



Operational Plan Document for 2014-16

York Teaching Hospital NHS Foundation Trust

Operational Plan Guidance – Annual Plan Review 2014-15

The cover sheet and following pages constitute operational plan submission which forms part of Monitor's 2014/15 Annual Plan Review

The operational plan commentary must cover the two year period for 2014/15 and 2015/16. Guidance and detailed requirements on the completion of this section of the template are outlined in section 4 of the APR guidance.

Annual plan review 2014/15 guidance is available [here](#).

Timescales for the two-stage APR process are set out below. These timescales are aligned to those of NHS England and the NHS Trust Development Authority which will enable strategic and operational plans to be aligned within each unit of planning before they are submitted.

Monitor expects that a good two year operational plan commentary should cover (but not necessarily be limited to) the following areas, in separate sections:

1. Executive summary
2. Operational plan
 - a. The short term challenge
 - b. Quality plans
 - c. Operational requirements and capacity
 - d. Productivity, efficiency and CIPs
 - e. Financial plan
3. Appendices (including commercial or other confidential matters)

As a guide, we expect plans to be a maximum of thirty pages in length. Please note that this guidance is not prescriptive and foundation trusts should make their own judgement about the content of each section.

The expected delivery timetable is as follows:

Expected that contracts signed by this date	28 February 2014
Submission of operational plans to Monitor	4 April 2014
Monitor review of operational plans	April- May 2014
Operational plan feedback date	May 2014
Submission of strategic plans to Monitor (Years one and two of the five year financial plan will be fixed per the final plan submitted on 4 April 2014)	30 June 2014
Monitor review of strategic plans	July-September 2014
Strategic plan feedback date	October 2014

1.1 Operational Plan for y/e 31 March 2015 and 2016

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

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Job Title	Foundation Trust Secretary
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Date	4 April 2014

The attached Operational Plan is intended to reflect the Trust's business plan over the next two 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 Operational Plan is an accurate reflection of the current shared vision of the Trust Board having had regard to the views of the Council of Governors and is underpinned by the strategic plan;
- The Operational 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 Operational 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; and
- All plans discussed and any numbers quoted in the Operational Plan directly relate to the Trust's financial template submission.

Approved on behalf of the Board of Directors by:

Name (Chair)	Alan Rose
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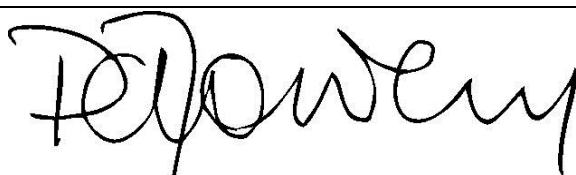
Signature



Approved on behalf of the Board of Directors by:

Name (Chief Executive)	Patrick Crowley
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Signature



Approved on behalf of the Board of Directors by:

Name	Andrew Bertram
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(Finance Director)

Signature

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1.2 Executive Summary

The Trust provides services from three acute hospitals, three community hospitals, four rehabilitation hospitals, along with community services and covers a geographical area of some 3,400sq miles. The general health of the population is better than the England average, with the exception of mortality from accidents. Life expectancy is also higher than the England average. The population of North Yorkshire is increasing with a disproportionate increase in the over 65 residents. This growth is expected to represent 25% of the whole population by 2020. As a result of this it is forecast the region is likely to see a rise in cases of dementia. There are pockets of significant deprivation in the area which provide additional challenge to the Trust in ensuring the delivery of services. It was identified in 2007 that there were 8 small areas in York that were in the most deprived 20% in the country, along with 13 areas in Scarborough and 15 in North Yorkshire.

The ethos of the Trust is to put the patient at the centre of everything we do. The care patients receive must always be safe and meet the expectations of patients, their families and friends. The Trust seeks comments from patients and uses them to improve the service and where we receive praise for our services, we ensure we maintain that standard. Surveys such as the inpatient survey and Friends and Family test are vital to the planning of the services. The Trust engages with the Council of Governors as part of the development of the plan. Staff feedback through the staff survey and other mediums also supports the planning and development of future services. Our staff, together with patients are key components to the Trust in ensuring we are providing the right service at the right time to the right people at the right quality.

Our workforce is at the centre of our success in delivering top quality services. To maintain that success the Trust engages with staff at all levels. There are some senior clinicians in the organisation that work across the whole organisation supporting the strategies and engaging in the debates around the provision of services.

YTHFT aspires to be the main provider of acute hospital and community services to its local community and has developed a portfolio of services with some opportunities for growth over the next few years. The Trust remains committed to working in collaboration with healthcare organisations including both commissioners and providers. The Trust has mature clinical service alliance arrangements in place with Harrogate and District NHS FT and Hull and East Yorkshire Hospitals NHS Trust and is developing a range of specialised services in its own right as part of an inter-Trust network aligned to NHS England specification requirements. The Trust is actively seeking to work in a collaborative way with other sectors such as social care to ensure a holistic approach to healthcare is provided for the community. The Trust's responsibility for community services is significant as it provides the mandate for the Trust to develop an integrated service with partners across the local health economy.

The Trust has been able to identify a number of threats that could impact on services. These threats are also seen as opportunities for the Trust to confirm its planning and its approach to working with the CCGs and other stakeholders in providing the desired service. The Trust sees quality and safety as a priority in the organisation and this is a theme that runs through all the services the Trust provides.

The Trust has developed a robust clinical strategy, which has its foundations in the Five Year Strategy, (formerly the Integrated Business Plan) developed as part of the Scarborough acquisition and which is revised annually. A number of strategic frames were confirmed at a Board time out session involving executive and senior clinical leaders. Informing the Five Year Strategy are a number of other key strategies including the human resources strategy and the approach the Trust takes to recruitment, workforce design and utilisation along with health and wellbeing. These strategies complement each other and support the efficiency agenda and the Trust's expectation that it will provide services that are required by the commissioners and the community it serves.

The vision of the Trust is to be a healthcare organisation that is recognised locally and nationally as delivering outstanding clinical services that meet the needs of its varied population and supports services that matter to patients. The vision is underpinned by three key goals:

- To be an effective and sustainable provider of general acute, community and appropriate tertiary services.

- To remove uncertainty in relation to healthcare services particularly for the population of the East Coast of Yorkshire.
- To extend genuine public involvement opportunities from being part of an FT, giving the population of the East Coast the opportunity to be heard more formally through membership.

The Trust reviewed the mission and objectives during the year and confirmed the mission as: *To be trusted to deliver safe, effective and sustainable healthcare within our communities.*

The Trust has an excellent track record of delivering productivity and efficiency savings and the last financial year has been no exception. The Trust continues to operate within the context of the difficult national economic situation and its impact on the NHS. In addition, although the commissioning landscape changed with effect from 1st April 2013 the CCGs (particularly the Vale of York CCG) that composed the Trust's former main commissioner (North Yorkshire & York PCT) continue to be severely financially challenged, which has wider implications for the whole of the local health economy.

The plan for the next two years is challenging, but achievable and will be heavily focused on collaborative working. It will require the Trust to continue to be innovative and creative about identifying savings and ensure that the Trust is using the resources in ways that delivers high quality care standards, so the Trust is providing the best possible care within the available resources for the patient.

1.3 Operational Plan

Since the acquisition of Scarborough & North East Yorkshire Healthcare NHS Trust (SNEY), YTHFT has had two main commissioners, Vale of York Clinical Commissioning Group (CCG) and Scarborough & Ryedale CCG, but also has contracts with East Riding of Yorkshire CCG and Hambleton, Richmondshire & Whitby CCG who sit on the periphery. The Trust has regular patterns of engagement with the CCGs, Health & Wellbeing Boards and City of York Council and North Yorkshire County Council in developing a service planning approach which is sustainable and beneficial to the wider community.

Partnership working with Acute Trusts in the region is also paramount to developing a range of services, which are both cost effective and also provide greater choice to patients. There is continuing engagement with NHS England around the planning and delivery of specialist “secondary care plus” services which involves in some cases network/alliance arrangements with neighbouring acute Trusts eg: Hull and Harrogate. However, there will also need to be a consistent approach in working with CCGs and Local Authorities to encourage standardisation and transformation of services across the locality.

Working across organisational boundaries is one of the Trust’s strategic frames ensuring co-operation and partnership working. The Trust’s intention is to drive forward quality, safe and sustainable services through collaboration with others to provide choice together with locally based services wherever practicable. The Better Care Fund (formerly the Integration and Transformation Fund) has been created to facilitate integrated planning between Health and Social Care. The Trust is a standing member of York’s Health & Wellbeing Board, which also includes representation from City of York Council, Vale of York CCG, Leeds and York Partnership Foundation Trust, Adult Social Services and various voluntary organisations. The Trust is also represented at the North Yorkshire Health and Wellbeing Board.

The Trust’s has four strategic frames which provide a framework and consistency approach for developments.

The key organisational strategic frames are:

- Improve quality and safety - To provide the safest care we can, at the same time as improving patients’ experience of their care. To measure our provision against national indicators and to track our provision with those who experience it.
- Develop and enable strong partnerships - To be seen as a good proactive partner in our communities - demonstrating leadership and engagement in all localities.
- Create a culture of continuous improvement - To seek every opportunity to use our resources more effectively to improve quality, safety and productivity. Where continuous improvement is our way of doing business.
- Improve our facilities and protect the environment - To provide a safe environment for staff, patients and visitors, ensuring that all resources are used as efficiently as possible.

Aligned to these strategic frames are a number of continuing priorities and key developments for future sustainability of the organisation.

- Continuation / enhancement of integrated clinical team working across the York/Scarborough Hospital sites/communities
- Developing separation of acute and elective capacity
- Redefinition of role/purpose of Community services/hospitals
- Co-operation/Partnership Working with other organisations

Integration - the Transforming Community Service agenda and the acquisition of SNEY has led to the phased integration of clinical and corporate directorates, together with a programme of estate works to ensure Scarborough and Bridlington Hospitals are fit for purpose. This involves

- single directorate clinical and management structures,
- standardised governance and clinical protocol arrangements,

- the sharing of expertise and capacity,
- developing access to sub-specialised services across the patch,
- redesigned service pathways generating improvements in care,
- economies of scale and streamlined recruitment processes to attract and retain skilled staff.

A major part of the integration has been to:

- Create a single converged voice and data network spanning both acute and community services.
- Deploy a single electronic patient record across all the Acute and Community Hospitals and enabling Community Teams to access that record.
- Consolidation of back office systems and the integration of standalone clinical applications.

Systems & Network Services will continue to proactively support the delivery of the Patient Safety Strategy by developing clinical applications that support the delivery of safe, evidence based effective healthcare and ensuring high availability and performance across the whole network infrastructure. Operational and commissioning processes will be supported by the further development and implementation of sophisticated business intelligence tools that support trending and modelling of activity.

Integration of the clinical and corporate services areas is progressing well and the new organisation continues to evolve and develop as services and departments align. The Trust is committed to the continuation of this integration work across sites and the communities in order to enhance the services provided.

The integration has provided an opportunity to separate out acute and elective care at Scarborough with the intention of developing Bridlington Hospital as an elective care centre. The vanguard of this work will be the movement of orthopaedic elective work to Bridlington during 2014/15 supported by a programme to develop a service which provides outpatients, treatment and rehabilitation all co-located for ease of access. A mobile laminar flow theatre will be procured as a precursor to another theatre being built to further develop the capacity required. This work will need wide public engagement to ensure that travelling distance becomes a minor issue heavily outweighed by quality and patient safety. There will also be opportunities to work with GPs and neighbouring acute trusts to facilitate maximum utilisation of the facilities and site.

Acute and Elective Care Separation - the focus on acute/elective care separation on the York Hospital site will revolve around the development of a revised acute care and assessment triage model including the amalgamation of the Short Stay Unit and the Acute Medical Unit. An Acute Board Strategy is driving through the preparatory work to establish an Acute Assessment Unit. Review/reconfiguration of the bed base is taking place including reduction of surgical bed stock and more use of day case twenty three hour and extended care beds and an increase in elderly bed stock.

The Acute Board Strategy underpins work which has been started to explore 7 day working initiatives that will enable the Trust to function at a higher level on evenings and weekends to facilitate faster diagnosis and discharge. The Acute Board has been replicated at the Scarborough end of the patch to ensure lessons from the work at York are learnt and developed for use at this site. The key development on the East Coast will be the work to transform Bridlington Hospital into an elective care centre.

Community Services/Hospitals - redefinition of the role and purpose of community hospitals and services is a key priority for both the Trust and CCGs and is being driven forward by the Community Hub model which will be trialled at Malton and Selby in the first instance. The Trust needs to work in partnership with CCGs to identify those patients who can be safely managed in the community, promote self-care initiatives including patient education and self management, exercise and rehabilitation. This work will help to ensure that the focus remains on acute and elective care and patients are not admitted inappropriately and that discharge arrangements are co-ordinated and provide a seamless service from secondary to primary care.

A number of initiatives are being piloted and implemented as an opportunity to design new and innovative care including early supported discharge for stroke patients and improving the early diagnosis of dementia by ensuring staff are trained to assess patients and able to refer onto the most appropriate clinician. The Trust is seeking to develop high quality integrated end of life care by working in partnership

with others to support patients and their families and providing more choice.

Learning from the integration of York and Scarborough has identified opportunities to work more flexibly in the community in such specialties as Diabetes to ensure that patients get the expertise, care and education they need to ensure that hospital treatment and outpatient care is not the first option.

Alliance and Partnership Working - there is a corporate commitment to pursue Alliance and Partnership working with other organisations. In respect of neighbouring acute/community trust organisations (e.g. Harrogate and Hull Trusts) there are potential benefits in terms of mutual service sustainability (through pooling of population numbers and shared expertise and manpower) economies of scale and improved patient pathways.

Examples of services that are being looked at include Oncology, aspects of General Surgery, Ophthalmology, Renal Medicine and Sexual Health. Partnership/Alliance Boards involving senior managers and clinicians from the respective organisations are overseeing developing work programmes. Similarly, partnership working with CCG colleagues via Care Collaborative meetings is being pursued to promote integrated Hospital/Community care working and more effective deployment of resources across the patient pathway.

The Trust is aware of the need to enhance current mental health and dementia provision. Currently there is a service level agreement in place with the Leeds and York Partnership Foundation Trust (LYPFT) to provide psychiatric input and a dementia assessment tool is being used which generates referrals as appropriate. To further enhance the service being provided, detailed discussions are being held with LYPFT and the CCGs to look at a model for liaison psychiatry service on the York site in the first instance. This will be a phased model and will include direct input into the Emergency Department and will extend from there. A joint working group has been set up and the aspiration is to provide a model called Rapid, Assessment, Interface and Discharge (RAID), which has been used successfully in other parts of the country. An additional development has been the agreement with the CCG for the future provision of a Band 6 Registered Mental Health Nurse to work with the York Emergency Department from the Winter Pressures funding.

a. The short term challenge

It is recognised in the Local Health Economy that fundamental change to working practices is required to maintain services in a difficult financial climate whilst driving up quality and focusing on patient safety. The Trust provides a comprehensive range of acute, specialist and community services to approximately 530,000 people living in and around York, North Yorkshire, North East Yorkshire and Ryedale. This presents a challenge especially in terms of consistency of provision and is compounded by the number of CCGs and Local Authorities and other organisations involved in the planning.

Achieving a balanced budget and organisational sustainability in the coming years, with the continued focus on further efficiencies and funding pressures will be challenging and require committed focus and engagement with all partners across the locality.

Expectations on providers from CCGs to provide greater efficiencies whilst transforming care and maintaining quality and safety, are significant. The financial challenge is set within a context of increasing demand across all sectors including an elderly population whose needs are changing together with higher patient expectations across the board. Health and social care integration has been identified as an area which could provide opportunities for joined up pathways for patients whilst reducing duplication and the risks of patients falling between separate services.

The Better Care Fund has been set up to acknowledge the two main factors facing health and social care; an ageing population and an increasing number of people with long term conditions. The fund provides a financial incentive to Councils and NHS organisations to make joint plans to deliver integrated care. Community models will play a significant part of the short term financial and service sustainability solution for the Local Health Economy and these feature heavily on the agenda for the Trust and both leading CCGs and are the cornerstone of the use of the Better Care Fund.

Development of community hub models to deliver improved health and wellbeing linked to long term condition support will be the first step to managing long term condition patients proactively and closer to home. This will reduce admissions and lengths of stay and free up capacity within the Trust to concentrate on acutely ill and elective patients. However, initiatives like this will take time to scope, pilot and fully implement leading to increased operational costs in the short term before benefits can be built on and fully realised.

Increasing demand will also be a significant challenge. Developments are planned on a number of areas to tackle the balance between demand and capacity, but resources are finite and will require continual prioritisation to ensure the maximum benefit is realised from the workforce, finances, estate options and skill enhancements. Delayed transfers of care also provide a significant challenge and risk for the Trust due to capacity issues in care homes and the availability of packages. The Trust is working proactively with the Local Authority and Social Services to reduce the impact and associated risk.

b. Quality Plans

Commissioning Priorities

NHS England sets out a number of essential elements for a sustainable health economy in 'Everyone Counts: Planning for Patients 2014/15 to 2018/19':

- Quality
- Access
- Innovation
- Value for money

Quality and safety underpin the Trust's ultimate objective 'to be trusted to deliver safe, effective and sustainable healthcare within our communities'. The Trust continues to develop an open, honest and responsive approach to patient experience and feedback evidencing its commitment to learn from internal factors and external reports such as Francis, Keogh and Berwick.

The Trust places great emphasis on infection, prevention and control by working with other agencies in order to continually improve practice and measures of hygiene. Governance systems within the Trust ensure that infection prevention is given a high priority at senior committee and board level and evidences a senior team who are committed to raising standards and empowering both patients and staff to provide safe, quality care.

Safeguarding – the Trust has a structure in place for both safeguarding adults and children with the Chief Executive being the children's lead and the Director of Nursing leading on the adult safeguarding agenda. The framework is supported by named leads for nursing, midwifery and paediatrics at York and Scarborough. Following the acquisition of SNEY, a whole system review will take place to simplify policies and procedures, making them easier for staff to use and this will be underpinned by a programme of training. The Trust is currently collaborating with a number of agencies to look at the provision of a North Yorkshire Sexual Assault Resource Centre to further improve child protection in the area.

Staff satisfaction plays a key part in the Trust's strategy going forward, ensuring that staff have the appropriate skills and training to provide a quality service and are recognised for outstanding performance and delivering a service that goes beyond that which is expected.

The separation of acute and elective care will allow appropriate focus to be given to each flow ensuring that optimal care is provided whether the case is routine or complex. This approach will be facilitated by provision of 7 day services which is also a key element of local commissioning strategies to provide Community Hubs to enhance patient safety and experience. A number of clinical directorates are exploring options to extend working hours and improve skill mix to enable a move towards the provision of 7 day services. The aim to separate services along with the increased critical mass that is due to the acquisition of Scarborough will enable the Trust to look at providing a range of specialised services or to be part of an inter-Trust network in order to meet NHS England's specification requirements.

Access – The Trust is spread over a large geographical area especially since the acquisition of SNEY.

The acquisition was predicated on providing enhanced patient choice and access across North Yorkshire and is being built on with partnership working that extends across the region and looks at securing access and choice for patients in the long term.

Research and innovation have always played a major role in the provision of the Trust's services. A well developed and structured research focus continues to evolve which capitalises on partnerships with other organisations in and around the region. Innovation is encouraged and can be evidenced in new approaches such as the Community Hubs which will be piloted in two areas.

Value for money, effectiveness, efficiency and procurement – The Trust has a proven record of implementing resource management cost improvement programmes aimed at delivering efficiencies, to support the Trust in making outstanding use of its available money, staff, equipment and premises. Good resource management provides clarity of focus and is usually linked to improved patient care. The work involves linking across the Trust to identify and promote efficient practices.

The Trust recognises the need to work collaboratively with local partner organisations in order to ensure a whole system approach to transforming and integrating services. A number of elements are common to partner organisations are being developed collaboratively based on local commissioning priorities.

Reduced New to Follow up Appointment Ratios - this work was initiated in 2013/14 and will continue to develop. The Trust has undertaken a significant amount of work to scope and implement a reduction in follow up appointments across specialties. This has culminated in a number of 'condition registers' that have been developed by Trust clinicians, in essence to provide a safety marker, which the Trust can use as a default position. These condition registers have been opened up to scrutiny and clinical discussions to ensure the right safety lines have been drawn. The next steps will enable commissioners to make decisions on what specialty follow up appointments are commissioned and which can be devolved into primary care for GP follow up.

Community Hubs - Community hubs will provide the model to integrate health and social care enabling funding and skills to be shared and prioritised, providing rapid assessment and diagnosis. This will strengthen community services and provide a more consistent approach to the implementation of model care pathways and management of elderly patients and those patients with long term conditions. Community hubs will provide an opportunity to work collaboratively on information systems to enable information and records to be shared to support joint care delivery between primary and secondary care. These models need to be set up and worked through to enable full implementation over the next two years.

Vale of York CCG have developed a five year plan which will drive their approach to local hubs and providing a central point of access. The Trust is working with the CCG to develop a pilot which will be sited at Selby Community Hospital which will provide urgent multidisciplinary team assessment, initial treatment and a care plan to support any ongoing care. There will also be proactive identification of patients with the intention of working with patients to develop and implement individual care plans. This pilot will explore ways to 'wrap' services around primary care creating an effective interface between primary and secondary services enabling patients to be supported in the locality.

A major project area for Scarborough and Ryedale CCG is also the provision of a community hub at Malton enabling support to be provided in the community including rapid assessment and diagnosis of frail elderly patients. The aim is to strengthen the support in the community around elderly care, those patients with dementia and develop services that care for patients at the end of life in the most appropriate setting. The community hub development at both hospitals could also include planning for a rehabilitation facility for major trauma, stroke and neurosurgical patients.

7 Day Working – 7 day working has been highlighted as a priority both nationally and locally to improve patient safety and offer greater patient choice. The Trust is already in the process of exploring options for providing services on a 7 day basis to improve diagnostics and aid clinical decision making. This will enable better discharge planning, shorten length of stay and reduce unnecessary admissions. There is recognition that diagnostics are crucial to secondary care and a significant proportion of primary care and a business case has been submitted by Radiology to start the process to achieve enhanced services. The

intention is to fully utilise staff and equipment at weekends and evenings to ensure optimal patient management. 7 day working will also help to facilitate the community hub implementation enabling greater access to diagnostics and subsequent planning of care and treatment closer to the patient's home.

Community Diabetes – The Trust is working with Vale of York CCG to explore pathway redesign and the development of a Community Diabetes Team. The new model will reflect changing expectations of patients and the current Department of Health ethos of offering care closer to the patient's home. This will allow the Trust to align services provided at York and Scarborough and transfer routine follow up care into community based services.

Local Orthopaedic Triage Service (LOTTTS) – Following a Scarborough and Ryedale CCG consultation exercise, it is proposed to change the current musculo-skeletal pathway into a Local Orthopaedic Triage and Treatment Service (LOTTTS). The LOTTTS service would be provided by the Trust's Consultant Orthopaedic Surgeons and Extended Scope Practitioners (ESP). There is an expectation from Scarborough and Ryedale CCG that the new service will deliver more efficient patient pathways and reduce the number of patient attendances in secondary care.

Threats and Opportunities from local commissioning intentions

The Trust contracts with several Clinical Commissioning Groups (CCGs) in North, East and West Yorkshire, NHS England and two Local Authorities. This presents the Trust with both Opportunities and Threats as follows:

Threats	Opportunities
<ul style="list-style-type: none"> • The different commissioners may take varied approaches to commissioning and contracting for services with different outcome requirements being required of the Trust for the same service. • Commissioners are taking differing approaches to the application of CQUIN to the different contracts. • There are many financial penalties built into the standard contract for Never Events and National Quality Requirements and these present an increasing financial risk to the Trust. <p>Local Commissioning Strategy</p> <ul style="list-style-type: none"> • The Trust's two main commissioning CCGs (Vale of York and Scarborough/Ryedale) have inherited significant deficits from the North Yorkshire and York PCT and have a significant QIPP programme to achieve and then remain in balance over the next 3 years. In particular the CCGs will continue to focus on outpatient follow up ratios as a means to achieving cost efficiencies. • Vale of York CCG has signalled its intention to competitively tender some services currently delivered in an acute setting with the intention of moving these to community setting and making cost efficiencies. • Vale of York and Scarborough CCGs are trying to introduce local financial penalties for local quality initiatives. 	<ul style="list-style-type: none"> • The introduction of the CCGs allows the Trust to think differently about commissioning and provide opportunities to identify savings and change how services can be designed to more closely to reflect the commissioner's desires. • The Trust will be working with different commissioners and a greater number of stakeholders. This will provide the Trust with an opportunity to be imaginative about the provision of services. • The local NHS treatment centre currently run by Ramsay healthcare is due for re-tendering before October 2014. • The inherited deficit remains a challenge, but is a driving opportunity for the health and social care providers in the area to work together and find collaborative solutions to the challenges. • Vale of York CCG has signalled its intention to commission an integrated health and social care service during 2014/5. This will include some services not currently provided by the Trust. • The Trust welcomes the opportunity to be involved in market testing exercises. This will allow the Trust to consider how a service is delivered and how it can be improved and be more efficient. • The introduction of financial penalties will sharpen the expectations of the Trust and

- Vale of York CCG has signalled its intention to commission an integrated health and social care service during 2014. This will include some services provided by the Trust.

enhance the opportunity to work closely with the commissioners.

- There are opportunities as a result of competition to win business from other providers and this is welcomed by the Trust.

The Threats and Opportunities presented by CCGs competitively tendering services highlighted above will have little or no impact in 2013/14 as the CCGs have not yet given the appropriate notice to the Trust of the intention to change the contract. In addition the tendering process will take at least 9 months from tender issue to service commencement and, at the date of the annual plan, no tendering processes have started. The Trust has assumed that the overall impact of the threats and opportunities highlighted above will be neutral on the income and expenditure position for the 3-year planning period.

Quality

Currently the Care Quality Commission Quality Risk Profile does not indicate any quality concerns with the Trust.

The Trust has a number of quality goals:

Patient Safety

Improving care of acutely ill and deteriorating patients

- 85% of all acute medical, elderly medical and orthogeriatric patients will be reviewed by a consultant within 12 hours of admission
- Implementation of the National Early Warning System (NEWS) for early identification and escalation of deteriorating patient to be monitored on all general adult acute wards and for a modified version to be rolled out to community hospitals.
- We will develop and test a clinical pathway of care for patients with severe sepsis.

Reductions in mortality rates

- We will continue the consultant led, systematic review of all in-patient deaths in the acute and community hospitals.
- We will continue to work towards achieving an overall SHMI of less than 100 by March 2015.
- We will continue to work towards achieving an overall HSMR of 100 or less by March 2015.

Improving care for patients with dementia

- Over 90% of patients acutely admitted with delirium or dementia aged 75 years or over have a dementia specific assessment and are referred for further diagnostic advice and specialist treatments.

Improving the use of the WHO surgical safety checklist

- We will achieve 100% compliance with the use of the WHO surgical safety checklist.

Infection prevention and control

- We will continue to monitor and benchmark rates of infection to ensure that we have the lowest possible incidence of infection.

Reducing harm to patients from falling in hospital

- The Trust will establish a strategic patients falls prevention group in the Trust, led by the Director of Nursing. The group will aim to establish a standardised approach to assessment and interventions for patients at risk of falling in hospital. The group will also establish a quarterly reporting framework on trends, actions and learning from patient falls and review and enhance the patient falls and root cause analysis process.

Clinical Effectiveness and Outcomes

Monitoring the prevalence of pressure ulcers

- We will report the number of patients recorded as having a category 2-4 pressure ulcer (old or new) as measured using the Safety Thermometer on one day of each month in York Hospital, Scarborough Hospital, Community Hospitals and Community Services will continue to be monitored.
- We will learn from pressure ulcer development and revise practice to promote a reduction in the incidence of pressure ulcers for patients in our care.

Monitoring critical medicines and antimicrobials

- We will refine our systems for monitoring incidents associated with critical medicines; specifically to reduce the degree of harm from such incidents and to reduce the frequency of missed doses and/or incorrect prescribing and administration.
- We will monitor the prescription of antimicrobials; specifically the indications for the prescription and the review dates.

Patient Experience

Expanding systems for patients to provide feedback on care and treatment received (using the Family and Friends Test)

- Systems for delivery of the Family and Friends Test in nationally designated areas have been established throughout the acute Trust sites (excluding Paediatrics).
- We will increase participation rates for patients using inpatient and Emergency Department services.
- We will implement systems for collection of feedback in outpatients, day care services and community care.

Enhancing supported discharge for patients following a stroke

- 90% of patients discharged from our hospitals following a stroke will have a newly developed enhanced supported discharge pathway.

The Trust's Nursing and Midwifery Strategy has a vision aligned to national recommendations and centred on six values: care, compassion, courage, communication, competence and commitment. Known as the six Cs, the aim is to embed these values in all settings to improve patient care. The strategy focuses on four areas of priority:

- Patient experience
- Delivery high quality safe patient care
- Measuring the impact of care delivery
- Staff experience

In order to deliver the strategy a three year work plan has been developed which sets out the priorities year on year. The implementation of the strategy is regularly monitored by the Board of Directors to ensure progress.

Board Assurance

The triangulation of key performance data is paramount to an organisation developing a cohesive understanding of its risks. In reality this means that the identification of risk is a multi faceted process, involving the physical inspection of services and localities, reviewing of key performance indicators (complaints, Datix web reports, claims, nursing care indicators etc), and establishing improvement plans where necessary. This work is undertaken by a small team of Governance Facilitators who work directly with the Risk and Legal and Patient Safety teams as well as clinical and non clinical directorates to review and improve performance. This will include the development of Governance Dashboards for each service area and these will be regularly reviewed at Directorate and Performance Management Meetings.

The Trust drives quality and safety through the organisation by ensuring that it is linked to all objectives and

activities. The Board of Directors is responsible for ensuring that the organisation complies with all national, legal and regulatory requirements. This includes compliance with the CQC regulations and outcomes.

Assurance is maintained by a number of groups reporting through to the Board of Directors. The Quality and Safety Committee is a formal Board Committee chaired by a Non Executive Director with delegated authority from the Board to seek assurance around quality and safety. This committee examines Serious Incidents, Mortality, Hospital acquired infections, Clinical Effectiveness and Patient Experience as part of its core business. Performance data is monitored and reviewed to identify risks and early warning of potential areas of concern. Patient safety leads the Board agenda and is supported through the Trust by other dedicated groups which focus on patient safety, risk, quality and performance.

The Medical Director has lead responsibility at Board level for Clinical Audit and Effectiveness within the organisation. Operationally he is supported by the Assistant Director of Healthcare Governance and the Clinical Effectiveness Team. The Trust requires all Clinical Directorates to participate in local and national clinical audit, and for this to be reported in the Trust's Quality Report. The Medical Director reports on clinical audit and effectiveness issues directly to the Board of Directors.

The Trust assesses compliance against Monitor's Quality Governance Framework and to ensure gaps or risks are identified, monitored and reduced. The Trust also collates and shares a Quality Report annually which reviews performance and priorities over the preceding year enabling new priorities and adjustments to be made for the year ahead.

Following the acquisition of SNEY and subsequent ongoing work to integrate the two trusts, a review of the governance structures and reporting mechanisms will be undertaken. This work will ensure that the Trust continues to evolve a sound system of assurance that captures and data, performance and intelligence which can be used by the committee structure and ultimately the Board to make informed decisions on the future delivery of safe, quality services.

Staffing is the Trust's biggest financial commitment and challenges in terms of recruitment and retention. There will need to be a drive towards flexible and different ways of working, employing staff to work differently to maximise skills and assets.

The Trust will continue to recruit in line with its values, ensuring not only consideration of individuals skills and experience, but also consideration values and behaviours. Ongoing review of the make up of the workforce across the integrated organisation will continue, in order to ensure consistent models where appropriate. The role of advanced clinical practitioner has been introduced, both as a training role and as an established position in order to ensure approach skills are available. The Trust continues to focus on improving rostering, reducing the need for temporary and locum staff, maximising attendance at work and regular benchmarking against national models. Focus remains on progressing our reward and recognition agenda as well as other factors that impact on how employees feel about coming to work.

The Trust has responded to a number of key reports published with discussions being held at various levels in the Trust and action being taken to strengthen commitment to an existing programme of work which demonstrates ongoing assessment of performance, identification of gaps and continuous improvement. Quality and Patient Safety receive prominence on the Board of Directors agenda together with the examination of numerous strands of data to allow open and transparent discussion and detection of any rising issues. This is supported by the use of patient experience and promotion of learning from serious incidents, complaints and incidents. This work continues to evidence a drop in the organisation's mortality rate.

The Nursing and Midwifery Strategy and Patient Experience Strategy will continue to deliver the focus on the Francis, Berwick and Keogh reports to ensure that actions are achieved. Significant emphasis has been placed on nursing including restructuring of the senior team to enable the following:

- A clear focus upon the nursing and patient care agenda as an organisation
- Clear focus on quality and standards of care
- Put challenge into the clinical directorates to ensure patient experience and safety is aligned with

finance and activity

- Allow consistent delivery of the PPI agenda
- Allow clear professional accountability
- Support nursing leadership at all levels of the organisation (in the next phase post Chief Nurse Team re-structure)
- Give an organisational overview and remove the speciality focused silos
- Allow a full review of roles and areas in order to achieve best fit for the benefit of the organisation
- Ensure lessons are learnt across the whole organisation following complaints, adverse incidents and SIs.

In relation to strategy and planning, the Trust will continue to interact with the Council of Governors to seek assurance on progression against plans, which the Governors have been part of shaping and reviewing. This provides an opportunity to listen to input from members and communities, take challenge and keep them informed of developments and progress.

Risks

- Impact of financial penalties
- Failure to meet cost improvements
- Recurrent and non recurrent funding implications
- Pension funding
- Termination of Community Contracts
- Potential for CCGs to give notice on contracts for other services
- Number of CCGs and the potential for variation
- Challenging community hub timelines
- Acute bed pressures impacting on elective care
- Integration of safeguarding
- Shortage of Junior doctors
- Locum and temporary staffing spend
- Delayed transfers of care

The Trust has identified a number of risks sources including financial, CCG intentions, bed pressures and workforce. A financial plan is incorporated in this document which sets out the Trust's financial assessment of the next two years with built in contingencies and a robust cost improvement programme which continues to deliver year on year. The Trust also has a workforce strategy which is focused on ways to increase recruitment and reduce locum and temporary staffing spend. The Trust is looking at innovation in relation to staffing in order to be able to respond to shortages. Junior doctor shortages will be supplemented by a programme to build on the successful first cohort of Advanced Clinical Practitioners which are just about to start in their second year. A second cohort of 12 has been identified and will feature 6 community posts to align with the Trust's focus on treating patients in the community. The Trust continues to explore best practice initiatives to ensure that staffing is flexible to respond to the needs of patients, but is soundly supported by a framework incorporating support and training underpinned by reward and recognition.

The CCGs are continuing to mature and relationships with our partners continue to develop to ensure open and honest dialogue together with a collaborative approach enables all parties to share the benefits and risks.

A number of initiatives have already been mentioned including an acute strategy which will drive the split between acute and elective provision to ensure both elements can be delivered with a planned and measured approach. Further work on the acute strategy includes increase of the Emergency Department footprint by adding an Ambulance Assessment Unit and an Acute Assessment Unit. In the meantime a move has been made to amalgamate the Short Stay Unit and Acute Medical Unit to create a more cohesive unit whilst cutting down on duplication of paperwork giving staff more time to care.

c. Operational requirements and capacity

Business planning has been undertaken in the clinical directorates together with the drafting of strategies looking at the next three to five years and cost improvement planning. The directorates have looked at elective, non elective and outpatient activity in relation to forecast outturn, commissioning intentions and growth implications to assess capacity together with potential gaps. One of the biggest impacts and adjustments has been the work done in relation to new to follow up outpatient activity which the Trust has driven in collaboration with the CCGs. Pressures on capacity and planning have been captured and any extra capacity which is required has then been identified and added into the planning phase.

The clinical directorate strategies which are being drafted feature the directorates current position, aspirations and priorities. The strategies reflect the themes underpinning the strategic frames and focus heavily on:

- further/full integration of services between Scarborough and York
- partnership working with Hull and Harrogate
- work to treat patients out in the community
- work focussed on the acute strategy

These strategies will be built on further to reinforce the links between organisational and directorate strategies and will be monitored through the creation of implementation plans.

Workforce will play a major role in the next few years and is led by a Workforce Strategy Committee which is a direct reporting committee to the Board and chaired by a Non Executive Director. The workforce strategy will continue to build on work already being undertaken whilst scoping new opportunities to innovative and transform staffing. This will include expanding the Trust's values based recruitment and continuing to focus on recruiting volunteers, sickness and health and wellbeing to enhance and support the workforce.

Shortages of some staff groups is an ongoing concern especially in terms of nursing and medical workforce. Initiatives are being led to provide one stop shops, return to practice and targeted city recruitment for nursing staff. Also underway is scoping the possibility of international recruitment and continuing to design new enhanced roles such as the Advanced Clinical Practitioners and appropriate use of bands 1 to 4 whilst growing band 5's through more effective use and training of HCAs.

The medical workforce will continue to expand especially in light of initiatives such as 7 day working, but this will be in an environment where training is focused on producing more GPs, resulting in a shortfall of hospital doctors. The Trust will be looking at how non consultant training grade posts can become more attractive career choices as well as targeting consultant vacancies. Since the acquisition of SNEY the process for recruitment of consultants has been streamlined with more effective timelines and is proving successful in the recruitment of some specialties.

d. Productivity, efficiency and CIPs

The aim of the Trust is to deliver appropriate, high quality and cost effective services for its patients on a sustainable basis. This requires that the Efficiency target is achieved without compromise to patient care. The CIP target for 2014/15 is £27.5m and the target for 2015/16 is £16.8m. Plans are being identified to meet this.

Sustainable Efficiency planning requires skills beyond financial management. Leadership of this programme must recognise the purchasing and QIPP intentions of the CCG's, likely changes in local health trends, demographics and the sustainability of key services.

Incremental savings, although important, need to be made along side transformational schemes. These will be linked to delivering services out in the community, integration opportunities and a clear understanding of cost saving opportunities identified from benchmarking.

The size of the target, and the need to consider the wider health economy, presents a significant and

complex planning challenge. The strategies in place to address this are outlined below.

The current target and efficiency schemes to deliver this, are presented below as Table 1.

Table 1 – Efficiency Target and Themes for 2014/16.

	14/15	15/16
Target	£m	£m
In Year Target	27.5	16.8
Target Delivery Schemes		
Back office Review	2.2	1.2
Integration Savings	2.4	0.7
Operational Efficiency	14.7	7.0
Workforce Review	3.7	2.2
Total Schemes	23.0	11.1
Agreed Directorate non-recurrent delivery programme	4.5	5.7

The main Efficiency Themes identified are back office review, integration savings, operational efficiency and workforce changes. These broad headings cover a large number of projects that are managed at Directorate level, with appropriate corporate support.

Historical delivery -The Efficiency programme for York has a history of delivery with the results since 2009/10 presented in Table 2 below:

Table 2 – Historic Delivery of CIP Savings

	2009/10	2010/11	2011/12	2012/13	2013/14
	£000	£000	£000	£000	£000
Efficiency Target	8,879	12,186	14,187	23,638	23,363
Total Achieved	9,283	12,517	15,205	25,609	23,617
Variance	404	331	1,018	1,971	254

The Trust has exceeded against an ever increasing target for the last four years, with an over recovery of £0.3m predicted for 2013/14. This reflects a culture of continuous improvement; with the organisation constantly working to further support the Efficiency agenda.

Ensuring future delivery - During 2012/13, the Corporate Efficiency Team was strengthened, in recognition of the increasing future challenge. The team now incorporates Service Line Reporting as well as operational and data management expertise; working along side finance professionals. The team also has a Clinical Lead for Efficiency on each of the York and Scarborough sites.

Projects undertaken by the team will be determined by benchmarking and referrals from Directorates. The trust is now an active member of NHS Benchmarking which is beginning to highlight opportunities. Progress will be managed through The Efficiency Group where projects will be commissioned, challenged and supported. The Team aims to provide a particular focus on supporting failing Directorates. This will

involve seeking out examples of best practice from other sites, through links with NHS Benchmarking, NHS Elect and Better Care, Better Value. The Efficiency Programme at York has been based around the Monitor publication Delivering Sustainable Cost Improvement Programmes.

The Trust merged with Scarborough Hospital In July 2012. This, and emerging links with Hull and East Yorkshire Hospital, present a significant opportunity to reconfigure clinical services. The Head of Corporate Efficiency will work along side the Integration Team to ensure that Efficiencies made are recognised against Directorate Plans. The Strategic Integration Group will provide leadership for this agenda.

Operational productivity gains are being driven through acute and surgical board. Acute Board is supported by the Programme Director for Service Development and Improvement. This role is coordinating existing improvement projects aimed at transforming our provision of Non elective care.

Workforce Efficiencies are an essential strand of delivering our 6 year plan. Projects based within Directorates will be reviewed to ensure that the cumulative impact of small projects does not compromise patient care. The Head of Corporate Efficiency has established links to the Directors of Nursing and HR and is a member of the Strategic Workforce Committee. This ensures that projects to reduce skill mix or head count have appropriate financial support and are recognised within the Efficiency plan.

Leadership - The efficiency programme at York Teaching Hospital NHS FT is led by the Head of Corporate Efficiency with significant support from the Director of Finance. Progress and quality assurance is monitored through a range of meetings, to include

- Directorate Management Meetings (Monthly) led by clinical directors, directorate managers and senior clinical staff to discuss operational business. This is where ideas are generated discussed and developed.
- CIP Meetings (Monthly) with directorates led by the Head of Corporate Efficiency, to develop, plan, challenge progress and refer team support. This is where benchmarking, ideas from other areas and best practice examples are discussed.
- Efficiency Group Meetings (Monthly), chaired by the Chief Executive, to challenge delivery and support individual corporate projects.
- Finance and Performance Committee (Monthly), chaired by a Non-executive Director, to provide detailed challenge to the efficiency programme and provide subsequent assurance to the Board.
- Efficiency Panels (Annual), chaired by the Chief Executive, to monitor the impact of plans on quality and safety; as well as to drive delivery and support six year planning.
- Quality review meetings to Audit the Directorate's Assessment of the impact of schemes on quality and safety

The involvement of directors, non-executive directors and senior clinicians, working along side the Corporate Efficiency Team, ensures that this agenda is well supported at all levels within the organisation.

CIP Profile - The main themes for delivering Efficiencies have been presented in Table 1 above. These are then sub divided into a large number of individual projects. Due to the anatomy of the programme these 4 themes, rather than top 5 schemes by value, have been presented. Organisational enablers to support the delivery of the Efficiency programme are outlined below

CIP enablers - Clinical Leadership is an essential component to the delivery of Efficiencies. Clinical Directorates are represented at the Executive Board and have an understanding of Corporate Financial challenges and opportunities. These senior Health care professionals also support the identification of Efficiency plans within their Directorates.

The Corporate Efficiency team has two clinical lead sessions, one for York, which is well established and

a newly established role for Scarborough. This is aimed at providing clinical leadership, support and appropriate challenge to Clinical Directors.

Enabling efficiencies - The role of infrastructure to support efficiency delivery is well recognised at the Trust and the rollout of the Patient Data base system is also expected to realise significant operational efficiency savings.

Targeted capital investment can be used to release revenue savings. This link has been recognised and the current Capital spend programme has been reviewed for potentially enabling schemes. This work is expected to have some impact on the prioritisation of work. Examples include proposals to merge some elements of Laboratory Services.

Links with the wider health economy are essential to transformational change. Good relationships have been developed at Director level, enabling appropriate support for cross boundary schemes as appropriate. This is particularly pertinent to work with CCG's, Community services and Local authorities.

York has a history of commissioning external expertise where appropriate and made excellent use of Ernst and Young to support the acquisition process with Scarborough. Consultancy firms may be considered to support future projects; and some initial scoping work has been undertaken with EY to look at Theatre Efficiency models in Holland.

Quality impact of CIP - The link between quality and Efficiency has been the topic of a number of papers to the Efficiency Group. A new system, introduced in 2013/14, has been developed by the Clinical Efficiency Lead and incorporates a governance risk scoring system. .

The new process is based on the current Trust Risk Assessment schedule and has now been applied to all schemes. The monthly Efficiency report has been revised to incorporate this information. The results of the review and details of the process have been shared with our main CCG purchasers.

In summary, the efficiency programme at York is well established and successful. It does however continue to evolve to meet the challenging external environment.

e. Financial Plan

The Trust continues to operate within the context of the difficult national economic situation and its impact on the NHS. In addition, although the commissioning landscape changed with effect from 1st April 2013 the CCGs (particularly the Vale of York CCG) that composed the Trust's former main commissioner (North Yorkshire & York PCT) continue to be severely financially challenged, which has wider implications for the whole of the local health economy.

The Trust's forecast outturn financial performance for 2013/14 is an I&E surplus of £0.72m, and a Continuity of Service Risk Rating (CoSRR) of 4.

Of note is that within this position the Trust met and slightly exceeded its CIP target of £23.4m. The Trust's liquidity position remained robust at £27.2m.

Moving forward into 2014/15 the Trust's financial strategy for the next two years continues to be primarily influenced by the acquisition of SNEY and the further development and integration of services across the York and Scarborough hospitals. The Trust will receive financial support from NHS England for a further 3 years (5 years in total) during which time the prime financial objective will be to manage the risks and successfully integrate SNEY into the enlarged York Trust so that the organisation is financially viable in its own right by the time the support terminates. To achieve this, the extensive efficiency improvement programme developed as part of the Integrated Business Plan continues to be executed including taking advantage of the synergies offered as a result of bringing the two organisations together.

The 'affordability' challenge identified by Monitor has been recognised and provided for within the plans for 2014/15 and 2015/16, including the anticipated increased in pensions costs commencing in 2015/16. This will add £8m to the Trust's cost base when fully implemented by 2016/17. At this stage, in the absence of

further guidance the Trust has reviewed the position with other Trusts and taken a consistent approach that assumes additional income will be made available centrally to cover these additional costs.

The financial strategy will deliver an operational surplus of £3.1m in 2014/15; and a deficit of £3.2 in 2015/16 (0.3%) after a technical loss of £4.6m on the anticipated transfer of Whitby Hospital to NHS Property Services following notice from Hambleton, Richmondshire and Whitby CCG to termination its contract with the Trust for the provision of Community services.

As part of the acquisition of SNEY, the Trust secured £20m additional capital resource to enable it to address key environmental and other risks on the SNEY site. To the end of 2013/14 £17m of this capital had been received with the final £3m expected in 2014/15.

The Trust's cash position remains robust with a projected closing balance of £27.2m at the end of 2013/14, following the receipt of most of the strategic capital promised by the DoH. The final instalment of £3m strategic capital is expected in 2014/15. Cash levels are forecast to reduce gradually from £27m at the beginning of 2014/15 to £18m at the end of 2015/16 as capital funding is invested over the next two years.

For 2014/15, the Trust will continue contract with a diverse range of commissioners following the change in the commissioning landscape in 2013/14. For all commissioners contracts have been negotiated within the context of the full PbR framework.

The key assumptions made in developing the financial plan over the two years:

- Activity plans are underpinned by PbR principles, and include the impact of assessed growth. It is assumed that activity will be delivered as planned.
- PbR tariff will be subject to further deflation of 1.5% per annum for HRG services subject to CNST, and 1.8% for other clinical services including those subject to local tariff agreement. Other income is assumed to inflate at 1% per annum.
- The Trust has set itself a challenging CIP target of £27.5m in 2014/15 (6.6%) and £16.8m in 2015/16 (4%).
- CQUIN is valued at £9m in each year and is assumed to be earned in full
- A provision for contract penalties and challenges has been created.
- Capital programme spend will be financed by a mixture of Strategic Capital, loan funding and retained depreciation and focussed on upgrade and replacement of existing assets on both the main hospital sites, plus new build works at Scarborough.

The key risks to achieving the financial strategy are:

- Failure to fully deliver the cost improvement programme on a recurrent basis, which is an essential cornerstone of the IBP in delivering a sustainable organisation post acquisition of SNEY, once the transitional support expires.
- Activity is lower than planned, including the prospect of the loss of business.
- Non-pay cost inflation is higher than predicted.

If any, or a combination of these was to materialise the Trust will use a combination of strategies to mitigate against their impact:

- Stop and/or defer planned investments.
- Increase the level of cost improvements being targeted in 2015/16.
- Reduce expenditure supported by the transition funding.

Increase activity and income through seeking new business from new markets.

1.4 Appendices: commercial or other confidential matters