- We will strive to drive out variation in the level of service across the 24 hour day and across the seven day week, with the aim that patients will receive optimum care at the time they need it – right care, right time, all the day and every day.
- We will continue to develop improved services for patients who are the most vulnerable when in hospital e.g. those with dementia or learning disability, enhancing the environment where possible, alongside improved clinical care
- To continue the improvements we have made in our patient surveys with the aim of moving performance into the 'better than expected' range.
- Consistently enhance quality and risk management at the clinical and operational levels. This started with a programme of 'safety visits' by the executive members of the BOD, with Non-Executive Directors undertaking visits now the system has been established. This has been extended to include the Governors. These visits allow the most senior management to see directly the standards of care being delivered and are currently primarily aimed at patient-care areas but are being rolled out to all areas within the organisation. This supports the emphasis on improving our culture by working together with our staff, by Directors talking directly to patients and staff about care quality and also making them more directly accountable to patients and visible to staff. It is well recognised that senior visibility engenders a recognised safety culture with a 'top down' approach so staff and patients understand that patient safety is important to the Trust's BOD.
- Internal audits of the Trust's performance against CQC criteria continues to embed within the organisation. This will ensure that standards within the Trust are as a minimum compliant when measured against those criteria and that risk management is embedded in the Trust's day-to-day management.

Clinical and Quality priorities and milestones

C. Clinical and Quality Priorities over the next three years

The Trust's quality goals are outlined in the following objective:

Objective 1 – Patient Focus

Keep getting better so that the care experience of our patients and their families is excellent along with the clinical outcomes we deliver. The outcomes against that objective are summarised as:

- Performance rated as “better than expected” in the national patients’ experience survey
- Clinical outcomes in top quartile of Trusts in England – against the 60 measures in the national outcomes framework
- SHMI in top quartile
- 10% year on year reduction of complaints
- Increase in incident reporting and aim for no recurring SIs
- Clinical audit programme evidencing adherence with best practice
- Reducing variation in mortality/morbidity 7 days a week
- Consistently meeting the quality standards of our regulators

Key Actions	Key Milestones	Risks to Delivery	Mitigations
<i>Please note that where a milestone is indicated as a month the due date is the last day of the month</i>			
Ensure that the Quality Strategy reflects the Trust's Vision, Strategy and Objectives through:			
Consistently review the performance framework that includes quality measures using targets & trend analysis to allow the Trust to continually improve	New KPIs incorporated into integrated performance report – as they identified and agreed	Inadequate resources to maintain the information Inadequate data leading to poor analysis or no data available	Establish the resource requirements to maintain the information and evaluate priorities to ensure that the resources are available
Further embed the 'Board to Ward' visits and training for BOD members on quality monitoring and governance	All NEDs participating in visits – April 2013 Review process and implement any improvements – September 2013 Provide training for BOD on Monitor's Quality Governance Framework – June 2013	Lack of ownership from the BOD to undertake the visits Competing priorities lead to the cancellation of the visits Lack of attendance of BOD at Board development sessions	Discuss and agree commitment to the proposal Requirement made clear to undertake training session and agreed by all BOD

Key Actions	Key Milestones	Risks to Delivery	Mitigations
Further embed a risk management culture which supports the delivery of the Trust's key objectives	Corporate Team review of the Corporate Risk Register on a monthly basis – September 2013 Risk Management Committee becomes obsolete as risk management becomes embedded in the organisation – March 2014 On-going training programme as per Trust training needs analysis	Staff not understanding the risk management process	Assign staff to carry out training programme development, agree timeframe for completion and monitor progress against that timeframe Assurance review by Internal Audit of progress against plan.
Improve patient satisfaction and experience through:			
Measuring current position using a range of tools including Patient Experience Tracker, Quarterly Patient Reported Outcome Measures, Complaints, Compliments To review the myriad of patient experience measures to develop a sustainable and proactive way to measure the patient experience – September 2013	PET, PROMS and complaints/compliments monitoring already established and will be on-going. Develop the first 'corporate' Patient Focus Group to allow us to discuss relevant issues in relation to patient's experiences – August 2013	Timeliness of data analysis poor due to lack of resource within patient experience/complaints team Patients unwilling to become involved in focus groups	Obtain clarity about the outcome that is being sought Develop a range of options and evaluate each to determine which best meets the objective Use appropriate means of communications to seek willing patients and carers to take part
Provide Patient Experience Trackers to each Clinical Business Unit (BUs) to create local ownership along with the responsibility to proactively continuously improve and address issues as they arise in real time – August 2013	Information shared and results monitored via Business Unit/Exec Team performance monitoring meetings – from September 2013	BUs do not accept ownership BUs do not place a high priority on the information provided and do not take necessary action	Exec Team to hold BU Directors to account through the performance monitoring meetings

Key Actions	Key Milestones	Risks to Delivery	Mitigations
Improve the experience of patients with dementia by proactively identifying patients who suffer from this condition and offer support to their carers – June 2013.	Development of a mechanism to capture the data – June 2013 Review and monitor training numbers for staff trained in the care of dementia – September 2013	Staff don't recognise the importance of acquiring the skills to provide care to meet the needs of this patient group Dementia team are unable to meet the demand for this type of training	Agree skills requirement in this area Identify staff requiring training as part of the annual appraisal process.
Improve and understand feedback in relation to the pain relief that patients receive - March 2014	Understand the current perception of pain control/relief to establish a baseline – June 2013 Monitor the use of the Oxford Pain Scale – September 2013 Access feedback from patients about their pain relief – September 2013	Insufficient resource to conduct the audits required Ineffective methods of gaining patient feedback	Agreement with the pain teams and clinical audit as to the requirements to commit to the process. Review feedback methods as and when required to ensure we receive the feedback that will support improvements
Ensure Patient Safety is at the heart of operational management through:			
Patient Safety is an integral part of the performance framework and is seen as a key factor in BU development – June 2013	Performance framework in place but requires agreement for success – June 2013	The need to ensure that Quality is in the triangle of performance freedoms along with Performance and Finance	Exec Team to hold BU Directors to account through the performance monitoring meetings
The development of key clinical outcome quality indicators and SHMI per BU which are monitored as part of the Quality account – June 2013	Inclusion in the Integrated Business Board Report and report to QAC – June 2013	BU do not identify their measures accordingly	Open discussion and agreement with Clinical leads to identify the most appropriate measures
On-going focus on incident reporting, recognising that high incident reporting culture is a safety aware culture	On-going	Incident reporting declines	Evaluation to determine reason for decline Training reinforced in targeted areas
Early recognition of the deteriorating patient through use of systematic review to allow continuous improvement – March 2014	Bi-annual observation chart audit against the planned frequency of vital signs – June 2013.	Insufficient resource to conduct audit through the clinical outreach team. Failure to improve continuously against audit results	Staff within Outreach Team are involved and lead the audit process and are committed to the improvements required
Ensure the delivery of high standards of care to patients through:			
The continuance of the programme of local audits against CQC standards to ensure on-going compliance	Ward audits in place and feedback given to BU	Competing priorities result in audits not being carried out at agreed frequency Lack of resources to roll-out to departments	Assign staff to undertake the audits and monitor compliance with audit frequency. Agree actions necessary to meet the requirements

Key Actions	Key Milestones	Risks to Delivery	Mitigations
<p>Monitoring of HCAIs and pressure ulcers, ensuring that actions implemented in 2012/13 are fully embedded, undertaking RCA investigations for every incidence and sharing any learning Trust wide to raise standards consistently throughout the Trust</p> <p>Maintaining clear focus on zero tolerance approach to HCAI, specifically MRSA and Cdiff</p>	<p>On-going</p> <p>Agreement of locally set ceiling for Cdiff (National target arguably unachievable due to no avoidable cases being identified).</p>	<p>RCAs fail to be carried out</p> <p>Learning not shared</p> <p>CCG do not agree a local ceiling</p>	<p>Assign staff to lead on all RCAs</p> <p>Discuss learning at BUD/ABUD and Corporate Team meetings and best practice days to encourage sharing</p> <p>Current negotiations and dialogue being undertaken.</p>
<p>Undertaking nutrition assessments on admission for all vulnerable patients, put plans in place to address any nutrition concerns in accordance with the agreed policy</p>	<p>Commenced – April 2012</p>	<p>Nutrition assessment not carried out</p> <p>Actions identified not implemented</p>	<p>Audit compliance with the policy</p> <p>Identify outliers and take action to improve compliance</p> <p>Provide results of audits to BU Directors and hold them to account for non-adherence to the policy</p>
<p>Develop the organisation to deliver 'safe care 24/7' – March 2014</p>	<p>Establish a model of care which delivers safe care throughout the 24/7 period including:</p> <p>Care out of hours (night) – July 2013</p> <p>Care out of hours (weekends) – March 2014</p> <p>Review current bed model and clinical classifications to support high quality care – October 2013</p>	<p>System not developed as planned</p> <p>System ineffective</p> <p>Clinical teams not prepared to change practice</p>	<p>Assign staff to develop system, agree timeframe and monitor progress</p> <p>Audit system to ensure that it is working as expected</p> <p>As part of system define principles that the Trust will follow and that clinical teams sign up to</p>

Care Quality Commission (CQC) Assessments

The CQC visited the Trust on 3 occasions in 2012/13 and reviewed the Trust's level of compliance against the following standards:

Outcome	Compliance judgment
October 2012	
Outcome 2: Before people are given any examination, care, treatment or support, they should be asked if they agree to it	Compliant
Outcome 4: Care and welfare of people who use services	Compliant
Outcome 6: Cooperating with other providers	Compliant
Outcome 9: People should be given the medicines they need, when they need them, and in a safe way	Compliant
Outcome 10: Safety and suitability of premises	Compliant
Outcome 14: Supporting workers	Compliant
Outcome 17: People should have their complaints listened to and acted on properly	Compliant

NHSLA Assessment

The Trust maintains its level 1 accreditation for NHSLA in General Standards and level 2 for Maternity Services

Monitor Governance Rating

The Trust was found to be in significant breach of its Terms of Authorisation in December 2011 due to its failure to meet key targets and its Board Governance. The Trust remained in breach until the introduction of the Health & Social Care Act 2012. At this time the Trust began operating in line with the enforcement undertakings.

The issues raised are being addressed and the following table identifies the required actions:

Improvement Area				
Area	Target with Reason	Actions	By When	Responsibility
<i>Please note that where a milestone is indicated as a month the due date is the last day of the month</i>				
Monitor				
Board Assurance Framework Outcomes: BAF in place which is regularly updated and reviewed by the BOD	Management of Strategic Risks (Board Assurance Framework) Reason Forward management of strategic risks and Board assurance	Board Assurance Framework methodology agreed at Board in January 2013 and now being embedded into the BAF process	Complete	Chief Executive

Improvement Area				
Area	Target with Reason	Actions	By When	Responsibility
Board Governance	Breach of FT4(2) and FT4(6) under the terms of the provider licence, with deficiencies in the Trust's board governance and Monitor's quality governance framework.	Action plans have been developed in critical areas as a result of recommendations received from Deloitte LLP's governance review in October 2012. Plans continue to develop to provide a more robust governance framework in areas of board challenge, performance reporting, development and communication of strategy, board visibility, and continued embedding of risk and CIP Systems. Communication of quality strategy continues throughout the organisation, and further work – board to ward – to fully embed the quality governance framework – continues so that all 10 areas will become compliant.	A full board / quality governance framework review will be carried out by Deloitte LLP in August / September 2013, in accordance with the terms of engagement dated 14 February 2013, to which Monitor is party.	Board Governance – Chairman Quality Governance Framework – Chief Nurse.
Target breaches	Accident and Emergency Target achieved for 3 successive quarters starting Q2 2013 Reason: To achieve a sustainable performance at an acceptable level	The Trust has taken external support in developing a recovery plan to ensure compliance.	By Q2 2013, full compliance, and robust delivery over following consecutive three quarters	COO
	18wk/52wk RTT Reason: To ensure patients receive treatment in a timely fashion	The Trust has an action plan to reduce the backlog of patients breaching.	Plans in place to ensure compliance by Q3 2013	COO
	Cancer targets Reason: To ensure compliance with requirements for prompt diagnosis & treatment	The Trust has developed and action plan to ensure compliance with cancer targets	Plans in place to ensure full compliance by Q3 2013	COO

Improvement Area				
Area	Target with Reason	Actions	By When	Responsibility
Performance reporting	<p>Improved performance reporting at Board</p> <p>Reason To provide the Board agreed clear measures which are used to hold the executive to account for overall performance</p>	<p>New Integrated Board Performance report now in place</p> <p>Integrate finance and Clinical Outcomes KPI's</p>	<p>Complete</p> <p>July 2013</p>	<p>COO</p> <p>DoF/MD</p>
Board visibility	<p>Increase visibility of BOD amongst staff and external stakeholders</p> <p>Reason To provide a visible Board Team who can be accessed by all staff and who are cognisant are patient care at clinical level</p>	<p>Roll out of BOD patient safety walkabouts</p> <p>Maintain visibility and influence at CCG/LAT and other external stakeholders as appropriate</p>	<p>April 2013</p> <p>Complete and ongoing</p>	<p>Chief Nurse</p> <p>BOD</p>
CIPs	<p>See financial plan</p> <p>Quality Impact Assessment timely completion and sign off</p> <p>Reason To provide assurance that CIPs are not detrimentally affecting quality of care for patients</p>	<p>Regular times for both the MD/Chief Nurse to review any QIA's for CIPs.</p> <p>Regular board review of QIA KPI's to provide assurance that quality of care has not been detrimentally affected.</p>	<p>Complete and ongoing</p> <p>Quarterly presented to BOD and ongoing</p>	<p>DoF</p> <p>Chief Nurse/MD</p> <p>Chief Nurse/MD</p>
Communications Strategy	<p>Updated and agreed Communications Strategy</p> <p>Reason: To provide a framework for communication to both internal and external stakeholders</p>	<p>Communication Strategy to be agreed at BOD</p>	<p>June 2013</p>	<p>CEO</p>

C Finance

Productivity and Efficiency

Overview of schemes and potential productivity

The Trust's target for Year 1 is £10.3m. This includes a number of schemes that are aimed at increasing productivity and efficiency, without impacting on quality and a number which aim to generate income from best practice tariffs. The latter require changes in clinical practice to deliver change.

The management of the programme is an on-going process and has developed further since the financial templates were prepared. The programme now covers a wide range of activity including as follows:

Disinvestments

The Trust is working with the CCGs to establish the full details behind their disinvestment plans. However for the purposes of our planning we have assumed a £3.2m disinvestment. Approximately 25% of costs relate to drugs and medical consumables and it is reasonable to assume that those costs would automatically fall out further to reductions in activity. We anticipate that a further 25% could be removed relating to reductions in workforce.

Pharmacy Schemes

Price reductions in drugs offer the Trust savings each year. In addition to these savings we are also developing schemes which will look to change prescribing habits so as to reduce waste.

Pathology Schemes

A major programme to deliver the merging of laboratories with Pathology will deliver the majority of the planned savings in the coming year. Additional savings will be delivered from pay costs as a result of changes in working.

Staff reorganisation and restructure

Across several areas within the Trust, skills mix reviews are taking place. This is a rolling programme of activity with saving achieved in previous years. We are also continuing the implementation of an e-rostering system that will delivery reductions in pay costs as a result of increased efficiencies in rota planning.

Improve Theatre Utilisation

The programme includes several schemes targeting over £560k in Year 1 and further savings in the following years in savings through reducing costs in Theatres. These schemes deliver both reductions in spend as well as improved utilisation.

The savings will be delivered by reducing variation in product usage to drive down purchasing costs and implementing greater control over the ordering of consumables to reduce waste.

Efficiency savings in theatres will be delivered by increasing the number of procedures completed as day cases as well as improving the productivity of current lists. In addition improvements are aimed at the staffing skill mix.

Length of stay (LOS) reductions

Benchmarking data indicates that improvements can be made, especially in Paediatrics (rank 104 out of 140) and Gynaecology (rank 64 out of 140). NICE guidance also suggests that LOS for elective caesareans could be shorter As a consequence, through improving processes the Woman & Children Business Unit aims to deliver savings of £75k.

Using enhanced recovery, the MSK Business Unit will reduce its average LOS and deliver a saving of £174k through bed closures and the surrender of vacant posts.

Conversion from inpatient to day stay in oncology will deliver a saving of £40K.

Non-Pay Usage

Several areas within the Trust are planning reductions in the volume of tests and scans which will lead to savings in consumable costs. Other reductions in non-pay stationery, postage, taxis, etc... will also deliver savings in the year.

Non-Pay Price savings

Renegotiation of contracts, both service provision and clinical supplies, will deliver savings. Further savings will also come from standardisation of product use.

Technology driven savings

The Trust will replace its PAS in the year. Benefits from this implementation will come from changes in the way we work, with substantial savings from year 2.

Bank & Agency Spend

Several schemes, target reductions in spend on the contingent workforce. The schemes aim to both reduce the overall numbers and costs of agency/bank staff.

In conjunction with the programme there is considerable focus on reducing the overall reliability and spend on the contingent workforce. However, these will focus on cost avoidance and overspends, to improve the overall financial stability of the Trust rather than contributing to CIPs.

Emergency Readmission Rates

No specific schemes are aimed at reducing emergency readmission rates although this remains a priority for joint work with the local CCGs.

CIP Governance

The Trust's performance in delivering its CIPs in the last two years is shown below:

	Plan £'000	Actual £'000	Shortfall £'000	% Achieved
2011/12	12,033	8,964	3,069	74%
2012/13	11,260	10,042	1,218	89%

In 2011/12 the Trust attempted to deliver the highest CIP in its history, only delivering 74% of the target, which was of a similar value to that delivered in the previous year. A number of issues contributed to this non-delivery, including weak monitoring systems and processes enabling corrective action to be taken where expected results were not being achieved, a new management structure and systems that was not sufficiently embedded to drive the programme and a number of plans that were not robustly tested and then failed to deliver.

For 2012/13 the Trust recognised that its systems and processes were not strong enough to deliver a significant CIP. As a consequence it implemented a number of actions that led to formal management of the programme by the Programme Management Office (PMO) with some initial support from PWC to establish the processes. That led not only to consistency in those processes but a single consistent point of focus/contact for each business unit and corporate director charged. The actuals for 2012/13 fell slightly short of the target but was covered by additional income.

The processes put in place also helped with an earlier start for planning for Year 1 and subsequent years. It also ensured that the Trust was better placed to benchmark its performance and look for across business units' schemes.

The PMO is led by a senior manager reporting directly to the Chief Executive and reporting to the Board. Monthly reviews take place between the PMO, Finance and the business units prior to each business unit meeting the executive team on a 1:1 basis and then further consideration by the whole corporate team. In doing so individual schemes are RAG rated for risk and quality, profiled over the year and with forecasts being prepared for the coming months. Schemes are also identified as recurrent and non-recurrent clearly identifying those savings that go beyond the boundaries of financial year.

CIP Profile

A summary of the 5 main schemes is set out below:

		<i>Transformational</i>	2013/14	2014/15	2015/16	Total (over 3 years)
	<u>Main Schemes</u>		<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
1	Savings from CCG disinvestment	<i>No</i>	1.60	0.90	-	2.50
2	Pharmacy Out-Patient Dispensing	<i>No</i>	0.40	0.40	0.40	1.20
3	Pathology Merger of Laboratories	<i>Yes</i>	0.25	0.25	0.25	0.75
4	Enhanced Recovery	<i>Yes</i>	0.17	0.34	0.34	0.85
5	Prostheses Review	<i>No</i>	0.16	0.19	0.19	0.54
	Total		2.58	2.08	1.18	5.84

Lessons have been learned from last year's programme, which had a profile weighted towards greater delivery in quarters three and four. The profile of Year 1's plan is flatter across the year and hence less risky, which affords more time to address any underperformance of individual schemes.

The programme's risk is assessed in three different ways:

- Perceived level – based on the complexity or difficulty within the scheme
- Financial – based on how well the scheme is delivering against its profile
- Milestones /KPIs – based on how well the change is being managed

This approach recognises that change, when done well, delivers savings and improvements in a safe manner which limits risk to services and mitigates any negative impact on patients.

The Trust recognises that to ensure long lasting benefit from its CIPs it needs to focus on more than simply cutting costs. Therefore Year 1's programme is looking to ensure that benefits from reduced cost are twinned with improvements to services, delivered through establishing transformational change.

The programme contains schemes which both address reductions in back office spend as well as improvements to frontline services and the generation of additional income. The total value of the transformational schemes is £1.3m and focuses on the delivery of recurrent savings as a result of new ways of working.

The application of technology offers opportunities to both reduce cost as well as improve services. The programme includes several schemes looking to gain further efficiencies from existing technology, such as greater value from the online choose and book system.

During the summer the Trust will be migrating to a new PAS as the current system reaches the end of its supported life. Whilst the main focus in Year 1 will be its implementation, in Years 2 and 3 this will switch to seeking efficiencies from areas such as improving bed management and supporting improved patient information sharing

amongst clinicians. These opportunities have yet to be fully explored and will be added to the programme as they are developed.

Further transformational work is planned in Pathology potential working with Basildon and Thurrock University NHS Foundation Trust and the private sector to redesign laboratories in order to allow greater shared resources. This will then support changes in processes and working practices to enable the targeting of over £250k of potential efficiency savings.

CIP Enablers

Responsibility for identifying, managing and delivering CIPs lie with business unit and corporate directors. A number of the business unit directors are clinicians and each business unit has its own board which will include other clinicians. CIPs are generally built from the bottom-up involving all staff within the units. A number of units have held away days as a way of gathering base data and ideas.

Generally speaking the CIPs are to achieve efficiency gains rather than being enablers for future investment in services and infrastructure. However it is generally accepted that in producing any internal business cases that savings need to be generated to fund developments as the Trust has little room for pump priming.

Quality Impact of CIPs

All the Trust's CIPs require a quality impact assessment before final sign-off. That assessment is directly undertaken by the Deputy Chief Executive/Chief Nurse and Medical Director. Should a scheme have an adverse on quality then it is referred back to the originating business unit to be reassessed. Each approved scheme has a number of key performance indicators that are reported in a similar way as the financial benefits via the PMO on and then reported upwards as described above.

Revenue Generation

Best Practice Tariffs. We have several schemes that will improve patient services and enable the Trust to obtain additional income through BPTs.

Improve Recording & Coding. Further to reviews in several areas it has been highlighted that improvement in recording activity will improve the quality of coding which will have a beneficial impact on our income.

Radiotherapy & Breast Tariff Changes. The Trust has gained additional benefit as a result of changes moving from block to tariff rates. This has already been realised for Radiotherapy and is currently under negotiation for breast

New Services & Procedures. This encompasses a wide range of schemes, with some of the more significant ones relating to the repatriation of services to the Trust.

Other Revenue Generation Schemes. In addition to increases in charges for services and reductions in DNA rates, the Trust anticipates winning several contracts for the provision of additional services. The anticipated surplus from these contracts has been included in the programme.

Financial and Investment Strategy

Assessment of the Trust's Current Financial Position

The Trust's original strategy, after it became a Foundation Trust in June 2006, was to reinvest its surpluses in its infrastructure and medical equipment. In the first few years the Trust generated surpluses of £6m-£7m underpinning a Financial Risk Rating (FRR) of 5 and thereby delivering substantial reinvestment in the first 2 stages of its then estates' strategy. As a consequence the Trust held the minimum levels of cash that provided sound working capital balances.

The change in the national economic position has meant that in the last 2-3 years the Trust has had to alter its strategy, working within less resource and delivering greater levels of efficiency savings but still maintaining a FRR

of 3. In doing so the final 2 stages of the estates strategy has been put on hold (although the use of external investment may be considered). All of this has also been against a background of disinvestments from commissioners.

For 2012/13 the Trust delivered a surplus slightly below plan at £0.8m underpinned by savings of £10m. Cash balances improved and finished the year above plan at £15m mainly as a result of settlement of outstanding debts from PCTs and some planned slippage on capital expenditure. Both were achieved against a background of both higher activity as a consequence of some non-delivery of commissioner disinvestments and a number of internal cost pressures.

Key financial priorities and investments and links to the Trust's overall strategy

The Trust's financial strategy remains as set a year ago and is aimed at improving the underlying financial position to provide some headroom for reinvestment and sustainability (Corporate Objective 3 – sustainability: keeping the core strong). The key objectives are summarised in the table below followed by a brief explanation:

	2013/14	2014/15	2015/16
Financial Risk Rating	3	4	4
I&E Surplus	£2.4m	£3.8m	£5.6m
Cost-Improvement Programme	£10.3m	£9m	£9m
Cash Floor	£12m	£12m	£12m
Capital Expenditure	£12.8m	£10.2m	£10.9m
Cash available for Investment	£3m invested	£4m	£4m
Type of Investment	Improved infrastructure & statutory compliance	Improve infrastructure & limited growth	Improve infrastructure & limited growth

Financial Risk Rating

Based upon the existing risk ratings the Trust aims to deliver a minimum FRR of 3 over the three year period moving towards a 4.

The impact of the proposed risk ratings for Continuity of Service (currently in shadow form) are summarised in the table below. It shows that the plan achieves a rating of 4 both for debt service cover and liquidity in each of the three years. The overall continuity of service score is also a 4.

	2013/14	2014/15	2015/16
Debt Service Cover Rating	4	4	4
Liquidity Rating	4	4	4
Continuity of Service Risk Rating	4	4	4

I&E Surplus

The I&E surplus is planned to increase in the planning period and is based on the following key assumptions.

Income

Clinical income is based upon the 2012/13 outturn, has been agreed with commissioners and then adjusted for agreed or expected changes as follows:

- the actual PbR tariff reduction in Year 1 and lower by 1.5% in the following two years;
- the changes in the commissioning landscape ensuring that the Trust's cash position and payment for activity is protected whilst the changes take effect;
- the CCG's disinvestment plans which have been assessed at just over £3m in Year 1;
- all payments in line with PbR rules replacing the local risk share agreement introduced 2 years ago. Any increases in activity over the agreed baselines will be reviewed quarterly with commissioners to manage activity levels and
- adjustments for commissioners' challenges, potential fines and readmissions.

Expenditure

The base-line for expenditure is the cost of delivering the current activity level with further adjustments for expected changes. The main assumptions are as follows:

- pay inflation is in line with the national position as set in the Chancellor of Exchequer's budget at 1% in each of the 3 years;
- incremental drift of £0.98m in Year 1 is based on detailed pay costing with estimates for Years 2 & 3 showing a reduction to £0.73m and £0.55m respectively;
- inflation is applied in Year 1 where it has been identified e.g. electricity and gas prices. Otherwise a general assumption of 5% has been applied for drugs, 2% for clinical supplies and 1% for other non-pay. This is constant with previous assumptions;
- budgets are aligned with activity levels reflecting the increased costs seen in the previous year where activity has not reduced to the levels expected;
- a number of significant cost-pressures are expected to have an adverse impact on expenditure. Most notable are CNST contributions and additional investment in the Trust's facilities function. The former which will rise by £0.68m in Year 1 and is then estimated to rise by a further £0.5m in Years 2 & 3 and the latter (for which investment started in 2012/13) by a further £400k and
- a recurring contingency reserve of £1m first established in 2012/13 is continued with the impacts of the previous year's reserves (mainly additional ward staffing) embedded in the base budgets for Year 1.

Cost Improvement Programme and Income Opportunities

The cost improvement programme is set such that it delivers approximately 4% (ranging from £10m-£9m) in each of the 3 years although part of that is delivered through additional income mainly from new best practice tariffs. The target for Year 1 also includes a further £1.3m to reinstate non recurrent savings from 2012/13.

Cash Floor

The Trust operates a cash floor for working capital purposes. This has been increased from £10m in 2012/13 to £12m for each of the three years. The increase is to provide further cover with the uncertainty over the changes in the commissioning landscape. This will be reviewed as the Year 1 progresses. The level of investment in the capital programme reflects the cash available. In addition the Trust has a finance facility of £15m, which to date it has not needed to draw down. This facility expires mid-way through Year 1 and its renewal will be considered at that time.

Capital Expenditure

The capital programme is risk assessed based upon operational priorities and reflects increased investment in Year 1 to ensure statutory compliance for the estate, high priority backlog maintenance and replacement of the PAS system. The total funding for Year 1 is £12.77m followed by £10.22m in Year 2 and £10.95m in Year 3. The programme for the Years 2 and 3 is largely for replacement purposes and for backlog maintenance.

Each year's capital budget includes a contingency of £0.5m to provide some in-year flexibility for unforeseen or urgent need.

Cash Available for Investment

In setting the longer term objectives the Trust recognises that it needs to improve its cash balances to allow both improvements to the estate pump priming of any service developments. Whilst not specifically allocating any funds for those purposes in the plan the improvement in the Trust's cash balances will enable the Trust to review its capital commitments as part of the 2014/15 planning process.

Key risks to achieving the financial strategy and mitigations

The main risks and mitigations are summarised below:

Changing Commissioning Landscape

The vast majority of the Trust's income is directly derived from NHS Commissioners. The changes implemented in April 2013 with the demise of PCTs and SHAs has led to a range of new commissioners including CCGs, specialist commissioners, the local area teams and local authorities. Identifying who commissions what has been a complex process potentially leading to both non-payments for activity not properly ascribed to a specific commissioner and potential cash flow difficulties. A separate risk of commissioner affordability is described below.

That risk has been mitigated by the agreement with the lead commissioner, Southend CCG, that the reconciliation of activity between commissioners is a commissioner responsibility and that initial cash payments will be based upon last year's levels until those (4 monthly) reconciliations occur. That agreement is embedded in a formal Memorandum of Agreement that is part of the contract.

CIP

A most critical part of the financial strategy is the successful delivery of the cost improvement programme (see above). The Trust's management arrangements are now very robust following external reviews by PwC a year ago and the co-ordinating role undertaken by the Programme Management Office.

The responsibility for the delivery of the programme lies with the Trust's business units and corporate directors. Nevertheless the challenge in every year (with a target of £10.3m in Year 1) remains but is achievable. In setting the programme the Trust aims to identify a contingency of some 30% above the target to cover the possibility of schemes not delivering in-year in full. Part of the programme is focused on generating additional revenue (£2.8m) and the remainder from cost reduction schemes. Of the latter whilst the full value of schemes have been identified a number still need some further development.

Income lower than Plan and Commissioner Affordability

Activity in previous years has tended to be higher than forecast largely through only part delivery of commissioner led disinvestment schemes and because of growth. This has largely been managed through commissioner reserves and through a local risk share arrangement. The latter is not part of the arrangements for Year 1 and as such puts more reliance on the delivery of disinvestment schemes.

In agreeing contracts the commissioners have indicated that they expect to deliver some 70% of a £10.7m programme whilst the Trust's own plan, based upon previous experiences and a review of the schemes, is set at 30%. Should the higher percentage be delivered the Trust would need to make further cost improvements whilst any level below 70% places additional financial pressures on the commissioners. All parties have agreed that the

Trust's PMO will have a role to play in reviewing each scheme's detail and that formal activity reviews will take place quarterly if necessary.

It is also likely that the level of contract challenges and fining will be higher than in previous years. Those challenges will be vigorously defended, where appropriate but this risk is mitigated by a provision in the income plan.

A further possible income risk would be the PbR tariff deflator being higher than the 1.5% assumed in Years 2 & 3 (Year 1 is already based upon actual tariff prices and is not a risk). Unlike the activity reductions, there are no corresponding opportunities immediately arising from spare capacity and therefore, further general efficiencies would need to be identified.

Expenditure Overspends

Notwithstanding the achievement of cost improvements (described above) the remaining pay and non-pay budgets will be closely managed in-year and remedial action taken if exceptions occur. Budgets were set as prudently as possible and based upon forecast activity levels; learning from the lessons of the previous year where activity was higher. Budgetary management is delegated to business unit and corporate directors with appropriate financial support. The financial position of each business unit is reviewed monthly with the executive team. Some flexibility is provided by a contingency reserve of £1m.

Pressures on the Capital Programme

The main risks to the capital programme are from unforeseen issues that might arise which would require a change to the priorities that have already been set. The £0.5m capital contingency provides some mitigation and if this proves to be insufficient, a further review of priorities will need to take place and consideration given to slipping some existing schemes. In addition, there may be some opportunities from charitable funds but as yet are not reflected in the plans.

D. Workforce Annual Plan for 2013 / 2014 to 2015 / 2016

Workforce Priorities

The primary focus for the Trust is to manage its workforce by ensuring reliance on permanent staff and thereby reducing, except where expedient, its use of bank and agency. The work during the past 12 months has seen improvements in the controls of the use of agency staff and greater use of bank staff when temporary cover was needed. Although the level of agency staff spend did not significantly reduce from the previous year (and remains some 4% of the pay bill) this was largely because of the unusual high volumes and duration of winter activity which resulted in an additional ward being opened for 3 months. The Trust is seeking to reduce its agency spend by employing to vacant posts and improving establishment controls. This will be reviewed by the Agency Project Group.

In Year 1 the Trust will continue to review staffing levels on wards, the levels and skill mix of midwives and the numbers of and job responsibilities of clinical nurse specialists. Consultant job planning is also a high priority and we expect all consultant staff to have agreed job plans on our electronic job planning system in Year 1. The nursing reviews will build on the work already undertaken in the previous years when some investment was made on 3 medical wards where staffing levels were shown to be below the expected level for the acuity of patients using the Safer Nursing Care Tool.

In Year 1 the Trust will address midwifery staff retention and recruitment issues that were identified in quarter 4 2012/13 that there is a recognised national shortage of qualified midwives, therefore the focus will be to attract staff to the Trust by offering structured career development paths and offering competitive reward and recognition by harnessing our local terms and conditions.

The Trust operates local terms and conditions for non-medical staff and this offers additional flexibility when agreeing pay awards. For the 3 years the pay uplift reflects the national position of a 1% uplift in every year with further payments made for staff increments. However the Trust recognises that its pay is now generally lower than the national position and is to instigate a review during Year 1 of that and the benefits it obtains from its local

terms and conditions. The Trust has also linked the annual appraisal process to incremental rises to support good performance by individual members of staff.

The Trust's objective for its workforce is captured in the following objective:

Objective 5 - Staff

Feel proud to work here and keep making a difference. The outcome measures are summarised as:

- All staff are happy, valued and engaged – top quartile in NHS staff survey
- Top quartile staff absenteeism
- Clear succession planning
- Top quartile for appraisals completed and development action plans in place
- Higher productivity (income per WTE)

Key Actions	Key Milestones	Risks to Delivery	Mitigation
Objective 5 – Staff feel proud and keep making a difference through:			
Continuously reviewing staff satisfaction as measured through quarterly local employee engagement surveys and the annual NHS Staff Survey.	<p>Annual NHS Staff Survey outcomes analysed and reported to BoD, Corporate Team, Staff and Staffside representatives – March / April 2014</p> <p>Quarterly local employee engagement surveys conducted and outcomes reported to BoD, Corporate Team, Staff and Staffside Representatives – quarterly on-going</p> <p>Business Units and Corporate areas delivering on local and national staff survey action plans – on-going.</p> <p>Have Your Say panel meetings are scheduled and membership refreshed annually – on-going.</p> <p>Engagement with staff through Chief Executive and Chairman lunch time events, and BoD walkabouts – on-going.</p> <p>Embed Trust core values into recruitment and promotion process – July 2013.</p> <p>Implemented communications strategy – June 2013 onwards</p>	<p>Failure to embed the Trust Core Values at all levels in the organisation</p> <p>Failure to act or communicate back on concerns raised by staff through the surveys</p> <p>Inadequate time allocated for staff to provide feedback (such as attendance at Have Your Say group)</p>	<p>Reporting annual on national NHS Staff survey and quarterly on local employee engagement survey to BoD</p> <p>Reporting quarterly to BoD on exit interview data.</p> <p>Executive Team to hold Business Units to account through the performance monitoring meetings on developing and implementing local staff survey action plans.</p> <p>Dedicated staff resource to manage and run the process with staff to be released from their routine duties to participate in this work.</p>

Key Actions	Key Milestones	Risks to Delivery	Mitigation
Increase the capability of our organisation by ensuring staff develop their skills to deliver better patient services	<p>Revised induction programme for all unqualified front line staff – June 2013 onwards</p> <p>Development needs assessment through performance appraisal process – date</p> <p>Review effectiveness of training in the organisation (ROI) – date – March 2014</p> <p>Align training and development activities to strategic objectives – October 2013</p> <p>Develop learning and development strategy – October 2013</p>	<p>Inadequate time allocated by managers to allow staff to attend or engage in development programmes / activities</p> <p>Managers and staff do not engage with the performance appraisal process.</p>	<p>Induction programme to be competency and mandatory attendance before commencement of work within patient area.</p> <p>Continued monitoring of performance appraisals completed with Executive Team holding Business Units to account for non-delivery.</p>
Build leadership and management capacity by developing our leaders and managers, and having a robust succession plan in place for all senior leadership positions – Executives, BUDs & ABUD	<p>NHS Core Leadership Programme offered to staff and managers – May 2013 - date</p> <p>Leadership Excellence Programme Launched – June 2013</p> <p>Formal coaching and mentoring programme- March 2014</p> <p>Succession Plan in place for all senior positions – Executives, BUDs and ABUDs- December 2013</p> <p>Implemented 360° feedback for all people managers and leaders – March 2014</p>	<p>Failure to gain buy in /commitment from senior leaders.</p> <p>Operational issues take priority to development activities.</p> <p>Inadequate resources allocated to support coaching and mentoring programme. Significant gaps in suitable successors for senior positions.</p>	<p>Early stakeholder engagement with clear roles, responsibilities and accountabilities.</p> <p>Identify and timetable activities with sufficient notice.</p> <p>Chief Executive to reinforce the priority.</p>
Reduce staff sickness absence levels to assist the Trust in being sustainable and meet its Financial Plan	<p>Business Unit and Corporate Area targets in place to achieve year on year improvements. For 13 /14 – 3.3% - June 2013</p>	<p>Management and HR capacity to manage the sickness absence process.</p> <p>Trade union engagement in supporting the Trust plan to reduce sickness absence</p>	<p>Coaching / Training managers to manage the sickness absence process</p> <p>Occupational Health support to actively participate in reducing sickness absence.</p>

Key Actions	Key Milestones	Risks to Delivery	Mitigation
			Executive Team holding Business Units / Corporate Directors to account for delivering sickness absence reduction plans.
Staff engagement in service improvement activities and improve staff productivity	<p>Review Consultant productivity through robust job planning linked to activity, commissioning requirements and Trust strategic plans. All consultant job plans on MyJob Plan – September 2013</p> <p>Delivery of benefits from the continued implementation of e-rostering in line with revised roll out plan</p> <p>Development of 'Southend Way' by providing all staff with access to training and education on service improvement methodology, techniques and tools.</p>	<p>Resistance from Consultant staff to use MyJobPlan.</p> <p>Failure to deliver benefits from the continued implementation of E-Rostering</p> <p>Staff being released to participate in service improvement processes.</p>	<p>Framework agreed on Consultant Job Planning.</p> <p>Holding Business Units to account for ensuring all consultants have an annual agreed job plan.</p> <p>COO to ensure that the Operational Group is established that monitors delivery of E-Rostering benefits.</p> <p>Review staff productivity through benchmarking information.</p>
Mainstream equality and diversity in the organisation	<p>Revised EDS objectives and review membership of Diversity Committee – date – annually in April</p> <p>Implemented e-learning solution for staff equality and diversity training – May 2013</p> <p>Delivered equality and diversity training for the Board of Directors – October 2013</p> <p>Produce accessible guidance for staff on the management of violence and aggression – June 2013.</p>	<p>Lack of buy in / engagement with equality and diversity agenda</p>	<p>Equality and Diversity Training to be mandatory for all staff.</p> <p>Monitor and report to the board on a quarterly basis EDS performance.</p> <p>Annual equality and diversity audit report.</p>
Review of staff local terms and conditions	<p>Terms of reference agreed with Remuneration Committee – April 2013</p> <p>Commission independent reward specialist – May 2013</p>	<p>Failure to secure investment to fund the implementation of any recommendations (project resources and pay protection costs).</p>	<p>On-going review of staff satisfaction, turnover and recruitment rates.</p> <p>Implement revised local terms and conditions</p>

Key Actions	Key Milestones	Risks to Delivery	Mitigation
	<p>Outcome of review shared with Remuneration Committee – August 2013</p> <p>Begin consultation with staffside / staff on potential changes – December 2013</p> <p>Implementation 2014/15 onwards</p>	<p>Failure to gain commitment from Staff and Staffside representatives on any potential changes to terms and conditions.</p> <p>Failure to close the growing differential between local and national pay may result in higher level of staff leaving and new staff may be difficult to recruit leading to staff shortages which could impact on service delivery and quality.</p> <p>Staff morale may deteriorate which could impact on service delivery and quality</p>	
<p>Ensure that we have adequate permanent midwifery staff to deliver a safe service by recruiting to budgeted establishment and addressing retention issues.</p>	<p>Agree and implement recruitment plan (local and national) May 2013</p> <p>Conduct face to face interviews to identify reasons for leaving and implement any appropriate management actions – from June 2013 onwards</p> <p>Continue to conduct local surveys and ensure that action plans are implemented.</p>	<p>Delays in recruitment process.</p> <p>Failure to recruit suitable candidates</p> <p>Failure to identify address, or mitigate retention issues.</p>	<p>Implement re-banding of midwives based on competency assessment to mitigate retention issues– June 2013 onwards</p> <p>Ensure adequate resources are provided to support recruitment events.</p> <p>Executive Team to hold Business Unit to account for delivery of actions plans.</p>

Regard to the views of Trust Governors

The Trust has had regard to the views of Trust Governors

The Trust's Governors have been involved in the development of the Trust's strategy, which is the basis on which this annual plan is written.

The Governors worked with the BOD and Business Unit Directors in 2011 to shape the Trust's vision. The definition of the Trusts' vision and key corporate objectives were reassessed by Execs and Governors for suitability against the new health economy in 2013. These were reviewed in early 2013 and amendments are reflected in this plan. The Governors Strategy Group has fed the views of Governors into the development of the strategy that supports the delivery of the vision with four touch points of engagement, two working group sessions and two Council of Governor debates. On the 20th May 2013 The Board of Governors Strategy Group received the Trust's strategy and commented on its content. The Annual Plan was subsequently updated and reviewed in final draft form on 23rd May 2013 at the Council of Governors meeting.