



Strategic Plan Document for 2013-14

Somerset Partnership NHS Foundation Trust

Strategic Plan for y/e 31 March 2014 (and 2015, 2016)

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

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Date	30 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.

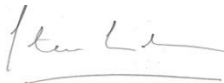
In signing below, the Trust is confirming that:

- 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)	Stephen Ladyman
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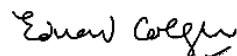
Signature



Approved on behalf of the Board of Directors by:

Name (Chief Executive)	Edward Colgan
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Signature



Approved on behalf of the Board of Directors by:

Name (Finance Director)	Lindsey Blackford
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Signature



Executive Summary

The Somerset Partnership NHS Foundation Trust Strategic Plan document for 2013/14 sets out the Trust's strategic and operational plans for the three year period from 2013/14 to 2015/16.

Patient safety and quality is at the heart of everything that Somerset Partnership NHS Foundation Trust does. The Trust has sought to ensure that the lessons learned from the Francis inquiry and other major reviews are disseminated throughout the Trust and implemented effectively. The Trust has developed and employs an integrated approach to quality and patient safety and performance management, which is evidenced through the monthly quality report and performance report, presented to the Trust Board, which outline the Trust's trends against a broad range of performance indicators and quality metrics.

A key priority for the Trust remains its commitment to ensuring transparency in all areas of its work, supporting and encouraging all staff to report all incidents and near misses, in order to maintain a strong platform of high reporting and low harm incidents. Somerset Partnership NHS Foundation Trust aims to provide safe, high quality care for each and every one of the patients it serves.

Following the publication of the Francis report, the Trust has openly committed to putting patients first, ensuring that they are at the very heart of everything that the Trust does. Patients are entitled to be involved in every aspect of their care and to understand how the Trust is performing. Central to this is the Trust's commitment to listening to and learning from patients, their carers and staff. The Trust recognises the responsibility that it has, to deliver safe, high quality and cost effective services, and is committed to act with integrity, and to be honest and open about the decisions that it makes at patient, service and organisational level.

The Trust engaged with staff and stakeholders throughout 2012/13, regarding the priority areas on which the Trust should focus its Quality Strategy in 2013/14, based on national guidance, local quality improvement plans and the Operating Framework.

The priority areas identified for 2013/14 are:

- personalised care planning (including promoting self-care/personal independence);
- avoidable pressure ulcers;
- recognising physical deterioration (including hydration);
- recruiting for care and compassion;
- screening for dementia;
- medicines administration.

The Trust benefits from a stable annual staff turnover rate of 11% and a stable workforce of approximately 2,900 whole time equivalents. This enables a healthy balance of newly qualified staff and experienced staff, to ensure a consistently high quality skill mix in the multi-disciplinary teams.

The Trust works with all of its Foundation Trust Governors to identify ways in which they and the wider Membership can develop as valued partners, in determining the strategic direction of the Trust, and in providing the Trust Board with information about the views of patients, carers, staff and the wider community. Governors are invited to attend the public part of Trust Board meetings, Away Days and Trust Board seminars, which are routinely held after formal Trust Board meetings. The Trust's Chairman and Chief Executive also meet with the Lead Governor of the Council of Governors after each Trust Board meeting.

The Trust recognises the difficult financial climate in which the NHS is currently operating and, in line with other NHS organisations, the Trust is required to deliver a significant level of savings, in terms of improved productivity and efficiency. The Trust's financial strategy is to deliver savings to manage reductions in tariff and cost pressures, to enable the Trust to continue to deliver surpluses for reinvestment in its services and facilities.

Whilst the financial challenge is significant, the Trust has a strong track record of delivery against challenging cost improvement programmes. As part of the Trust's process in respect of Cost Improvement Programmes, the Medical Director and Director of Nursing and Patient Safety are required to assess the impact of the programmes on the quality of services and on patient safety, and to report their conclusions to the Trust Board.

Somerset Partnership NHS Foundation Trust has a total operating income of £146 million and maintained a Level 3 financial risk rating in 2012/13. The Trust has a proven track record of delivery against its cost improvement programmes and is confident that its plans for 2013/14 will be delivered, including maintaining its underlying surplus of £1.0 million and its Level 3 financial risk rating.

In preparing the Trust's financial plans for 2013/14 to 2015/16 the following assumptions have been adopted:

- there will be a tariff reduction of 1.3% in each of the three years;
- pay costs will increase by 2.4% for each of the three years;
- non-pay costs will increase by 3.0% per annum.

The Trust's key aims within its financial strategy are to:

- maintain a surplus for each of the three years covered by the Strategic Plan, from 2013/14 to 2015/16;
- continue to maintain strong cash balances;
- continue to invest in the Trust's estate and infrastructure;
- support the delivery of the Trust's service development plans;
- support the building of a new community hospital in Bridgwater;
- continue to deliver integration / operational synergy savings through the integration of physical and mental health services.

Somerset Partnership aims to be innovative in its service delivery, seeking opportunities to enhance the quality of service provision and to share good practice across the organisation, in order to provide safe, high quality care for each and every one of the patients it serves.

Section 1 – Forward Plan

The Trust's vision is summarised as:

Somerset Partnership NHS Foundation Trust will be the leading provider of Community Health and Mental Health services in Somerset and the surrounding area. We will work in partnership to improve the health and wellbeing of patients and their families by providing safe and responsive services of the highest quality.

A. Strategic Context and Direction

The Trust's strategic objectives are:

1. Remain the provider of choice

Remain the provider of choice for community health, mental health and learning disabilities for the people of Somerset and for the wider South West.

2. Improve quality and safety

Continue to improve the quality and safety of our services and to improve further the experience of patients, carers and families in contact with our services.

3. Service integration

Realise the benefits for patients and staff of integrating mental health and community health services, bridging the artificial divide between physical and mental health.

4. Value, support and empower staff

Value, support and empower all our staff and volunteers to do their best through education, training and personal development to deliver high quality services which are responsive to the needs of patients, carers and families.

5. Promote innovation

Promote innovation and service redesign based on best practice and working with partner organisations, to maximise efficiency and effective care in response to the major financial challenges facing the Trust, the wider NHS and other public and voluntary sector organisations.

6. Continue to grow our business

Continue to grow our business through service expansion and strategic partnerships by proactively seeking and responding to opportunities that arise as a result of the changing health and social care environment.

Following extensive consultation, the Trust also developed a new set of Service Development Plans, in support of its strategic objectives, for 2013/14 as follows:

1. To deliver efficient, safe and high quality care, building on the benefits of acquisition, in response to the financial challenges faced by the Trust, the wider NHS and other organisations.
2. To ensure that the Trust is fit for purpose to respond to the Health and Social Care Act and other organisational changes within the NHS.
3. To value, support and empower all our staff and volunteers to do their best through education, training and personal development, through the implementation of the Trust's Workforce Strategy, to deliver high quality services which are responsive to the needs of patients, carers and families.
4. To further strengthen relationships with the Somerset Clinical Commissioning Group, GP Federations, the Health and Wellbeing Board, Public Health, Social Care and other commissioners.
5. To continue to improve the quality of life of people with multiple long term physical and mental health conditions.

6. To work with partner agencies to implement Somerset's Dementia Strategy and improve elderly care services, incorporating a whole system approach to the diagnosis, treatment and care of people with Dementia.
7. To take forward the national mental health strategy to further improve the mental health and wellbeing of people living in Somerset and the wider South West, reducing the stigma associated with mental illness and ensuring that more people with mental health problems regain the fullest quality of life.
8. To work closely with public health commissioners to further develop health visitor services to improve health outcomes and life chances for children, young people, families and local communities in Somerset.
9. To continue to develop information management and technology solutions which meet the Trust's service, clinical and service users' needs and aspirations.
10. To take forward the development and completion of the new Bridgwater Community Hospital.
11. To further improve the quality and efficient use of the Trust's estate, in order to deliver effective care in a clean and safe environment, whilst maintaining privacy and dignity, patient safety and effective infection control.
12. To continue to develop strategic partnerships to enable the Trust to market its services, responding to opportunities presented by Extending Patient Choice through Any Qualified Provider and other initiatives.
13. To be a responsible corporate citizen, supporting people with health conditions and contributing towards wider economic growth in Somerset and the wider South West.

In addition to supporting the Trust's strategic objectives, each of these plans links to the aims of the NHS Mandate.

Somerset Partnership NHS Foundation Trust is the principal provider of community health services and specialist mental health services to the population of Somerset. The Trust serves a population of nearly 550,000 and has over 500 community hospital and mental health inpatient beds across the county. Wherever appropriate, the Trust aims to treat patients at home, or as close to home as possible. The Trust employs over 3,700 staff (around 2,900 whole time equivalents) and provides a wide range of community-based services, delivering over a million patient contacts a year. Somerset Partnership NHS Foundation Trust has an established national reputation for innovation and good practice.

In 2011/12, the Trust's community hospital and mental health wards recorded activity levels of 149,811 bed days. This number rose to 150,153 in 2012/13, an increase of 0.2%. By contrast, the number of community contacts delivered by the Trust in 2012/13 was 957,292, a rise of 8.1% on the total of 885,553 recorded in 2011/12. This change to the pattern of activity delivered by the Trust is reflective of the Trust's strategic direction, focusing increasingly on the delivery of care away from an inpatient setting, and closer to the patient's own home.

Somerset's population is growing relatively quickly, rising by 7.1% between 1991 and 2001, 1.9% higher than the south west region as a whole (5.2%) and over two and a half times the England and Wales average (2.6%). The population rose by a further 5.6% between 2001 and 2008, which is similar to the regional average (5.7%) and only slightly more than the England and Wales increase of 4.6%.

17% of the population of Somerset is comprised of children (0 to 15 years) and 61% of the population is of working age (16 years to statutory retirement age). 22% of people are above statutory retirement age (compared to the U.K. and south west averages of 19.2% and 22.5% respectively). West Somerset has the second highest proportion of older people in England, at 31%.

Somerset has fewer 14-20 year olds than would be expected, probably as a consequence of outward migration for higher education. This has implications for the workforce, as these emigrants are more likely to seek employment in areas close to their higher education establishments than to return to Somerset.

According to the 2001 Census, 18% of people in Somerset have a long-term limiting illness, health problem or disability, which limits their daily activities or work. This is a higher proportion of the population than the regional and national averages. The West Somerset and Sedgemoor areas have the highest rates of long-term limiting illness, at 21% and 18% respectively.

The population trends show that the total population in Somerset is projected to rise by 16% by 2020, with notable rises as follows:

- 9.9% increase in the number of people aged over 75
- 2.6% increase in the number of people aged over 85
- 4.4% increase in the number of black and minority ethnic people

Between 2011/12 and 2012/13 Somerset Partnership NHS Foundation Trust saw the total annual number of referrals received for mental health services rise from 15,724 to 16,582, an increase of 5%. During that same period the annual number of referrals to community hospital and outpatient clinics at the Trust rose from 15,458 to 16,946, an increase of 9%. The increasing emphasis on the treatment of patients closer to home and the avoidance, where clinically appropriate, of admissions to inpatient facilities is likely to give rise to a further increase in the level of community appointments and contacts delivered by the Trust over the coming years.

National developments to arrangements for the provision and commissioning of health care services have seen the implementation of a wide range of new measures which directly affect Somerset Partnership NHS Foundation Trust and its partner organisations within the local health and social care economy. The implementation of the Health and Social Care Act 2012 has seen an extensive reorganisation of the National Health Service and will significantly change the way that services are commissioned, delivered and performance managed. Somerset Partnership NHS Foundation Trust is cognisant of this and other key national policy developments, including Any Qualified Provider, which will increase the level of competition within the health care sector, opening up opportunities for new providers to enter the market, as well as for existing providers to expand their current portfolio of service provision and increase their market share.

The advent of Clinical Commissioning Groups has introduced changes to the way in which services are commissioned. Somerset Partnership NHS Foundation Trust already works closely with the Somerset Clinical Commissioning Group, to identify key local priorities for the provision of community health care and specialist mental health service provision, to review the way in which services are currently provided, and to ensure that a focus remains on the preservation and the enhancement of the quality of service provision to local patients. The new arrangements also involve the transfer of commissioning responsibilities for public health services, school nursing, and contraceptive and sexual health services to the Local Authority. Somerset Partnership already has an established and effective working relationship with the Local Authority, as the joint commissioner of mental health services. The Trust also has well-established relationships with the regional specialist commissioning team (now NHS England), which has assumed the responsibility for the commissioning of services including health visiting, diabetic retinopathy screening, newborn hearing screening and human papillomavirus vaccination.

Somerset Partnership NHS Foundation Trust is aware of the opportunities and also the risks arising from the implementation of the Any Qualified Provider initiative and other market developments, a significant implication of which is that providers are not guaranteed to receive any volumes of activity, as it is for patients to decide which provider they choose. Somerset Partnership currently delivers podiatry services in Somerset under the Any Qualified Provider arrangements, and has also applied to provide additional minor oral surgical services. As part of the production of its Three-Year Integrated Business Plan, Somerset Partnership NHS Foundation Trust undertook a full SWOT (strengths, weaknesses, opportunities and threats) analysis, outlining the principal factors impacting upon the organisation over the coming three-year period, as a result of changes to the national and local picture for the commissioning and provision of health care.

Somerset Partnership faces competition, in relation to the provision of community and mental health services locally, from other Foundation Trusts from within and outside of Somerset, as well as the independent sector, the third sector, general practitioners and other organisations. The Trust has a good track record of competing for service development opportunities, and bid successfully, during 2012/13, for a broad range of services that increased the breadth of its portfolio, with a value in the region of £800,000. Somerset Partnership NHS Foundation Trust monitors, on an ongoing basis, national and local websites and other media, to identify potential opportunities to extend the range of services that it provides. In keeping with the Trust's Integrated Business Plan and Strategic Objectives, Somerset Partnership seeks

actively to continue to grow its business through service expansion and strategic partnerships, by proactively seeking and responding to opportunities which arise as a result of the changing health and social care environment.

Amongst the bids successfully put forward by the Trust during 2012/13 were:

- the selection, by the Department of Health, of the Trust as a personality disorder demonstrator site
- the retention of the contract to provide mental health inpatient services to the Ministry of Defence
- the provision, under the Any Qualified Provider arrangements, of core nail surgery podiatry services to patients in the North Somerset area
- provision of self management training to the local authority
- provision of an improving access to psychological therapies (IAPT) transition service, to enhance services for young people aged 17 to 18, as they transfer to adult services
- delivery of an early supported discharge service for stroke patients in the Mendip area
- the provision of intravenous therapy services in the East Mendip area

The Trust has also undertaken work to identify areas in which potential exists to develop alternative income streams, through marketing its services to a wider market. Examples of such services, to which the Trust is currently giving consideration, include stress management services and the provision, to other local employers, of physiotherapy services for the management of back pain, which has successfully been implemented as a service to staff within the Trust.

During 2012/13, Somerset Partnership developed its working relationships with other partner organisations, including the mental health charity Rethink, Yarlinton Housing Group, a registered provider of affordable housing, and Somerset Care, a provider of care home placements, community support and extra care housing. The Trust also undertook work, in partnership with Somerset Social Care Services, to develop an independent living service, aimed at enabling as many people as possible to live independently at home, and to facilitate timely discharge from hospital. The development of this service exemplifies the significant level of service redesign that the Trust has undertaken, to move the setting of care away from a hospital environment and towards community-based services, delivering care as close as possible to the patient's home. This realignment of care provision is underlined by the availability of spare capacity within the Trust's community hospitals, which typically have around 40 unoccupied beds at any time. The Trust always seeks to ensure that its community hospital facilities are utilised as efficiently as possible, as is evidenced by the Trust's development of ambulatory care services as the model of preference at Williton Community Hospital.

Somerset Partnership aims to be innovative in its service delivery, seeking opportunities to enhance the quality of service provision and to share good practice across the organisation. The Trust is currently compiling its second Compendium of Good Practice, which sets out clearly examples of innovations which have been successfully implemented within the Trust, with a view to their adoption and replication in other areas. The Trust has developed and copyrighted a system of signage for people with learning disabilities, and has also developed and copyrighted fact files for integrated paediatric therapies, which are actively being marketed to other organisations. Somerset Partnership is also actively developing its research base, and received an award at the Mental Health Research Network Scientific Conference in Birmingham in 2012, for its work in the field of research.

Amongst Somerset Partnership's other key strengths is its track record of service redesign, from bed-based to community-based services, as well as its integrated approach to care delivery across community and mental health services. The Trust recently undertook a restructuring of the management arrangements for its operational services, moving to a single operational directorate with six divisions, four based upon geographical localities and two based around the grouping together of similar service areas. This reconfiguration will support the further integration of services across the Trust and facilitate the delivery of high quality, holistic care to patients. The Trust recognised, at the point of its acquisition of community health services, that up to 20% of patients at any time on the Trust's caseload were receiving both mental health services and community health services, and that a real opportunity existed, to improve the quality of care provision, and to deliver care more efficiently. The Trust has a national reputation for innovation, efficiency and the delivery of high quality services, and has demonstrated its flexibility and responsiveness through its implementation of service reconfiguration and integration in order to deliver

ever-more effective services and higher quality care. Somerset Partnership is also a high performing Trust, as is evidenced from its participation in national benchmarking exercises, which have demonstrated that its performance generally compares favourably against peer organisations.

Another key strength lies in the Trust's inclusive planning and quality improvement cycle, which encompasses the views of all key stakeholders, including:

- carer and patient groups
- the Council of Governors
- service and team managers
- heads of profession and professional groups
- Leagues of Friends
- the voluntary sector and other partner organisations
- the Trust Board

During 2012/13, the Trust invited teams from across the organisation to propose plans for service transformation, aimed at improving quality and efficiency, in line with the 'Nicholson Challenge'. A total of 147 Service Transformation Plans were proposed by teams from across the Trust, and consideration is being given to these by the Trust's Executive Team, with a view to identifying those to be taken forward for implementation. This is discussed further in Section D, Productivity & Efficiency, below.

B. Approach taken to quality (including patient safety, clinical effectiveness and patient experience)

Patient safety and quality is at the heart of everything that Somerset Partnership NHS Foundation Trust does. In recent years, the Trust has sought to ensure that the lessons learned from the Francis inquiry and other major reviews are disseminated throughout the Trust and implemented effectively.

The Trust has had no significant quality concerns raised by the Care Quality Commission, from its compliance inspections, or from its Quality and Risk Profile. There have also been no significant issues arising from visits from the Mental Health Act Commission.

The Quality and Risk Profiles published by the Care Quality Commission from February 2013 have been the first 'integrated' versions, incorporating data sets available for community health services, as well as for mental health services. The Quality and Risk Profile for Somerset Partnership NHS Foundation Trust, published in March 2013, indicates a low risk assessment for the Trust against all of the standards considered, with no areas of significant deteriorating performance.

Towards the end of 2012/13, the Trust encountered an increasing number of challenges in the delivery the inpatient service at Wessex House, a 12-bedded inpatient facility, providing assessment, care and treatment for young people with a range of complex mental health needs, whose treatment cannot be delivered safely or effectively in a community setting.

The challenges included significant vacancies arising within the leadership team on the ward, high levels of sickness absence, a difficulty in recruiting experienced staff and increasing numbers of service users with highly complex needs, requiring 1:1 and 2:1 support. This was compounded by the requirement for a number of young people to be cared for in other facilities, for example in Acute Trusts, but still requiring significant child and adolescent mental health service support. A number of incidents also occurred, and complaints were received from parents regarding the care their child was receiving on the ward, which resulted in investigations being commissioned in order to identify root causes and any lessons learned.

In the light of these ongoing concerns, an agreement was made, on 26 February 2013, with the former specialist commissioning team (now NHS England) and with NHS Somerset/Somerset Clinical Commissioning Group, to close the ward temporarily to inpatients, in order to enable a redevelopment plan to be developed.

Following the decision to close Wessex House temporarily, a detailed closure and maintenance plan has been developed and agreed with the commissioners. Essential work to redefine the model of care and the case mix of young people is being used to inform the Wessex House Redevelopment Plan. This has been agreed with commissioners and is being closely monitored to facilitate the reopening of the ward.

The Trust is also actively involved in taking forward actions arising from the joint review of Somerset County Council's Safeguarding arrangements, undertaken by the Care Quality Commission and Ofsted. The Trust is working in partnership with other members of the health and social care community, including commissioners of local services, to implement the associated action plans.

The Trust has developed and employs an integrated approach to quality and patient safety and performance management, which is evidenced through the monthly quality report and performance report, presented to the Trust Board. The reports incorporate metrics which span key national and local frameworks, including the Monitor Compliance Framework, the framework for Commissioning for Quality and Innovation (CQUIN), 'Everyone Counts: Planning for Patients 2013/14' and local commissioning intentions, with an emphasis on monitoring key aspects of quality improvement, harm reduction and patient safety. The Trust measures its performance against national and local benchmarking data, where this is available. Where such benchmarks do not exist, the Trust monitors trends in respect of the numbers of reported incidents and levels of harm, and tracks progress against internal improvement targets. Due to the paucity of comparable national data relating to patient safety measures, the Trust proposed successfully, to the NHS Benchmarking Network, that in response to the recommendations of the Francis inquiry, a national data collection exercise be undertaken in relation to the metrics contained within the Somerset Partnership quality report, with a view to facilitating comparison against peer organisations.

A key priority for the Trust remains its commitment to ensuring transparency in all areas of the work of the Trust, supporting and encouraging all staff to report all incidents and near misses, in order to maintain our strong platform of high reporting and low harm incidents. Where incidents do occur, the Trust retains a clear focus on listening and learning, with effective and transparent patient and staff engagement in the process actively encouraged, as is consistent with the duty of candour. As a provider of mental health services, a level of unavoidable self-harm and unexpected deaths will remain, although the Trust will continue to strive to ensure that such incidents are minimised. Where serious untoward incidents occur, these are fully investigated and all lessons learned are identified and shared across the organisation, in order to minimise the risk of reoccurrence.

The quality report to the Trust Board also focuses upon the delivery of high quality care from a patient and carer perspective, through regular reporting of patient experience data, patient engagement activity and issues raised through complaints and concerns. The quality report provides the Trust Board with regular information, in respect of:

- slips, trips and falls;
- medication incidents;
- prescribing and administration errors;
- pressure ulcers;
- incidents involving ligatures and ligature points;
- incidents involving actual physical violence to patients;
- incidents relating to clients being absent without leave whilst under the Mental Health Act;
- unexpected deaths;
- use of seclusion;
- use of restraint;
- infection control;
- complaints, commendations and PALS;
- never events;
- the Quality Effectiveness and Safety Trigger Tool.
- themes from Patient Safety Walkarounds

In 2013 the Trust will introduce the 'Friends and Family' test in all community hospital inpatient wards, and each of the Trust's Minor Injury Units. During 2013/14, the Trust also plans increasingly to use patient stories, both positive and negative, at Trust Board meetings and at Council of Governors' meetings, to inform the development and delivery of front line services.

The monthly report to the Trust Board sets out ward-level data and commentary, using a number of tools including the Quality Effectiveness and Safety Trigger Tool, with a view to ensuring that assurance is provided from Ward-to-Board. The Trigger Tool is employed across all of the Trust's community hospitals

and mental health inpatient wards. Front line staff use a series of validated triggers to measure, from their perspective, the key issues challenging the delivery of safe, effective care. The ward-level report outlines the principal issues for each ward in each month, and the Trust sets out information which depicts the trends relating to the severity of different areas of pressure affecting the organisation.

All members of the Trust Board also participate in regular Patient Safety Walkarounds. These are based on the 'Safety First' campaign approach and provide a further opportunity for the Executive Team and Trust Board members to meet front line staff, patients and carers, in order to listen proactively to their stories and identify areas of good practice, as well as areas for service improvement. Themes arising from the Walkarounds are also reported to the Trust Board on a quarterly basis.

During 2012/13 the Trust further strengthened Ward-to-Board engagement and assurance in relation to clinical effectiveness. Clinician-led best practice groups have been developed at service or pathway level in order further to embed national guidance, such as NICE guidance, and learning from national and local audits and research, as well as cultivating a stronger emphasis on quality improvement. These are reported at the Trust's Clinical and Social Care Effectiveness Group, and through the Trust's Clinical Governance group, Integrated Governance Committee, and to the Trust Board. Additionally, the quality report includes a more detailed quarterly report on patient experience, covering:

- complaints, compliments and commendations;
- PALS;
- patient Surveys;
- patient Satisfaction Questionnaires;
- media and communications;
- feedback from Trust Governors;
- feedback from Local Health Forums.

This information is reviewed in detail by the Trust's Patient and Public Involvement Group, which draws its membership from Trust management, operational staff and Governors.

Trust staff and Governors also sit on and attend each of the nine Local Health Forums established across Somerset which bring together commissioners, providers, local patient representatives (Patient Participation Groups, Leagues of Friends etc), local voluntary sector organisations, the local authority and, in some instances, local councillors to discuss and share information about health and social care services in their area.

As stated previously, from April 2013, the Trust will introduce the national 'Friends and Family' test, to all of its community hospital inpatient departments and Minor Injury Units, in advance of the national programme, and will use this information to improve further the services it offers to patients.

By means of these and other mechanisms, Somerset Partnership NHS Foundation Trust is therefore able to monitor performance closely, across a broad range of quality and safety indicators, to develop action plans for the resolution of any significant issues arising, and also to provide a robust basis to enable the Trust Board to challenge the adequacy of existing arrangements and seek clarification regarding actions being undertaken to improve quality. The Trust also has a range of mechanisms in place to gauge patient experience and public perception of the quality of the services it provides, including participation in national surveys and also undertaking regular local surveys of patients' views. Somerset Partnership NHS Foundation Trust has a robust integrated governance structure in place, with a range of expert clinical reference sub groups established to focus on key clinical areas. The Trust's Clinical Governance group receives quarterly reports from expert clinical reference sub groups including:

- medicines management;
- resuscitation;
- infection prevention and control;
- medical devices;
- clinical and social care effectiveness;
- clinical policy review;
- serious untoward events;

- safeguarding vulnerable adults;
- safeguarding vulnerable children.

The Clinical Governance group also receives quarterly progress reports in respect of high risk areas of clinical practice, including a review of current practice, performance, incidents, lessons learned, and progress against compliance with local contract requirements and national best practice. During 2013/14 these will include the following areas:

- falls;
- pressure ulcers;
- venous thromboembolism;
- blood transfusion;
- deteriorating patient;
- absence without leave;
- ligature points.

The Clinical Governance group reports to the Trust's Integrated Governance Committee, which reports in turn to the Trust Board. Any key areas of clinical concern are also addressed within the framework of the Trust's Risk Strategy.

C. Clinical Strategy

Somerset Partnership NHS Foundation Trust aims to provide safe, high quality care for each and every one of the patients it serves. Following the publication of the Francis report, the Trust has openly committed to putting patients first, ensuring that they are at the very heart of everything that the Trust does. Patients are entitled to be involved in every aspect of their care and to understand how the Trust is performing. Central to this is the Trust's commitment to listening to and learning from patients, their carers and staff. The Trust recognises the responsibility that it has, to deliver safe, high quality and cost effective services, and is committed to act with integrity, and to be honest and open about the decisions that it makes at patient, service and organisational level. Somerset Partnership's staff are key to achieving this and the Trust will continue to strive to ensure that care is always delivered by staff who sign up to, and deliver, care in line with the Trust's values of compassion, dignity and respect for all.

The Trust's Clinical Strategy states that the Trust will:

- Listen to and learn from patient and carer feedback in order to improve services further. This will be achieved through the implementation of the 'Friends and Family' test and a range of patient surveys, analysis of patient stories, complaints, incidents, and engagement in local forums.
- Listen to and learn from staff in order to improve services. This will be achieved through the analysis of the staff survey, proactive engagement with all staff groups through professional advisory groups for medical staff, nursing staff, allied health professionals and social workers, and the proactive engagement of all staff in the Trust's business planning and quality improvement cycle.
- Respond to the issues raised in the Francis report, in order to ensure that these do not occur in our Trust. This will be achieved through proactively engaging with clinicians, to identify and implement key actions for the Trust.
- Ensure that 'Compassion in Practice' is fully implemented across all services. This will be achieved through the Trust's Nursing and Allied Health Professionals Strategy, the Francis Implementation Plan and through key changes to the recruitment of all staff to the Trust's values, and the empowerment of the Trust's unregistered workforce through the new code of conduct.
- Integrate services, wherever possible, in order to simplify the patient's journey and to improve patient outcomes. This will be supported through the integration of the existing operational directorates into one integrated directorate.
- Invest in professional leadership in order to protect and promote the voice of all professionals within the Trust.
- Continue to strive to improve the quality of the Trust's services. This will be achieved through the development of the Trust's Quality Account and will also be delivered through CQUINs, service level Quality Improvement plans and the Trust's Clinical Governance structures.

- Carefully measure and critically analyse performance at the level of every service, in order to minimise all avoidable harm and reassure patients that the Trust's services are safe.
- Ensure that patients will know how well the Trust is doing, by ensuring that information is clear and accessible to them and their families.
- Critically review service delivery in order to promote best practice and service redesign, reduce bureaucracy and release further time to care
- Encourage innovation by sharing ideas, including successes and failures, engagement with research and national and local audits.
- Ensure all of the Trust's services are as cost effective and efficient as possible. This will be achieved at service level through the careful management of budgets.

The Trust engaged with staff and stakeholders throughout 2012/13, regarding the priority areas on which the Trust should focus its Quality Strategy in 2013/14, based on national guidance, local quality improvement plans and the Operating Framework.

The priority areas identified for 2013/14 are:

- personalised care planning (including promoting self-care/personal independence);
- avoidable pressure ulcers;
- recognising physical deterioration (including hydration);
- recruiting for care and compassion;
- screening for dementia;
- medicines administration.

Somerset Partnership NHS Foundation Trust also remains focused on the attainment and maintenance of a broad range of key quality goals, including:

1. Minimising harm by continuing to reduce the number of slips, trips and falls.
2. Implementing a zero tolerance approach to the development of avoidable pressure ulcers for all patients cared for by our services.
3. Maintaining a rigorous approach to the prevention of health-acquired infections. This will include a reduction in bed days lost to Norovirus, and the maintenance of strong performance regarding Clostridium Difficile and MRSA.
4. Ensuring that at least 90% of all patients have a venous thromboembolism assessment on admission to an inpatient unit.
5. Utilising the ward/ team level data obtained through the NHS Patient Safety Thermometer in all community hospital inpatient areas, District Nursing services, and older people's mental health inpatient units in order to develop local improvement goals to support points 1, 2, 3, and 4 above.
6. Participating in the pilot of the National Mental Health Patient Thermometer, with a view to its implementation in 2013/14.
7. Continuing to embed a strengthened approach to 'Recovery' and Personalised Care Planning in all inpatient care settings, through the use of Local Quality Improvement Plans which focus on development areas identified through the Trust's audit programme.
8. Further improving Medicines Management outcomes through the delivery of mandatory medicines administration training and competency assessment for all registered nurses.
9. Improving compliance with mandatory training in key clinical areas, including child protection, resuscitation, medical devices and infection control.
10. Continuing to monitor levels of patient satisfaction for patients in community hospitals, with particular focus on respect and dignity. The Trust aims to maintain a patient satisfaction rate of at least 90% in five key areas throughout 2013/14.

11. Continuing to ensure that at least 90% of patients admitted to inpatient units receive dementia screening.
12. Implementing the 'Friends and Family' test within the Trust's community hospitals and Minor Injury Units.
13. Improving the identification of patients with dementia and other causes of cognitive impairment alongside their other medical conditions, to prompt appropriate referral and follow up after they leave hospital and to ensure that hospitals deliver high quality care to people with dementia and support their carers.
14. Achieving an increase in the number of patients entered on to the end of life co-ordination system, and to improve communication in respect of end of life care.
15. Developing outcomes-based and patient experience measures for secondary care psychological therapies.
16. Ensuring that all people in Somerset, seen by memory assessment services with a confirmed diagnosis of dementia and/or on the organic disorder pathway (care clusters 18 to 21), will have this communicated in writing to the Primary Care Team for registration.
17. Ensuring that all inpatients (with a length of stay of 24 hours or more) who have diabetes receive a foot assessment and action as appropriate.
18. Working in collaboration with other organisations in the development of a care pathway for the frail elderly in Somerset.
19. Ensuring that at least 60% of diabetes patients with 'high risk' are seen continuously 1-3 monthly as clinically appropriate, by an appropriately skilled podiatrist.
20. Maintaining 100% compliance with all relevant Safety Alert Bulletins, Medicines and Healthcare Products Regulatory Agency and National Patient Safety Agency alerts.
21. Participating in all relevant national audits to include, schizophrenia, dementia, stroke, and diabetes in adults.

Clinical Workforce Strategy

In order to deliver the priorities of the clinical strategy, the Trust's Workforce Group meets monthly and considers the development needs of all clinical groups. The Workforce Group provides assurance to the Workforce Governance Group that the Trust is complying with Care Quality Commission workforce outcomes 12, 13 and 14.

The Trust benefits from a stable annual staff turnover rate of 11% and a stable workforce of approximately 2,900 whole time equivalents. This enables a healthy balance of newly qualified staff and experienced staff, to ensure a consistently high quality skill mix in the multi-disciplinary teams. Whilst the overall staffing establishment level of the Trust remains stable, pressures remain in relation to the recruitment of registered nurses. This is an issue which is being experienced equally by other Trusts in Somerset, and Somerset Partnership is therefore working collaboratively with other organisations, to develop a joint approach to recruitment. As stated previously, the Trust has encountered additional issues in respect of the recruitment of staff with the appropriate level of expertise in child and adolescent mental health services, leading to increased use of agency staff and ultimately the temporary closure of Wessex ward. The Trust is currently working with commissioners, in respect of the plan which has been agreed to facilitate the reopening of the ward.

The Trust has supported the national priority to increase numbers of health visitors and increased its own workforce by 20 health visitors during 2012. Plans are in place for the recruitment of a further 20 health visitors during 2013/14.

In line with the recommendations of the Francis report, the Trust has planned to ensure placement activity and experience for pre-registration nurses embeds a culture of compassion, in line with the 6 C's and the

Trust's corporate values. Also in line with the Francis recommendations, the Trust has implemented Recruiting for Compassion, and during 2013/14 this innovative approach to recruitment and selection will apply to all clinical groups to ensure that the Trust attracts and retains the best candidates to deliver the Trust's clinical strategy.

Following the changes to the requirements of registration for district nurses, the Trust is developing an internal programme of development for community-based nursing. This innovative competency-based programme will address the gap left by higher education institutions, which no longer deliver programmes for district nurse development. It will also enable the Trust to forward-plan the future district nursing workforce and internally develop nursing staff to meet the challenges associated with the ageing workforce.

The Trust will continue to develop and embed its recognised quality systems and processes to ensure the successful implementation of medical staffing appraisal and revalidation.

In recognition of the increased incidence of patients with dementia, the Trust has developed a Competency Assessment Framework for all clinical staff groups and this is being rolled out during 2013/14, facilitating increased awareness and enabling training programmes to be developed to meet identified skills gaps.

During 2012/13, the Trust launched the Skills for Health Code of Conduct and Minimum Training Standards for health care support workers, and plans are in place to implement these national initiatives to support the development of this staff group, which represents 25% of the Trust's workforce who deliver high quality, safe patient care every day.

The activity for pre-registration placements is commissioned through Health Education England (South West) and a Learning Development Agreement between the Trust and Health Education England (South West) ensures that the funding is secured and quality outcomes delivered. Other Workforce Development priorities and activity continue to be funded through internal Learning and Development budgets.

With regard to clinical sustainability, none of the Trust's services lacks critical mass. However, as specified above, there are particular issues relating to the Tier 4 child and adolescent mental health services, which the Trust is actively addressing. The Trust is committed to ensuring that adequate levels of medical cover are maintained, and none of the Trust's services has levels of consultant cover which fall below that recommended by Royal Colleges. All consultant job descriptions are approved by the relevant Royal Colleges and job plans are subject to annual review. Any reduction in the number of doctors during 2013/14 is not expected to affect consultants and will be mitigated by a redistribution of roles, in line with New Ways of Working for Medical Staff.

Medical cover in community hospitals is provided through a combination of service contracts and bed fund contracts, as well as contracts with local acute Trusts for the provision of medical services at two community hospitals, and consultant input across the whole community hospital estate. A review of the contract with Taunton and Somerset NHS Foundation Trust is ongoing. The transition from bed fund contracts to service contracts is also ongoing and will conclude during 2013/14.

A new consultant-led palliative care medical team will be established in 2013, as a result of co-operation between Somerset Partnership NHS Foundation Trust, Somerset Clinical Commissioning Group, St Margaret's Somerset Hospice and local acute Trusts. The team will provide clinical leadership for a new countywide, community-focused medical team that spans health and social care providers. The team will empower people approaching the end of life, and their carers, and will provide them with increased choice as to where they are cared for and where they die, regardless of their diagnosis.

The Contraceptive and Sexual Health service will also become a consultant-led service, for the first time, in 2013.

The Trust undertook considerable work during 2012/13, to enhance patient safety arrangements, through moving towards the establishment a single electronic patient record across all of its services. Community health services including podiatry, public health nursing, community nursing, cardiac rehabilitation and integrated paediatric therapies all migrated onto the Rio information system during the year. The full implementation of the programme of migration of services onto Rio will permit the establishment of a single patient record, to facilitate more integrated and holistic care across all Rio-enabled services by

31 March 2014, and some services have already begun to use Rio as a fully-functioning electronic patient record.

D. Productivity & Efficiency

The Trust is required to achieve a significant level of cost improvements, in order to meet the efficiency savings requirement and to manage local cost pressures across the three year period from 2013/14 to 2015/16. As an integral part of the process of formulating its Cost Improvement Plans, the Trust has looked critically at its performance in respect of key indicators including rates of delayed transfers of care, emergency readmissions, and average lengths of stay. National benchmarking data, produced by the NHS Benchmarking Network, indicates that the Trust compares favourably against peer organisations across a broad range of indicators. Notwithstanding this, the Trust continues iteratively to seek to improve efficiency and to share examples of good practice, through its internal performance management arrangements, which include benchmarking of performance between its own services. An area of particular focus for the Trust has been the scope to make improvements to the utilisation levels of bank and agency staffing. Additionally, the Trust has identified opportunities for delivering savings from the integration of physical and mental health services, through administrative and management savings, estate rationalisation and operational synergy over the next three years. The schemes are as follows:

Inpatient reconfiguration: £3.1 million – from its ongoing analysis of bed occupancy levels, the Trust has identified a surplus of around 40 community beds across the organisation. From the Trust's participation in national benchmarking exercises, it is also recognised that Somerset has a relatively high number of community hospitals per head of population, compared to other areas, and maintains a comparatively low average length of stay. Savings have already been delivered through a review of community beds in West Somerset. Further savings will be achieved through the Trust contributing to the Clinical Commissioning Group-led review, 'Making the most of Community Services in Somerset', which will consider the future configuration and provision of community hospitals and community-based services.

Reconfiguration of community teams: £1.3 million - the Trust will review skill mix and staffing numbers across both mental health and physical health services.

Central service savings: £1.5 million - These will be achieved through savings across central departments, through integration and reduced costs of headquarters arising from co-location.

Medical Services: £0.6 million - savings will be achieved through reducing medical staffing costs by taking opportunities, where staff retire, to reconfigure staffing, and through the review of the delivery of medical services to community hospitals.

Management of incremental drift: £2.9 million - community health services have historically been very successful in using skill mix changes and turnover to offset the cost of staff increments. This is becoming more manageable as a number of staff are already at the top of the band, which reduces the impact of incremental drift.

Review of specialist services: £1.1 million - the Trust will reduce reliance on specialist teams, within both community health services and mental health services. A number of those services will, in future, be provided through generic teams.

Non-pay initiatives: £0.9 million – these include a range of non-pay savings, including procurement and energy savings.

Integration savings: £0.3 million – these will be delivered through the delivery of the new integrated management structure, the co-location of services, leading to estate rationalisation, and additional back office and administrative savings.

Operational synergy savings: £3.0 million – savings will be achieved through integrating operational services, leading to reduced duplication of care management, operational management savings from economies and scale and more efficient care pathways.

A review of skill mix, bandings and vacancy management: £1.4 million – the Trust has strong vacancy controls, with each post being reviewed, in terms of skill mix and pay banding, and requiring authorisation by the Trust's Executive Team before it can be advertised. This has proven to be an

effective way to deliver non-recurring savings each year.

The Trust has a strong track record of delivering challenging cost improvement targets and is confident that it can deliver the cost improvements outlined above. Over the last three years, achievement against cost improvement targets (including those relating to the former Somerset Community Health) was as follows:

- 2010/11 - achievement of £6.0 million against a target of £6.2 million (97%)
- 2011/12 - achievement of £6.6 million against a target of £6.2 million (106%)
- 2012/13 – achievement of £6.4 million against a target of £6.9 million (93%)

Any shortfall in specific Cost Improvement Programmes and unforeseen pressures has been managed through the delivery of additional cost improvements in-year, which has ensured that the Trust has consistently achieved its financial plans.

The Trust recognises the potential that exists to deliver savings through integrating physical and mental health services. These arise from management and administration savings, particularly in back office functions, through economies of scale, through estate rationalisation, through the co-location of services, and from operational synergy through reducing duplication in care management, joint care pathways and operational management costs. Initial savings focused on central office functions, some of which have already been achieved by bringing together headquarters functions and through co-locating headquarters staff. During 2013/14, operational services will become integrated into a single management structure, creating the basis for savings from estate rationalisation, management costs and the potential for greater integration of patient services.

Savings within community health services reflect the Trust's strategy of moving from an inpatient-based model of service delivery to the provision of more services within a community setting. The Trust has already delivered savings by critically reviewing the care delivered in community hospitals and community settings, including the development of ambulatory care services, and the provision of care as close as possible to patients' homes, within the Somerset Coast area. During the life of the plan, further savings are expected, through the CCG led 'Making the most of Community Services in Somerset' review. It is anticipated that this will enable the Trust to deliver a wide range of services which do not require inpatient admission, such as the further extension of ambulatory care services, reablement and telehealth.

The development of district nursing teams, aligned with the nine GP Federation areas within Somerset, will enhance the quality of services for patients, provide improved levels of cover within teams, and enable cost improvements to be made through economies of scale.

Community health services teams have historically been very successful in working with managers and budget holders, to support them in managing generic pressures such as pay increases and incremental drift, through turnover and changes to skill mix. This approach will continue, both in terms of operational staff and back office functions, and will be rolled out within mental health service teams.

The majority of savings will be against pay budgets, this being the greatest area of spend, accounting for 74% of the Trust's costs. The Trust is taking this forward through service redesign and new ways of working, a critical review of posts and skill mix, review of terms and conditions within the Agenda for Change framework, which are subject to local review and its ongoing support for progress on national negotiations relating to Agenda for Change and terms and conditions for medical staff. The Trust will also continue to seek to make reductions to its expenditure on non pay costs, and savings will therefore also be made in other areas including the procurement of office equipment and services, and also on energy costs.

In previous years, the Trust's strategy for mental health services has been to move from an inpatient-based model of care to a community-based model. This has significantly improved services for patients and has also allowed the Trust to deliver significant cost improvements. Commissioners of the Trust's services are clear that the Trust does not have the capacity to reduce mental health bed numbers any further, other than any small reductions which may be necessary to support the privacy and dignity agenda. The Trust's own work had also confirmed that a further reduction in mental health beds would be extremely difficult to manage. As stated above, benchmarking against other organisations nationally has demonstrated that the Trust is operating efficiently, in terms of its average length of stay and rates of

delayed transfers of care, signifying that there is little scope for reducing bed usage. The Clinical Commissioning Group recognises the historically low level of expenditure per head of population on mental health services in Somerset compared to other areas, and has identified this as a priority for investment, with recurrent financial support provided in 2013/14.

The Trust therefore needs principally to focus on community-based mental health services, in order to deliver savings going forward. This includes reviewing the number of care co-ordinators and support workers and reducing the use of specialist services, with more services provided through generic teams.

The Trust has also identified opportunities to make savings within medical services. It is recognised that the medical workforce is a valuable, but high-cost resource, which needs to be focused on those areas which require medical input. New ways of working, which enable other professions to undertake work previously undertaken by medical staff, create this opportunity. Additionally, a number of consultant staff are approaching retirement age and have indicated an intention to retire. This will enable the Trust to manage the required reduction in medical staffing and to reprofile its medical workforce.

All of the Trust's cost improvements are discussed and approved by the Trust's Executive Team and the Trust Board. As part of this process, the Medical Director and Director of Nursing and Patient Safety are required to assess the impact of the programmes on the quality of services and on patient safety, and to report their conclusions to the Trust Board.

In preparation for the reduction in public expenditure resulting from the economic downturn, the Trust developed a forward plan to deliver the anticipated level of required savings. This involved the development of a future model of service, at a reduced level of resource. A similar process was developed by the former Somerset Community Health when it was the provider arm of the then Primary Care Trust. These plans have been reviewed over the last year, in discussions with Somerset Clinical Commissioning Group.

The forward plan covers all aspects of the Trust's operations, including inpatient and community services, specialist services, medical staffing and central services. The initial plans were developed and discussed by the Trust's Executive Team and the Trust Board, including the Medical Director and Director of Nursing and Patient Safety. These plans were then discussed with senior managerial and clinical staff, and have since been refined by the relevant directors, working with other senior managers and clinicians within the Trust.

The financial framework and Cost Improvements Plans have been shared with, and discussed at, Senior Managers' Business meetings, Service and Team Managers' Away Days, the senior medical staff advisory group, and other professional meetings, as part of the Trust's planning process. Plans have also been discussed with senior medical staff and other clinical colleagues, and also staff side representatives. The Chief Executive has written to all staff, setting out the financial challenges for 2013/14, together with details of the 2013/14 Cost Improvement Programme. Staff are encouraged, on an ongoing basis, to contribute ideas as to how the Trust might deliver savings, and these suggestions are discussed at Executive Team meetings. Plans have also been shared with and considered by the Trust's Council of Governors, with opportunity to ask questions and to provide challenge. Plans are also discussed by sub-committees of the Trust, including the Finance and Performance Committee.

The majority of schemes relating to community health services will be delivered through monitoring turnover and reviewing the skill mix and bandings of vacant posts as they arise, if this is appropriate and can be implemented without a significant impact on service quality.

Proposals for savings on medical staffing have been developed by the Medical Director, in conjunction with the medical workforce, to identify opportunities for delivering savings, partly through natural turnover and partly through improvements in efficiency. Opportunities for delivering savings on central services and Trust-wide functions have been developed by individual directors, predominantly through economies of scale and changed ways of working.

Both the Medical Director and Director of Nursing and Patient Safety have been integral to the development of plans and have approved them as part of the Executive Team and the Trust Board. Ultimately, schemes are approved by the Trust Board as part of the budget and the Forward Plan Strategy, giving due regard to the impact upon patient safety and the delivery of safe services, with an

acknowledgement that some aspects of quality of services may be affected.

A matrix has previously been developed to assess the impact of each plan on service quality. This assesses the impact on patients, carers, staff and other organisations, as well as the potential impact on activity.

Cost Improvement Plans are afforded a high priority within the Trust, and are resourced appropriately within existing Trust resources. Some plans require significant input, particularly in respect of option appraisal, communication, liaising with stakeholders and managing workforce issues, and are prioritised accordingly by Executive Directors and senior managers. The extension of the Rio information system, and its implementation across the Trust's community health services requires a significant level of resource, which will be managed through the Trust's capital funding arrangements.

The Trust has robust management processes in place to ensure the continued delivery of Cost Improvement Programmes. The Trust Board is ultimately responsible for the delivery of Cost Improvement Programmes, and monitors achievement against plans, on a line-by-line basis throughout the financial year, via the Trust's monthly finance report. The Trust Board discusses progress against plans, provides challenge, particularly regarding reasons for any underachievement on specific schemes, and seeks assurance that mitigation/recovery plans are in place.

The Finance and Performance Committee also reviews the Cost Improvement Programme in detail, and monitoring is also undertaken on regular basis at the Executive Team meeting, at which the Cost Improvement programme is a standing agenda item.

Operational accountability for the delivery of individual schemes rests with Executive Directors. The majority of Cost Improvement Plans relate to operational services, and from 1 May 2013 the accountability for these lies with the Chief Operating Officer, following the integration of the Trust's operational management structures into a single operational directorate.

Each director responsible for cost improvement schemes is required to identify the risks associated with delivering them, liaising as appropriate with other relevant directors, including the Medical Director, the Director of Nursing and Patient Safety, the Director of Finance and Business Development and the Director of Workforce Development. Risks to the achievement of plans are mitigated by actions relating to each particular scheme, if possible. Risks are discussed by the Trust Board and the Executive Team. Should it not be possible to mitigate against non-delivery within specific schemes, then actions may be formulated on a directorate or Trust-wide basis to manage the risk. For example, the risk of slippage may be mitigated by holding posts to achieve the savings in the short term, where this does not affect patient safety and quality. Where appropriate, the Trust Board may approve additional cost improvement schemes to ensure overall achievement of the plans and/or to ensure achievement of overall financial targets.

The Trust believes firmly in maximising savings on a recurring basis. Therefore, each year, well over 80% of savings plans are recurrent. Non-recurring savings are used only on a marginal basis, to meet non-recurring pressures, or as a temporary mitigating measure until recurring savings can take effect.

The Trust's historic delivery against Cost Improvement Plans has involved all aspects of the Trust's operations. In particular, the Trust has strong experience of delivering savings from inpatient reconfiguration and service redesign, including ensuring that appropriate community services are in place to support this.

The Trust also has a record of achieving savings through natural turnover and of retraining and reskilling staff to enable them to function in other roles. In recent years the Trust has closed over 200 mental health beds with only a small number of redundancies (fewer than 10). The significantly increased size of the Trust following the acquisition of community health services will help facilitate this even further.

Community services have a strong record of delivering savings through turnover and changes to skill mix. Both mental health and community health services have operated within tight margins with little contingency and there has therefore been a strong emphasis on managers managing within budget and supporting the organisation to deliver cost improvements. This will continue to be important in the future, as one of the cost improvement schemes is dependent on this.

The Cost Improvement Plans are reported to the Trust Board regularly and in detail. The phasing of the cost improvements is assessed at the start of the year and the actual performance against the phased plan to date is reported on a monthly basis. This enables the Trust to assess whether it remains on course for delivery or if further action is required. For significant schemes, key milestones are clearly set out to ensure that plans will commence on the anticipated start date.

The Trust has also used its Service and Team Managers' Away Days as an opportunity to engage staff meaningfully into the planning process, inviting teams to develop Service Transformation Plans, aimed at improving productivity and efficiency, as well as improving the quality of the Trust's service provision. During 2012/13, a total of 147 Service Transformation Plans were proposed by teams from across the Trust, and consideration is being given to these by the Trust's Executive Team, with a view to identifying those to be taken forward for implementation in 2013/14.

E. Financial & Investment Strategy

Somerset Partnership NHS Foundation Trust has a total operating income of £146 million and maintained a Level 3 financial risk rating in 2012/13. The Trust has a proven track record of delivery against its cost improvement programmes and is confident that its plans for 2013/14 will be delivered.

The Trust recognises the difficult financial climate in which the NHS is currently operating and, in line with other NHS organisations, the Trust is required to deliver a significant level of savings, in terms of improved productivity and efficiency. The Trust's financial strategy is to deliver savings to manage reductions in tariff and cost pressures, to enable the Trust to continue to deliver surpluses for reinvestment in its services and facilities. Whilst the financial challenge is significant, the Trust has a strong track record of delivery against challenging cost improvement programmes.

The Trust's key aims within this strategy are to:

- maintain a surplus for each of the three years, from 2013/14 to 2015/16;
- continue to maintain strong cash balances;
- continue to invest in the Trust's estate and infrastructure;
- support the delivery of the Trust's service development plans;
- support the building of a new community hospital in Bridgwater;
- continue to deliver integration / operational synergy savings through the integration of physical and mental health services.

In preparing the Trust's financial plans for 2013/14 to 2015/16 the following assumptions have been adopted:

- there will be a tariff reduction of 1.3% in each of the three years;
- pay costs will increase by 2.4% for each of the three years;
- non-pay costs will increase by 3.0% per annum.

It is assumed that £2.7 million of the £3.1 million available from the main service contracts for CQUIN will be achieved. This is a prudent assumption, which means that the Trust is not reliant on achieving all of its CQUIN targets. The Clinical Commissioning Group has confirmed that the 1.3% tariff reduction (£1.5 million) will be reinvested to meet cost pressures in 2013/14.

It has also been assumed that no growth funding will be made available by Somerset County Council, and the County Council has confirmed that this is the case. There will also be no inflation uplift on County Council funding.

The Trust acknowledges that there are potential pressures from demographic changes and the potential for further increases in activity and demand, but the Trust is clear that it cannot provide additional activity without a commensurate increase in funding. The Trust is proactively managing demand, through ensuring that activity which it undertakes is commissioned and appropriate. This includes ensuring that only those referrals which are appropriate for the services provided are accepted. The Trust is also working closely with other agencies, including Social Care and Housing, to ensure that individuals who no longer need services provided by the Trust are discharged in a timely manner.

The Trust anticipates that cost savings will arise from the Clinical Commissioning Group-led review, 'Making the most of Community Services in Somerset'. As stated above, from its ongoing analysis of bed occupancy levels, the Trust has identified a surplus of around 40 community beds across the organisation. Whilst the Trust has identified possible planned bed reductions, it is anticipated that this will not impact upon the total number of inpatient days, as it is anticipated that occupancy levels relating to the remaining beds will increase. The Trust has also identified that further bed reductions could be achieved through investment of growth funding in community-based services, and will be working with the Clinical Commissioning Group in 2013/14, to determine how this can be progressed.

A number of key actions are required, to support the delivery of the financial strategy. Firstly, the Trust will need to ensure that the planned Cost Improvement Programmes are delivered. The Trust has a strong track record of delivery in this area, but recognises that the level of savings required is higher than has been the case in the past. The Trust also recognises that it will be necessary to deliver services differently, in order to achieve this level of saving. The Trust's Cost Improvement Programme has been designed to ensure that patient safety is maintained. As part of the Trust's process in respect of Cost Improvement Programmes, the Medical Director and Director of Nursing and Patient Safety are required to assess the impact of the programmes on the quality of services and on patient safety, and to report their conclusions to the Trust Board. Whilst patient safety will not be compromised, it is recognised that the delivery of Cost Improvement Plans may impact upon patient experience and some aspects of the quality of services.

The Trust will also need to ensure that it continues to remain the provider of choice for commissioners in Somerset and markets its services effectively, both to maintain its core income base and also to increase its income from other opportunities. The Trust has a strong record of delivering its CQUIN targets and recognises the importance of maximising income from this source.

The majority of the Trust's funding is contained within operational budgets. It is therefore critical that managers across the Trust continue to operate within budget limits. The Trust's Finance function continues to work closely with budget holders to ensure that this is achieved.

The Trust has identified a number of key risks to the delivery of the strategy. Firstly, the delivery of the Cost Improvement Programme presents a significant challenge. The Trust will manage this risk through close monitoring of the programme, on a line-by-line basis. The Trust has taken a prudent approach to budgeting for CQUIN income, which provides the Trust with some scope for increasing income above planned levels.

The Trust also faces risk in terms of its income base. The Trust continues to monitor activity levels, particularly for low secure services and child and adolescent mental health service Tier 4 beds. Issues in recruiting and retaining adequate numbers of specialist child and adolescent mental health service staff led to a temporary closure of the CAMHS Tier 4 inpatient facility in March 2013. The Trust is working closely with commissioners to agree the way forward and the future for this facility. In terms of the low secure services, the Trust continues to market these services proactively and has a process for alerting commissioners to vacancies as they arise.

There is also a risk in terms of funding the new community hospital in Bridgwater, should the Trust take on responsibility for completing the construction of the new facility. This risk is being mitigated through close working with Somerset Clinical Commissioning Group to ensure that cash flow can be managed. The Trust has also received agreement, from the Clinical Commissioning Group, that the Clinical Commissioning Group will fund the repayment and interest associated with taking out a loan. The Trust is confident that it has appropriate mitigations in place to manage these risks, details of which will be set out in the long-term financial model that the Trust will submit to support this significant transaction.

F. Regard to the views of Trust Governors

The Trust works with all of its Foundation Trust Governors to identify ways in which they and the wider Membership can develop as valued partners, in determining the strategic direction of the Trust, and in providing the Trust Board with information about the views of patients, carers, staff and the wider community.

Governors are invited to attend the public part of Trust Board meetings, Away Days and Trust Board seminars, which are routinely held after formal Trust Board meetings. The Chairman and Chief Executive also meet with the Lead Governor of the Council of Governors after each Trust Board meeting.

Somerset Partnership NHS Foundation Trust aims to ensure that its business planning process is as inclusive as possible, and seeks the views of a broad range of stakeholders. As part of the planning process, the views of Governors are sought through the Strategy and Planning Group, whose members are invited to contribute towards the development of the Trust's Strategic Objectives and supporting Service Development priorities. Comments have been received from that group and have been incorporated into the plan. The Strategy and Planning Group also receives regular reports on the Trust's financial position, and detailed reports on progress against the key priority areas contained within the Trust's Business Action Plan. The Trust also holds Away Days, focused on the planning process, bringing together Governors, Trust Board members and other key stakeholders, in order to share ideas and viewpoints regarding the Trust's priority areas, and to agree upon key aspects and issues to be taken forward. The Trust held a Trust Board and Council of Governors Away Day, on 11 December 2012, to ensure the active engagement and input of Governors into the Trust's planning process. The outputs of the day, including conclusions drawn from group discussions aimed at identifying the key priorities for the Trust in 2013/14, were shared with all participants and are reflected in the priorities set out in this plan.

Governors also sit on the Trust's Patient and Public Involvement Group, which gathers information from complaints, PALS, patient surveys, media and other feedback, to inform Trust planning, service delivery and service redesign. The Patient and Public Involvement Group reports quarterly to the Council of Governors and to the Trust Board, as part of the quality report.

Members of the Foundation Trust Board regularly attend meetings of the Council of Governors. Governors also undertake a programme of visits throughout the year, to community hospitals and mental health inpatient wards across the Trust, providing feedback to the Trust which helps inform service development and improvement.

The Council of Governors has been briefed on the financial framework and cost improvement programmes which shape this plan and those items were discussed at a recent Council of Governors meeting.

During 2012/13, the Trust held seminars with Governors, examining the new responsibilities arising from the implementation of the Health and Social Care Act 2012, and agreed revisions to the Trust Constitution to reflect their new powers, including decision-making in relation to significant transactions and any proposed increases in Trust non-NHS income of over 5%.

