East Lancashire Hospitals NHS
NHS Trust

Operational Plan

2016/17

Safe | Personal | Effective

1. Introduction

In line with nationally published planning guidance, NHS Improvement requires that all providers will have in place robust, integrated operating plans for 2016-17 that demonstrate delivery of safe, high quality services and recovery milestones for access standards. Through a combination of provider actions to improve efficiency, national tariff funding arrangements and the deployment of national funds for sustainability and transformation (the Sustainability and Transformation Fund), there is an expectation of an improved financial position compared to 2015-16 for all providers. This document sets out the key operational plans for East Lancashire Hospitals NHS Trust (ELHT) for 2016-17 and demonstrates how our plans will link into wider health economy transformation plans over the next five years.

2. Overview

In 2016-17, and indeed over the next five years, East Lancashire Hospitals NHS Trust (ELHT) will see closer integration with providers of health and care across Pennine Lancashire through the Pennine Lancashire Transformation programmes, and across all Lancashire as part of Healthier Lancashire. We will now seek greater roles in the provision of prevention of illness, in primary care, and in regional specialist work. We will describe ourselves as a Healthcare Trust, rather than a Hospitals Trust.

Across Pennine Lancashire, we will integrate more closely with our partners in the primary, community, voluntary and third sectors. Together with our commissioners, we will co-design an "accountable care system" in Pennine Lancashire. This programme will sit under the Healthier Lancashire strategy and clinicians from the Trust will increasingly work with their professional colleagues from other providers to form Lancashire-based networks which determine standards, governance and delivery of care pathways.

Our Transformation themes will drive us towards a clinically and financially sustainable integrated organisation. These themes are:

i. Agreeing new system-governance principles with Healthier Lancashire and Pennine Lancashire Partners, agreeing key outcomes for the system
ii. Increasing primary and community care involvement: new models of care
iii. Increasing standardisation
iv. Improving efficiency in elective care
v. Changing non-elective pathways
vi. Reviewing and Networking specialist services.

We will be more efficient, reducing length of stay for key medical conditions, reducing theatre times through increased productivity, and reducing our bed-base through new pathways of care and integrated community care services.

We will continue to improve care in our Trust and community, increasing access to all relevant services across all seven days of the week, reducing avoidable mortality and improving patient experience.

Moving towards a clinically and financially sustainable integrated organisation

3. Approach to Activity Planning

The Trust has put in place a robust process, working transparently in conjunction with our commissioners, to agree realistic and aligned activity plans for 2016-17. We have ensured good representation at regional demand and capacity planning events and already have a long history of using nationally developed planning models, which are designed to help the Trust understand the likely demands it will face, and the capacity required to provide Safe, Personal and Effective care.

Accident and Emergency 4 hour standard

Like many others, ELHT has sometimes struggled to achieve sustainable delivery of the 4 hour standard. Our performance remains just under the 95% threshold at 92.51% for the year.

We have worked with commissioners to agree a performance trajectory for achievement of the four hour target during 2016-17. The cumulative performance for 2016-17 is expected to be 95.1% with some expected variation in performance each month, based on a three year trend of activity and performance.

The Trust is implementing a comprehensive programme of work to support the delivery of a highly effective emergency pathway. The Trust hosted a health economy workshop on 22nd March 2016 to identify the key actions for 2016-17. These include

- Full utilisation of the Electronic Patient Tracking System to help us have oversight of every in-patient pathway. this will reduce any inappropriate delays which may prevent timely discharge
- Completion of Phase II of the new Acute Medical Unit, this aims to improve patient pathways in the early part of their admission, reducing length of stay and ensuring patients are supported in their discharge with appropriate community services to reduce the likelihood of future admissions
- Maximisation of ambulatory care services where patients can rapidly access diagnostics and consultant opinion without the need for admission to hospital
- Ensure the right staff are available at the right time, to optimise patient flow.

18 Week Referral to Treatment (RTT) Incomplete

Referral to treatment incomplete pathways remains above 92% with 95.2% in February 2016.

We continue to have a small number of specialties who struggle to achieve sustainable performance with both demand and/or capacity issues.

- Dermatology – work has begun to redesign dermatology services across primary, community and secondary care. We expect to see a significant shift of activity to community-based GPs with Specialist Interests, specialist nursing and pharmacy provision to provide care closer to home
- Gastroenterology/endoscopy – we are working in partnership with other NHS organisations to provide additional capacity at the Trust. We are developing a five year plan/business case to accommodate expected expansion of services which will explore options to increase capacity including the provision of an additional endoscopy room at Burnley General Hospital
- Rheumatology/Chronic Pain – we plan to recruit to consultant posts, maximise multi-disciplinary working and development of Allied Health Professionals/Specialist nursing roles to undertake more complex work, and development of hot clinic pathways
- Maxillo-facial surgery – flexing of consultant workloads between outpatient and theatre capacity dependant on demand with consultants offering additional theatre sessions when required, to manage seasonal fluctuations in activity.

Cancer Targets

Relevant national cancer targets have been achieved since January 2015 and we expect this to continue. It should be further noted that we have consistently achieved the 62 day target since November 2014.

Key actions currently being undertaken include:

- Working with primary care and commissioning colleagues to predict likely new demand expected as a result of national clinical referral guidance
- Detailed capacity modelling
- Monthly meetings with commissioners to plan and cost the implications
- Pathway redesign work to bring forward key diagnostics prior to outpatient attendance
- Each tumour group is developing its own action plan to redesign pathways, working towards the new target for 90% of cancers to be given a diagnosis by 28 days by 2020.

Diagnostics Waiting Times

The Trust continues to meet the threshold for no more than 1% of patients waiting over 6 weeks.

The business plans for pathology and radiology are being developed with a particular focus on opportunities to:

- Reduce demand for investigations by 10% in line with our Clinical Strategy
- Redesign patient pathways to bring forward diagnostics prior to outpatient appointments. This is currently being piloted within our Family Care Division.
- Develop a care bundle type approach to diagnostic requests, concentrating initiallyon key conditions across MSK, gynaecology and general surgery.

We understand future growth requirements

4. Approach to Quality Planning

Our quality priorities for 2016-17 are a continuation of the work begun in 2014-15 and detailed in our Quality Strategy.

Specifically we will continue to work to:

- Reduce Harm experienced in Hospital
- Improve Mortality
- Improve the reliability of delivery of best care

Harm Reduction Programme

Our Harm Reduction Programme now has a standardised approach to identifying high risk areas through review of incident reports and proactive identification of risk. Once identified, a number of different tools are used to drive improvement. A specific notable area of improvement has been the reduction in pressure ulcers through a collaborative approach, and the reduction of medication safety incidents.

Specific areas of focus for 2016-17 include:

- An ELHT Falls Collaborative – linking this work with the health economy falls reduction programme
- NHS Improvement Infection Control Collaborative
- Safer Surgery

Mortality Improvement Plan

East Lancashire Hospitals NHS Trust is no longer an outlier for Summary Hospital-level Mortality Indocator (SHMI) or Hospital Standardised Mortality Ratio (HSMR). This has been achieved through a focused approach to identifying outlying diagnostic groups, investigating underlying causes and ensuring an appropriate improvement plan is in place. This work will continue, but in 2016-17 there will be an additional focus on improving the mortality review process so that all 'avoidable deaths' can be identified and opportunities for learning and taking actions from such reviews, are maximised. To this end we have asked to be a pilot site for NHS England's National Retrospective Care Record Review Programme (RCRR) and publishing 'avoidable' mortality information.

Improving Reliability of Delivery of Evidence-Based Care

To ensure that patients receive optimum care, we will improve our real-time measurement of both process and outcomes. We have also identified key areas of care where fundamental aspects must be delivered. These are reflected in our care bundles.

We have reviewed all of the quality data we collect and refined this to ensure each Directorate has a clear portfolio of data collected and how they measure reliability of care. Through collaboration with the Performance and Information Department we will improve the speed of data collection to ensure it is more 'real time' and able to inform clinical teams of areas of concern.

Our improvement priorities are reflected in our 'Sign up 2 Safety' pledges and in particular our Harms Reduction Programme. The Trust's five priority areas for improvement/aims under 'Sign up 2 Safety' are outlined below and are core to our plans for 2016-17:

- To reduce the number of inpatient falls (with avoidable harm) by 15%
- To improve the recognition of, and response to, the acutely deteriorating patient so that unexpected cardiac arrests are reduced by 50% in three years
- To improve the recognition and subsequent timely management of sepsis in the emergency department and acute admissions unit
- To reduce avoidable harm associated with surgical procedures
- To reduce still birth rate

Our commitment to Year 2 of 'Sign up 2 Safety' is to improve the resilience of the organisation so that at times of 'stress' to the organisation, reliable and safe care is delivered. Development of a resilient culture will ensure that the 'right way' is the default at times of challenge.

Work will continue to review and strengthen allocation of a responsible Consultant and that this is accurately recorded and is clear, and in line with Academy of Medical Royal Colleges (AMRC) guidance.

4.1. Approach to Quality Improvement

ELHT is committed to continuous quality improvement to achieve our organisational aim 'to be widely recognised for providing Safe, Personal and Effective Care'.

Our Quality Improvement methodology is the '7 Steps to Safe Personal Effective Care'. This is based on the Model for Improvement and also incorporates Lean and other tools. For large multi team improvements we run Breakthrough Series Collaboratives.

Dr Damian Riley is Executive Medical Director and the lead for clinical quality.

Sign up to SAFETY
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4.2. Seven Day Services

ELHT is working with local commissioners, supported by the NHS Improving Quality team (NHS IQ), to review delivery against both the four clinical priority standards and the additional 6 standards for providing seven day services.

A comprehensive gap analysis against all 10 clinical standards has been undertaken, followed by a caseload audit against the priority four clinical standards. This has given a clear understanding of the baseline position for the Trust. Whilst, inevitably, there are some gaps in seven day provision, the Trust is in a strong position with many examples of 'best practice' weekend and 'out of hours' working. Significant Consultant presence at weekends is especially of note and indeed there are no differences between weekday and weekend mortality.

Local Commissioners, NHS IQ and the Trust are reviewing caseload data analysis and discussing the formal governance arrangements that will support the delivery of the four priority clinical standards.

A plan for the delivery of the four clinical priority standards across all relevant service areas and specialities will be in place by April 2016. Whilst discussions have taken place with local commissioners through the initial round on 2016-17 contract negotiations, no formal agreement has been reached. To deliver against each of the four clinical priority standards does have resource (finance and workforce) implications for the Trust. This will be minimised by gradual implementation.

Clinical Divisions are currently determining the ongoing revenue costs behind these identified gaps, which will, in part, be driven by the outcomes of the latest (end of March 2016) NHSQI case note audit. This will supplement the findings of the audit undertaken in Autumn 2015. These will be shared in a workshop in April 2016, that will involve local commissioners. Timescales for delivery will be agreed through the local system contracting and service redesign/transformation processes and programmes.

4.3 Quality Impact Risk Assessment Process

A robust Quality Impact Risk Assessment Process (QIRA) is in place to ensure that we continue to provide Safe, Personal and Effective care as we work to reduce our cost base.

The Medical Director and Director of Nursing are both required to sign off every QIRA. The QIRA assesses the risk associated with each cost saving scheme and is embedded into the Trust's risk management processes.

4.4 Triangulation of Indicators

The Trust has recently revised its integrated performance reporting process, which covers a comprehensive suite of performance, quality, finance and workforce indicators.

Through this process a monthly report is presented to the Operational Delivery board, Finance and Performance Committee and the Trust Board.

4.5 Risks to Quality

We have identified the following three main risks to quality:

- Transformation schemes fail to deliver anticipated benefits and the improvement priorities
- The Trust fails to deliver and develop a safe, competent workforce
- Partnership working fails to support delivery of sustainable, Safe, Personal and Effective care

These risks have been appropriately reflected in both our Corporate Risk Register and our Board Assurance Framework. The section below outlines our corporate governance processes which support the appropriate mitigation of these risks.

4.6 Trust approach to risk and mitigation

The Trust Board has overall responsibility for setting the strategic direction of the Trust and managing the risks to delivering that strategy. The Board Assurance Framework (BAF) is the main tool by which the Trust Board monitors the risks to the organisation in relation to achieving the strategic objectives. The Trust Board will continue to review and strengthen the development of the BAF. The BAF is considered at the Quality Committee and Operational Delivery Board before being submitted to the Trust Board. There will be a need to define more clearly, the milestones and outcomes for the Trust's strategic objectives in tandem with the development of the Clinical Strategy.

A Transformation Board, supported by the Trust's Programme Management Office (PMO), will be established from April 2016 to oversee delivery of our Transformational Programme. This will be the key vehicle for the delivery of our Clinical Strategy, key elements of the Pennine-Lancashire transformation programme/STP (refer to section 6 below) and realisation of the 'transformational' elements of our Safely Releasing Costs Programme (SRCP). If areas were seen to go off track, the Transformation Board will have oversight and would advise on the need for corrective action. The Transformation Board will report monthly to the Trust's Operational Delivery Board (ODB) on the management and monitoring of performance against delivery of our transformational programme and related SRCP.

4.7 Trust Compliance with the Well-Led Framework

The Trust continues to make good progress against the Well-Led Framework, demonstrating through strong leadership, management and governance that we can deliver high quality patient centred care. Examples of this include:

- A clear vision, objectives, values, operating principles and improvement priorities
- Hospital services are supported by strong governance processes
- On-going work to enhance the Board Assurance Framework and risk management in the Trust
- The Trust has a Clinical Strategy in place
- A programme of board development with the Good Governance Institute (GGI) with elements of self and external assessment
- The Trust Board ensures that it actively seeks and engages with its patients, staff and other stakeholders on quality, operational and financial performance
- The Trust manages financial pressures to ensure that they do not compromise quality of care
- In terms of being open and transparent, the Trust is rated as 'good' and ranked 72 out of 230 Trusts by Monitor/NHS TDA
- A culture of openness, honesty and transparency, and challenging poor practice is the norm within the organisation.

5 Approach to Workforce Planning

All workforce related activity creates opportunities to improve workforce efficiency, productivity, development, education and transformation. All of our operational plans are underpinned by effective staff engagement and evidence based approaches to health and well-being.

The Trust has developed divisionally owned workforce plans for 2016-17 through our Business Planning process which triangulates these plans with our Clinical Strategy, efficiency schemes and service developments. We are commencing use of the Patient Centric Workforce Planning model from April 2016 to move our annual workforce planning process towards a demand led approach which triangulates finance, activity and workforce intelligence. This will be achieved by establishing an internal Trust Workforce Planning Network and by further strengthening our relationship with Health Education England (North West) (HEENW) to enable us to deliver the Five Year Forward View. We are also leading a piece of work with the wider Health Economy stakeholders to understand our workforce challenges and establish what workforce transformation is underway, beginning with a stakeholder event scheduled for June 2016.

The Trust aims to make more effective use of its workforce and reduce premium staffing spend by 30%.

Between 2013 and 2016 the Trust increased the number of established nursing staff in order to provide safer staffing in clinical areas.

Following a successful international recruitment campaign in the Philippines in 2015, we expect to see new Nurse recruits from April 2016 onwards.

The potential risks to delivery of this campaign are the delays in the international recruitment process and the potential removal of Nurses from the Home Office shortage occupation list.

The Trust has a number of local workforce transformation programmes underway and in the process of being developed,

6 Approach to Financial Planning

6.1 Financial forecasts and modelling

Forecast outturn 2015-16

The Trust started 2015-16 with a £10m underlying deficit and originally forecast a £20.5m deficit for 2016-17. This position was re-assessed during the year and with the use of some recurrent and non-recurrent schemes the forecast position was re-set at a deficit of £12.1m. A technical gain to the Trust's revenue position has revised the forecast deficit of £12.1m to a surplus of £7.6m. The Trust will meet its statutory duty to break-even in 2015-16.

To achieve this position, the Trust has achieved efficiencies of 4.0% (£16.6m). This is in excess of the original planned position of £13.7m. Income from patient related activity has performed above plan by 1.7% (excluding pass-through costs). The Trust has managed to hold this additional activity within its expenditure plans for the year. Initiatives around the use of agency staffing, improved use of rostering and tighter controls in general on all expenditure have assisted with this improvement.

2016-17 Financial Modelling

The Trust has assessed its income and costs for 2016-17 against the national efficiency requirement for 2016-17 of 2% and the Sustainability Funding confirmation of £12.5m. As a result, the anticipated efficiency target for the year will be in the region of £14m to achieve a deficit position of £3.7m.

6.2 Efficiency Savings 2016-17

All areas of the Trust have been developing their short and medium term efficiency plans. As described in the previous section, the efficiency required of the Trust in 2016-17 to achieve its planned £3.7m deficit is £14m.

Currently, the Trust has identified schemes to address the £14m challenge for 2016-17 including a range of non-recurrent schemes that can support the programme while the longer term projects progress. Key transformational areas that the Trust will be reviewing include working with commissioners to explore different models of care for our patients that do not require continued acute bed stay.

The Trust is currently assessing the potential savings opportunities detailed in the Carter review. Some of these schemes feature in the current plans for the Trust.

The Trust has achieved
efficiencies of 4.5% £18.7m)

6.3 Lord Carter's provider productivity work programme

The Trust is involved in the NHS Productivity and Efficiency Programme (PEP), launched by Lord Carter of Coles in 2014-15 to better understand the variability of costs in the secondary care acute system (England). The aims of the programme are to:

- Provide an efficiency benchmark for hospital services
- Outline best practice for a model hospital and model departments

A potential annual savings opportunity of £35.8m has been identified for ELHT from clinical services (notified 24th November).

6.4 Agency rules

In September 2015, Monitor and the Trust Development Authority (TDA) introduced a set of Nursing Agency Rules for all NHS Trusts and on the 23rd November 2015 also implemented price caps for agency workers. A cap on all agency costs has been set at £10.5m for 2016-17 by NHS Improvement (against a 2015-16 outturn spend of c£16.5m).

The Trust has implemented the Nursing Agency rules, with spend on Qualified Nursing reducing (currently at 3.2% against the target of 3% at Month 11) and the mandatory use of approved frameworks.

The Trust has also implemented the price caps for agency workers, effective from the 23rd November 2015 and implemented the new agency framework agreements which came into effect on 1st April 2016 requiring all Trusts to procure all agency staff from approved frameworks.

6.5 Procurement

Further to the Trust supporting and implementing the recommendations of the Better Procurement, Better Value, Better Care programme, ELHT's Head of Procurement has been an active lead representative in the Lord Carter of Coles Cohort of 32 programmes for development of the model procurement function for the last 6 months. ELHT can confirm that the proposed principles and direction of travel are being embraced and developed.

6.6 Capital planning

The Trust is currently developing a full business case for the Burnley Eye Centre. It is likely that, once approved, the full capital costs for this will fall into 2016-17. The Trust is anticipating £15.6m of Public Dividend Capital to cover the costs of this build and our financial plans are reflective of this. The business case is predicated on the potential to achieve future revenue savings through improved quality of estate and operational opportunities relating to this development.

The Trust continues to invest in new technology and IT systems through its capital spending and has developed a medium term technical strategy which will focus on a number of areas in preparation for a new Electronic Patient Record (EPR) infrastructure. The cost of this and a supporting loan are reflected in the Trust's financial plans. Failure to secure the loan for the EPR scheme will require a re-prioritisation of internally generated capital leading to increased risk associated with the medical equipment replacement programme.

Funding for the remainder of the capital programme will be through internally generated resources. Capital Charge estimates are based on the Trust's asset portfolio and planned capital investment for 2016-17.

Final capital plans for 2016-17 were approved by the Trust Board in March 2016.

6 Link to the emerging 'Sustainability and Transformation Plan'

ELHT is part of the Lancashire and South Cumbria Sustainability and Transformation Plan (STP). This is line with the Healthier Lancashire transformation programme. Within Lancashire and South Cumbria there are five health economies. ELHT is part of the 'Pennine Lancashire' health economy.

Lancashire and South Cumbria has some significant issues of health inequality, with an average life expectancy significantly worse than the national average. It is recognised that the majority of the required transformation will need to be owned and driven within these health economies. There will be a need in some areas to transform service across Lancashire and potentially beyond.

Local health and care system vision

The Pennine Lancashire leadership (ELHT, ELCCG, BWDCCG, Lancashire Care FT, BWD Local Authority and Lancashire County Council) have confirmed an intention to work together on the formation of an accountable care system. ELHT will continue as the single largest provider of secondary care services to the community of Pennine Lancashire. Working with key partners, ELHT is likely to help provide solutions in elements of primary care, and the development of neighbourhood services. In line with the Five Year Forward View this is likely to involve the inclusion of adult social services.

Programme Structure

Members of the executive team are supporting the programmes of change both at a county level and at a local level. The programmes are designed to work in tandem with the aim of driving consistent agreement and transformation. As yet, a Joint Committee needs to be established across the STP and work needs to be completed on governance arrangements. Workstreams that are progressing are as follows:

Workstreams	Lancashire and South Cumbria	Pennine Lancashire
Acute care	√	√
Specialist Care	√	√
Locality care	√	√
Mental Health	√	√
Nursing Home	√	√
Urgent care	√	√
Enabling:		
Communications and engagement	√	√
Estates	√	√
Finance and Investment Group	√	√
IM&T	√	√
Workforce	√	√