Cambridge University Hospitals NHS
NHS Foundation Trust

Operational Plan Document for 2014-16
Cambridge University Hospitals NHS Foundation Trust

Operational Plan Guidance – Annual Plan Review 2014-15

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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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.

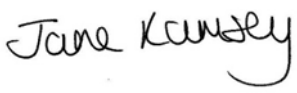
In signing below, the Trust is confirming that:

- **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)	**Jane Ramsey**

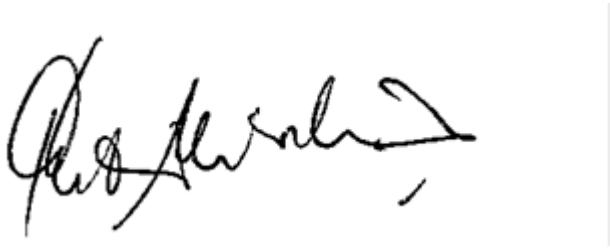
Signature



Approved on behalf of the Board of Directors by:

Name (Chief Executive)	**Keith McNeil**

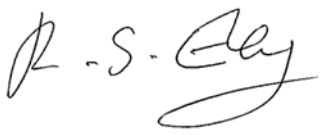
Signature



Approved on behalf of the Board of Directors by:

Name (Finance Director)	**Richard Eley**

Signature



Glossary

- A&E Accident and Emergency
- BAF Board Assurance Framework
- BRC Biomedical Research Centre
- CCG Clinical Commissioning Groups
- CEO Chief Executive Officer
- CFS Clinical Frailty Scale
- CHD Coronary heart disease
- CIP Cost Improvement Programme
- CNST Clinical Negligence Scheme for Trusts
- COPD Chronic Obstructive Pulmonary Disease
- CPD Continuing professional development
- CPFT Cambridgeshire and Peterborough NHS Foundation Trust
- CQC Care Quality Commission
- CQUIN Commissioning for Quality and Innovation
- CRG Clinical Reference Group
- CSF Cerebrospinal fluid
- CUH Cambridge University Hospitals
- AHSN (CUHP) Academic Health Science Network(Cambridge University Health Partners)
- DGH District General Hospital
- DTOCs Delayed transfers of care
- ED Emergency Department
- EIA Early Inflammatory Arthritis
- EVAR Endovascular aneurysm repair
- HR Human resources
- HROs High Reliability Organisations
- IBD Inflammatory Bowel Disease
- ICMP Integrative Cancer Medicine Programme
- IMID Immune Mediated Inflammatory Disease
- IFS Institute for Fiscal Studies
- JCI Joint Commissioning International
- JSNA Joint Strategic Needs Analysis
- LD Learning Disability
- LETB Local Education and Training Board
- LHE Local Health Economy
- LOS Length of stay

- LTC Long term conditions
- MBD Metabolic Bone Diseases
- MH Mental Health
- MS Multiple Sclerosis
- NCCU Neuro Critical Care Unit
- NCS Network Coordination Service
- NHSE NHS England
- NICE National Institute for Health and Care Excellence
- NIHR National Institute for Health Research
- ODN Operational Delivery Networks
- OPAT Outpatient Parenteral Antibiotic Therapy
- ONS Office for National Statistics
- OSC Overview and scrutiny Committee
- PMO Programme Management office
- PROMs Patient Reported Outcome Measures
- RADAR (direct phone access for GP to geriatricians)
- SABR Stereotactic ablative radiotherapy
- SIFT Service Increment for Teaching
- SLR Service line reporting
- Safety and Quality Management System (SQMS)
- TOPAS service (review of frail elderly admissions not admitted to an elderly care bed).
- TPP Transforming Pathology Partnership
- UCN Urgent Care Network
- UPC Unplanned Care
- VOC Variation of care
- WTE Whole time equivalent

1.2 Executive Summary

A. The short term challenge

The Local Health Economy's (LHE) vision

As a health and social care system in Cambridgeshire and Peterborough, we will operate in an integrated way, putting people's' best interests at the heart of all decision-making to achieve the best care outcomes for patients, their carers and the population. By working together in an open and transparent way, we, as commissioners and providers of care, aim to maximise the wellbeing of the population and provide the safest, highest quality care outcomes for residents and patients in our system. We aspire to commission and provide the safest, highest quality care and best service experience within the resources available. We will seek to maximise the amount of care provided outside hospital as close to the person's home as possible.

In the spirit of delivering this vision, the LHE has put in place a combined planning system comprising

- Regular system-wide meetings of CEOs and Chairs
- A system-wide Joint Strategic Planning Group that meets regularly
- A Joint Activity Planning Group

This dovetails with the Trust's own planning process which is based on:

- Divisional business plans
- Trust-wide activity and capacity planning
- Capital planning and medical equipment planning groups
- Corporate review of the coming planning period

In addition we play a leading role in the whole system review of elderly care within the Urgent Care Network (UCN). The Trust also participates in a number of strategic forums with Cambridgeshire County Council's Social Care Directorate and with Cambridgeshire Community Services and Cambridgeshire and Peterborough Foundation Trust. For example the Urgent Care Network works collaboratively to develop strategic and tactical solutions to our local health economy challenges with patient safety and service quality at the forefront.

Key Issues for our population

The Joint Strategic Needs Analysis (JSNA) identifies key issues for Cambridge University Hospitals(CUH) in a number of areas:

- Children and Young People.
- Older People
- Alcohol
- Smoking
- Gypsies and Travellers
- People with learning disabilities

Action underway or planned in Cambridge University Hospitals (CUH) is set out in the Plan.

Our Patients

We provide acute and specialist services to our local population and across the East of England. Our patients predominantly come from Cambridgeshire, Essex, Suffolk and Hertfordshire. CUH's strength lies in the combination of its different roles to catchment populations of between 500,000 and several million.

Following the Francis Report recommendations, the Trust is strengthening its engagement with patients and staff through a programme of events to promote the values that define the way we work and behave towards our patients, partners and each other.

The *Being Kind, Safe, Excellent Programme* is a campaign to listen to patients and staff, to understand how we can consistently offer the quality of experience we aspire to**.** The Trust is encouraging participation through

completion of a dedicated 'Being Kind, Safe, Excellent' survey, completing leaflets within departments, contributing views on 'graffiti boards' that are strategically placed in and around the Trust site or attending one of a number of patient and staff listening events. By ensuring a number of accessible ways to participate, the Trust aims to demonstrate the importance of all staff and patients' views about patient care and staff experience at work, whatever their job role. The outcomes will contribute to the key priorities within the Trust's recently launched Quality Strategy, where our primary focus is on ensuring excellent clinical outcomes delivered with care and compassion.

Market analysis

The financial position across the health economy and in social care will remain challenging into 2014/16 and beyond.

The Trust's geographical position within the region means that competition is currently constrained particularly for District General Hospital (DGH) type services. Patient choice does bring some DGH patients from outside our immediate catchment population but this is limited. There is some competition in a limited number of clinical sub-specialist areas but this is largely dealt with through formal centralisation processes. (e.g. vascular surgery/surgical resection of liver metastases).

Over the life of this plan we currently expect the debate in relation to Peterborough and Hinchingbrooke Hospitals to continue.

We do not expect any significant changes in market share during the period of this plan except as a result of planned regional collaboration overseen by Commissioners and repatriation of patients, particularly of children's services, from London hospitals.

B. Operational requirements and capacity

Activity and capacity

In headline terms activity projections for the period 2014/15 to 2018/19 are as follows:

- Elective spell growth projected to be on average 5.4% per annum (Day Cases 5.6%, Inpatients 4.5%)
- Non-Elective spell growth projected to be on average 2.5% per annum
- Total Spell growth therefore projected to be on average 4.6% per annum
- Accident & Emergency growth projected to be on average 3.9% per annum
- Outpatient Attendances projected average growth of 3.9% per annum
- Other NHS activity is projected to grow on average by 1.9% per annum

National and local commissioning priorities

NHS England

Commissioning for NHS funded care is now spread across NHS England (NHSE), Clinical Commissioning Groups (CCGs) and local authorities. For the purposes of CUH our main commissioners are NHSE and Cambridgeshire and Peterborough CCG.

NHSE directly commissions 143 specialised services and will be developing a commissioning framework for each service. For many of these services, it will be the first time that there has been a single national commissioner and it will be important to ensure that each framework takes into account factors such as patient need, required changes to service provision, technological advancement and the health care provider market. As each framework is developed, NHS England will decide how best to take forward the procurement of services, in line with regulations and Monitor's final guidance.

At a clinical level, there will be no major changes in the scope of services directly commissioned by NHSE in 2014/15, to secure a period of stability after the major changes in 2013/14.

NHSE has set out how it intends to drive improved outcomes for patients, and transform the design and delivery of care, within the resources available.

Cambridgeshire and Peterborough CCG: Commissioning Intentions 2014/15

The CCG has set out its intention to decisively shift expenditure away from services that are proactive, disjointed and provided in high cost settings (where this is not clinically necessary) and towards those that:

- Are focused on preventing ill health
- Are integrated around the needs of individuals
- Are provided in or as close to people's homes as possible
- Will make a real contribution to the CCG's three strategic clinical priorities which remain improving care for the frail and elderly; improving care for those at the end of their lives; and decreasing inequalities in health, focussing on reducing the inequality in premature death from coronary heart disease.

Local Health Economy perspective

The CCG has identified 3 areas where there may be potential for a more streamlined approach to the delivery of services across the system:

- Unplanned care
- Elective surgery
- Diabetes

A review process is in place to address each of these areas.

Joint risk assessment of the sustainability of services in Cambridgeshire and Peterborough

A joint system-wide risk assessment has been undertaken and covers policy, planning and implementation of any changes proposed to make the system more efficient and effective across Cambridgeshire and Peterborough.

Service changes at CUH and in the community

Against this background, the Trust faces increasing demand based on population growth and advances in healthcare which means that our population is living longer. Rising activity over and above population growth result in increased use of a range of Trust services and particularly emergency care. Trust capacity to accommodate this rising activity is limited by physical space, ageing infrastructure and budgetary constraints.

The Trust's short-term operational challenge is to provide services in response to this increasing activity and to create a sustainable plan to ensure adequate capacity. We have responded to the region's changing demographics (the growing and ageing population), by reorganising our clinical services and staffing to optimise the availability of service and promote the very best outcomes.

A predicted a shortfall of 30 beds in 2014/15 and a further shortfall of 255 beds by 2018/19 have led the Trust to plan a number of initiatives to ensure sustainability of services. We have set in motion a number of programmes to deliver additional physical capacity to accommodate demand and to work more efficiently. These include expanding the 'Addenbrookes@Home' service (providing sub-acute care in patients own homes overseen by consultants at the Trust), reviewing the potential to redirect activity to other providers and working more closely with system partners to reduce unnecessary admissions.

The Trust is also predicted to have a shortfall of 1.2 theatres in 2014/15 and a further shortfall of 10.5 theatres by 2018/19. Initiatives to address the issue include Saturday working (of up to four theatres), transferring activity to other providers and investigating options for 2 new theatres within the existing Trust theatre area.

The Trust faces urgent requirements for further capital investment in clinical facilities. In addition to a general capacity shortfall, there are specific issues in a number of key service areas that can only be resolved through further investment.

To identify a medium-term solution to rising demand and to reflect the ambition set out in our clinical strategies, work has started on the development of business cases for a dedicated children's facility, an oncology and

haematology ambulatory care centre and a new neurosciences facility. These will be reported to the Board of Directors in Spring 2014. The Trust is also assessing options for increasing/developing services in community settings.

Our Transformation Programme also plays a part in delivering opportunities to respond to increasing demand. For example, the Unplanned Care work stream aims to improving the flow of patients within the hospital; ensuring patients only occupy an inpatient bed when they have a clinical need and releasing bed capacity for patients who need to be admitted for acute care needs.

Each clinical division has set out detailed Transformation proposals within its business plan. These include proposals to increase evidence based practice and service modernisation as well as centralisation to achieve greater cost effectiveness.

Operationally and strategically the Trust has developed and implemented a number of programmes to meet our local CCG's commissioning intentions and address our local population changing needs. We have responded to the local Joint Strategic Needs Assessment (JSNA) with a particular focus on starting to plan now for the significant forecast growth in the number of older people in Cambridgeshire. Acknowledging the pressure that a growing elderly population can bring, the Trust has organised its front door medicine to ensure primary care clinicians and specialist consultants are working together to facilitate admission avoidance where appropriate for patient care. Despite the growing elderly population, CUH's admission conversion rate has not increased, demonstrating that the organisation's response to local need is effective and beneficial.

The CCG's tendering of the Older People's Pathway and Adult Community Services is an unprecedented move towards an outcome-based contract. The Trust is bidding for this contract, with its partners MITIE and Cambridgeshire and Peterborough NHS Foundation Trust (CPFT) with a vision to provide a proactive, integrated model of care across the local health economy, ensuring we have a clinically safe and cost effective system delivering equitable access for patients.

We have reviewed the Keogh report '*Transforming urgent and emergency care services in England'* and will be engaging with our LHE partners on how best to work together in our locality to provide the most efficient emergency care.

A programme is underway to review cardiology and respiratory care pathways between CUH and Papworth Hospital to improve patient care, reduce inefficiency and remove duplication of effort where possible. Initial findings will be available in the Spring.

Work that is underway on Outpatient centralisation together with the benefits of our eHospital programme will transform our approach to how we care for our patients along the entire pathway.

The Trust's eHospital Programme will provide a world-class clinical information system, drive new ways of working and will be fully operational in October 2014. We expect eHospital to reduce some marginal costs and to provide a platform for the development of integrated care across primary, community and secondary healthcare (based on its central use of the electronic patient record) as well as for research and development.

In addition, our clinical Divisions and Directorates have been reconfigured with effect from April 2014 to improve outcomes and experience for patients, support our academic aims, Biomedical Research Centre (BRC) themes and improve the operational effectiveness of the organisation.

Our strategies

Clinical Strategy

Our clinical strategy development process has four phases:

- Assessing the clinical potential for service development - details are set out below
- Introducing a revised investment process and creating a prioritised programme of future investment options
- Identifying and analysing the context for future service development (including ensuring sustainable quality and service standards, the future healthcare economy, and future models of service delivery)

- Creating market awareness and a market intelligence function across the Trust

Clinical Workforce Strategy

The Trust remains committed to developing its workforce by ensuring that the right people have the right skills and are in the right roles, whilst seeking to reduce overall Trust pay costs in a way that aligns with Trust values of kind, safe and excellent. Our focus remains on medical workforce efficiencies, nursing workforce productivity and workforce transformation programmes. We are also ensuring greater collaboration with a number of the other Trust's Transformation programme work streams, specifically with respect to the effective clinic, variation of care and the portfolio strategy work.

We continue to develop a workforce strategy to take account of Government policy that all aspects of publicly funded health and social care should be more routinely provided to patients and the public seven days per week.

Workforce Strategy

The Trust's workforce priorities are aligned with the Trust's vision to be the best academic healthcare organisation in the world:

- Excelling in patient care
- Excelling as a centre for research
- Excelling as a university teaching hospital

Our priorities are to ensure the workforce is appropriately sized and skilled to meet service demands, is engaged and motivated to provide excellent patient care/experience and is affordable.

Transforming Pathology Strategy

The Transforming Pathology Partnership (TPP) is a joint venture between six NHS Trusts in the East of England, (one of which is CUH). TPP has been awarded the contract to provide community pathology services across the TPP area.

Better Care Fund

As part of the Government's £3.8 billion national *Better Care Fund* – 'a single pooled budget for health and social care services to work more closely together in local areas', the CCG, NHS England Area Team and Local Authorities are producing a two year plan for the use of the fund to be submitted to Government by April 2014.This will have implications for the Trust in terms of activity and income.

Teaching and training

CUH is a teaching hospital for medical undergraduates and postgraduates, nurses and students in other clinical professions. Patient-centred teaching is one of our core activities and is central to or vision to be one of the best academic healthcare organisations in the world. We are the teaching hospital for the University of Cambridge through the School of Clinical Medicine and the Postgraduate Medical Centre which provide the infrastructure and support to facilitate the education, training and continuing development of postgraduate professionals in hospital medicine, general practice and dentistry.

Risks to short term stability and resilience

Key risks identified by the Board using the Board Assurance Framework (BAF) include insufficient bed capacity and lack of capital. Further details are set out in the Appendix.

C. Quality plans

The Trust Board agreed a 5 year Quality Strategy in 2013 which aims to ensure every patient receives the safest, highest quality care personalised to their needs.

The focus is on ensuring that our patients have the best clinical outcomes, delivered with compassion in a safe environment, resulting in the best possible experience. The Quality Strategy outlines the approach everyone in our hospital will take to improve quality between now and 2018. It builds on our strengths and complements our governance, risk and safety infrastructure, but also addresses those areas where we know we could improve. It outlines our priorities, and sets out what success will look like in 2018, together with the framework for delivery and the methodology for measuring our progress.

D. Productivity, efficiency and CIPs

The Trust's Transformation Programme comprises a number of work streams to deliver a range of service and cost improvements (CIPs) which will then be embedded as part of normal business. eHospital (see below) is also part of our overall transformation agenda.

The Trust has traditionally met its break-even financial obligations. The total value of the Trust's CIP Plans for 2013/14 was £28.8m and the Trust is on track to deliver this by April 2014.

The Trust's Transformation Programme comprises a number of work streams to deliver a range of service and cost improvements (CIPs) which will then be embedded as part of normal business. eHospital (see below) is also part of our overall transformation agenda.

Following a review of each Divisions business plan the 2014/15 Transformation Programme (Cost Improvement Programme/CIP) requirement is £23.1m for 2014/15 and £34.5m for 2015/16. Divisional CIPs are £4.5m and £5.4m respectively. At present, £14.64m of risk-assured (green RAG rated) schemes have been planned by the Transformation work streams. There are a further £4.10m of amber RAG rated schemes and £6.45m of red RAG rated schemes. Actions / decisions relevant to the red RAG rated schemes have been identified.

A further £2.21m of non-recurrent schemes have been identified. These and the Divisional CIPs will not form part of the core transformation programme. As part of our Transformation Programme the Trust eHospital system to provide world-class clinical information systems on a modern, fast, accessible and reliable computer platform fit for the 21st Century will go live in October 2014. eHospital will help the Trust raise standards of patient care and safety.

E. Financial plan

The Trust's overall financial objective remains to achieve a sustainable financial future. In 2013/14 it is expected that the Trust will achieve its financial performance as a result of the Transformation programme and significant increases in productivity. The Trust will have achieved a positive recurrent run-rate in year, with an anticipated £4.6m underlying financial surplus position.

The Trust's eHospital programme has incurred significant up front implementation costs in 2013/14, which continue for 7 months into 2014/15. With the project going live in October 2014, efficiencies will begin to flow from the investment through the final 6 months of the year. As in 2013/14, the Annual Plan has been prepared on the basis of including the costs and benefits of eHospital, with monitoring of the Trust's ongoing financial performance both including and excluding the impact of eHospital. For 2014/15, CUH will act as host for Transforming Pathology Partnership. Numbers shown in this document clearly outline the effect of this hosting arrangement on the overall position of the trust. The total liability for the Trust is as a 25% stakeholder in the partnership, and is not liable for the entire entity as shown in the tables.

For the financial year 2014/15 the Trust is planning on a £10m deficit, with an underlying £4m surplus, as eHospital benefits will only partly be recognised in-year. This is in line with previous annual plans and the eHospital business case. Due to the favourable liquidity position, the Trust aims to achieve a CSR of 3.

For the financial year 2015/16, E-hospital will be fully operational, and therefore the Trust's target is to achieve a recurrent CSR of 3 including E-hospital. This will require substantial further savings. Also in 2015/16, changes to pension terms and conditions will create a further cost pressure, however the working assumption is that this is included in the net 4.5% efficiency assumption for the year.

1.3 Operational Plan

A. The short term challenge

The Local Health Economy's (LHE) vision and principles

As a health and social care system in Cambridgeshire and Peterborough, we will operate in an integrated way, putting people's' best interests at the heart of all decision-making to achieve the best care outcomes for patients, their carers and the population. By working together in an open and transparent way, we, as commissioners and providers of care, aim to maximise the wellbeing of the population and provide the safest, highest quality care outcomes for residents and patients in our system. We aspire to commission and provide the safest, highest quality care and best service experience within the resources available. We will seek to maximise the amount of care provided outside hospital as close to the person's home as possible.

The Local Health Economy's system principles are:

- Organise services around the person's clinical needs and not around organisational and professional specialties
- Integrate care to maximise continuity and safety for people across separate facilities and organisations
- Expand the geographic/population reach for specialties to ensure clinical and financial sustainability
- Measure costs and outcomes for each person and where possible, develop local pricing to reflect local costs
- Build enabling information flows and IT platforms to maximise efficiency and continuity of care
- Work together effectively, openly and transparently in best interests of individual's and public
- Maximise focus on prevention and anticipatory care to avoid unnecessary admissions and costs
- Allocate resources across time, place and person in way that maximises sustainability and reduces inequalities

Across Cambridgeshire and Peterborough we are looking to have a joint system plan which all key stakeholders have contributed to and influenced. This will enable more joined up commissioning intentions as well as opportunities to look outwards from individual organisational agendas to work in partnership across care pathways. This should mitigate some risk in the system of uncertainty but does not necessarily address the biggest risk to us all of resources not being available to fund genuine clinical need of a growing population.

In future clinically led commissioning will need stronger clinical engagement from providers which will also help to mitigate risk of redesign failure.

Key issues for our population

The Joint Strategic Needs Analysis (JSNA) identifies key issues for CUH in a number of areas (of which further details are set out in the Appendix). In summary:

Children and Young People:

JSNA: A good start to life has a positive impact throughout the lifecourse. Need to identify and focus on vulnerable children

- As recommended in the Marmot Review, effective local delivery requires participatory decision making at the local level which can only happen by empowering individuals and local communities. "ACTIVE" is CUH's Children and Young Person's Board to promote and engage in service evaluation and redesign. CUH has three dedicated websites for children and young people coming into hospital.
- CUH is committed to safeguarding and promoting the welfare of children and young people and expects all of its employees and contractors to share this commitment. All staff undertake mandatory safeguarding children training. The Trust complies with the requirements of Section 11 of The Children Act 2004.

Older People:

JSNA: Significant growth in numbers over the next 20 years

CUH recognises the changing demographic that will occur in the 65 years and older population and the significant issues it will pose. CUH has already responded to increasing numbers of older and frail patients

that it is currently treating through:

- Continued focus on the integration of health and social care with well-developed communication between primary and secondary care as part of the CCG's older person's tender process. In primary care, higher continuity of care with a GP is associated with lower risk of admission.
- CUH has an active dementia working group and a developing dementia strategy as well as encouraging staff dementia training and champions. CUH employs dedicated clinical specialist nurses for dementia and mental health. The Trust also utilises the "This is me" passport for patients with Alzheimers.
- CUH introduced the Dementia Assessment Tool (CQUIN) to all patients aged 75 and above admitted as an emergency (day cases, transfers and elective admissions are not included at present). Accurate information about a patient's cognitive state supports better patient management.
- All patients aged 75 years or over admitted to the Trust, via the emergency pathway, are to be screened for frailty using the clinical frailty scale (CFS) within 72 hours of admission.
- A number of initiatives have been rolled out to assist older patients in hospital including colour coded trays in wards to identify if patients need assistance at meal times and dance and movement sessions to aid in rehabilitation. A pictorial hospital communication book was introduced in 2010 to assist a range of patients in communicating their needs and for staff to help explain medical procedures.
- CUH has focused on development of the Ambulatory Care service where a significant proportion of emergency medical patients can be managed safely and appropriately outside of the Emergency Department (ED) setting without the need for admission to a hospital inpatient bed.
- CUH is reviewing plans for a Frail Elderly Unit to bypass ED and provide dedicated clinical geriatric assessment in an appropriate setting.
- Continued use of the Addenbrookes@Home service once patients are medically fit for discharge enables available capacity to be used more effectively.
- Reviews of care pathways and redesign in conjunction with local health economy partners.
- Continued promotion of education and self-management for Long Term Conditions (LTCs) especially for those patients with asthma and COPD through CUH's Centre for Self-Management.

Alcohol:

JSNA: Overall, Cambridgeshire as a county compares well to the national average on statistics for alcohol misuse and harm but Cambridge City is above the national average for a number of indicators including hospital admissions specifically caused by alcohol, aspects of alcohol related crime, and binge drinking

- CUH continues to work with partner agencies across the LHE to support alcohol-specific interventions for individuals during a hospital admission. This includes regular contact with the City and County Council, the police and local alcohol support charities.

Smoking:

*JSNA: Cambridgeshire smoking prevalence estimated at 11.5 % *(less than the English average) but 26.1 % in people in routine and manual occupations*

- CUH has become a no-smoking site as of January 2014 and continues to promote a smoking cessation service for both outpatients and inpatients.

Ethnic Minorities and Migrant workers (including Gypsies and Travellers):

JSNA: Foreign-born workers have traditionally formed an important sector of the seasonal labour force in Cambridgeshire; recently, migrant communities are becoming more established and less 'seasonal'. The distribution, hotels and restaurant industries are important employers for foreign born workers in Cambridge City. In other districts, the majority of migrant workers are employed in agriculture, manufacturing and construction industries.

Cambridge also attracts highly skilled migrants due to the presence of the University, a major teaching hospital and technology companies.

Gypsies and Travellers make up almost 1% of the population in Cambridgeshire representing the largest ethnic minority in the county. Gypsies and Travellers have:

- Significantly poorer health status (in Peterborough only 55% reported no health problems)

- More self-reported symptoms of ill-health than the rest of the population

- Reported health problems being between two and five times more prevalent.

- Poor mental health is a particular concern. Access also needs to be improved

- Low uptake of early intervention and prevention measures such as screening and immunisation

- Adverse rates of lifestyle risk factors such as rates of smoking and obesity

- CUH acknowledges the needs of a multi-ethnic urban population. We provide access to interpreter services for patients and encourage our staff to attend workshops to explore issues, processes and ways of communicating in order to improve access to local NHS services. We have specific staff training and awareness in diversity and mental health issues for minority ethnic groups.
- CUH works with Public Health's multi-agency team Traveller Health Team in health checks, reflecting cultural needs and promoting co-located services allowing multi-disciplinary assessment and treatment.

People with learning disabilities:

JSNA: As the population grows and ages, the number of people with disabilities is also expected to rise, leading to an increased proportion of people with a learning disability (LD) aged over 55 so that parents caring for them are likely to have died or become frail. Analysis demonstrates that:

- Social care requirements for people with learning disability in England are expected to increase by 14%, up to 2030

- The number of children with disabilities is predicted to increase

- The number of children with statements of special educational needs has increased in Cambridgeshire

Additionally, we know that people with learning disability in England are more likely to go into hospital for conditions that could have been treated in the community. People with learning disabilities in Cambridgeshire reported certain shortcomings in the provision of health care services (in 2007). This included:

- a lack of 'easy read' information

- poor attitudes from some health staff towards people with learning disabilities and their carers

- insufficient care available whilst person with learning disability is in hospital

- inadequate hospital facilities, including access and delays in referrals

Local surveys identified that people with autism have unmet needs, such as difficulties with identification and diagnosis and a lack of training amongst staff concerning people with autism with whom they came into contact.

- CUH hosts an LD training programme and an LD working group which service users and carers attend quarterly meetings. Relevant charities and voluntary organisations are also represented in this forum which encourages debate and collaboration in identifying staff training needs or facility requirements to improve the secondary care experiences for LD patients.
- Staff training programmes enable early identification and diagnosis of patients with LD, appropriate care at the front door and subsequent period in hospital. CUH also strives to ensure LD recording on patient hospital information (notes/system alerts) during hospital admission.
- CUH is working towards all services being fully accessible to those with LD with key information available in an accessible form. The hospital pictorial communication book supports these patients and a "Patient Passport" for those with LDs (including children) is widely used.
- CUH will further the promotion of the LD specialist nurse role accessible to patients of all ages. The aim is to review every admitted LD patient within 24 hours; construct an individual care plan with the team managing the patient and formally liaise with the patients, carers or family.

Mental Health (MH):

- CUH continues to provide Liaison Psychiatry Services in conjunction with Cambridgeshire and Peterborough FT aiding in admission avoidance where appropriate. This works in a number of ways including direct intervention in A&E and the Clinical Decision Unit to prevent admissions and with

wards and discharge planning teams to facilitate appropriate and timely discharges.

- CUH encourages staff training to better identify and manage MH needs amongst acute hospital patients. Dedicated specialist nurse roles provide support for patient management.
- CUH works with its LHE partners as well as the Richmond Fellowship and "Shame No More" to promote initiatives such as Mental Health Awareness week and address the issue of Mental Health self-stigma.
- The Cambridge Dementia Biomedical Research Centre (BRC) has a pioneering experimental research programme in dementia and capitalises on translating research in the laboratory through to patient trials in clinics. This will significantly impact on the diagnosis, prevention and treatment of dementia for both the individual patient and the community.

Our Patients

We provide acute and specialist services to our local population and across the East of England. Our patients predominantly come from Cambridgeshire, Essex, Suffolk and Hertfordshire. CUH's strength lies in the combination of its different roles to catchment populations of between 500,000 and several million:

- As a local District General Hospital for the Cambridgeshire community;
- As a specialist hospital on a supra-regional and national basis;
- As a major academic and clinical research centre; and
- As a teaching hospital for the University of Cambridge

As well as providing clinical care, we have a significant focus on research and teaching. We are part of a successful Academic Health Science Network whose aim is to accelerate the translation of clinical research into healthcare practice as well as to develop and implement integrated services.

Patient safety, quality, patient experience and performance remain at the top of the Board's agenda. Our priority remains the care of our patients; we are treating more people than ever before and our health outcomes remain amongst the best in the country.

Against this background the Trust faces increasing demand based on population growth and advances in healthcare which mean that our population is living longer. Rising activity over and above population growth result in increased use of a range of Trust services and particularly emergency care. Trust capacity to accommodate this rising activity is limited by physical space, ageing infrastructure and budgetary constraints.

Market analysis

The financial position across the health economy and in social care will remain challenging into 2014/16 and beyond.

The Trust's geographical position within the region (with hospitals spread out at a considerable distance) means that competition is constrained particularly for District General Hospital (DGH) type services. Patient choice does bring some DGH patients from outside our immediate catchment population but this is limited. There is some competition in a limited number of clinical sub-specialist areas but this is largely dealt with through formal centralisation processes. (e.g. vascular surgery/surgical resection of liver metastases).

Over the life of this plan we currently expect the debate in relation to Peterborough and Hinchingbrooke Hospitals to continue.

We do not expect any significant changes in market share except as a result of planned regional collaboration and repatriation of patients, particularly of children's services, from London hospitals.

Joint Risk Assessment of the sustainability of services in Cambridgeshire and Peterborough

The joint risk assessment is set out in the Appendix.

B.Operational requirements and capacity

Key capacity assumptions are set out in Section E.

National and local commissioning priorities

NHS England

Commissioning for NHS funded care is now the responsibility of NHS England (NHSE), Clinical Commissioning Groups (CCGs) and local authorities. For the purposes of CUH our main commissioners are NHSE and Cambridgeshire and Peterborough CCG.

NHSE directly commissions 143 specialised services and will be developing a commissioning framework for each service. For many of these services, it will be the first time that there has been a single national commissioner and it will be important to ensure that each framework takes into account factors such as patient need, required changes to service provision, technological advancement and the health care provider market. As each framework is developed, NHS England will decide how best to take forward the procurement of services, in line with regulations and Monitor's final guidance.

At a clinical level, major changes in the scope of services directly commissioned by NHSE are not intended for 2014/15, to secure a period of stability after the major changes in 2013/14. In 2014, NHS England's strategy 'A Call to Action' will set out a long term vision and the critical changes needed in the medium term. This will address the service specific objectives for the next five years, overarching strategic objectives for the provision of a system of specialised healthcare as a whole and the impact of co-dependency between service areas.

NHSE has set out how it intends to drive improved outcomes for patients, and transform the design and delivery of care, within the resources available:

- Over the next two years there will be a drive on joint strategy, planning and collaborative commissioning to ensure there is alignment of commissioning toward outcomes and how each party works to lead on pathway or programmes of care.
- Strategies will also be developed over the next year to show the future structure of care in each region and the changes in services ahead. The configuration of specialised services will have a critical impact on how services evolve in the acute and tertiary sector.
- There will be a focus on driving commercial terms to get better value for the taxpayer from suppliers and partners and NHSE wish to see all partners reorganise care to improve outcomes and release cash savings.
- Commissioners will support Strategic Clinical Networks and Academic Health Science Networks to develop work plans which focus on strategic care models and pathway development for key health needs. This will enable integration of care and a shift toward earlier intervention and treatment. Specialised commissioning will benefit from this work particularly where there is a direct link to specialised care such as in obesity, kidney care and cancer.
- Operational Delivery Networks (ODNs) will be fully established in 2014/15 and all acute providers who provide specialised services under the scope of the ODN will be required to join networks for quality improvement.
- The UK Strategy for Rare Diseases was published by the end of December 2013. NHS England, will be developing an implementation plan the Rare Diseases Advisory Group and this will be published in February 2014.
- Commissioners will establish a transparent priority setting framework which enables decisions to be made about investment and reinvestment within a Clinical Reference Group (CRG), and between Programmes of Care. A principle will be established for the identification of disinvestment for 'better value reinvestment' and proposals will be consulted upon in 2014.
- Commissioners will lead a process to invite proposals over the coming 18 months for prime contractor delivery where this enables either consolidation or networking of specialist provision to achieve the national specification and standards, and/or prime contractor arrangements for a whole pathway of

care or model of care where tiers of provision are closely networked.

Cambridgeshire and Peterborough CCG: Commissioning Intentions 2014/15

Motivated by changing demographics, reductions in Local Authority funding, minimal growth in the health sector as well as planned community service provision changes, the CCG is engaging with providers and stakeholders to re-design how services are commissioned and provided, proposing that no change would be a high risk option.

The CCG has set out its intention to decisively shift expenditure away from services that are proactive, disjointed and provided in high cost settings (where this is not clinically necessary) and towards those that:

- Are focused on preventing ill health
- Are integrated around the needs of individuals
- Are provided in or as close to people's homes as possible
- Will make a real contribution to our three strategic clinical priorities which remain improving care for the frail and elderly; improving care for those at the end of their lives; and decreasing inequalities in health, focussing on reducing the inequality in premature death from coronary heart disease.

In addition there will be a new strategic focus on the development of Children and Young People's services. This may potentially lead to a competitive procurement exercise which the Trust will continue to participate in as appropriate.

Local health economy perspective

Local health economy context: Cambridgeshire and Peterborough CCG Outline Strategic 5 Year Plan 2014/15 to 2018/19

The CCG's key areas for transforming the health and social care system are:-

- Maximise areas of joint commissioning between the Clinical Commissioning Group (CCG), the Local Authorities (Cambridgeshire County Council and Peterborough City Council) and NHS England whilst moving our contracting towards outcome based measurement and rewards.
- Effectively manage the local health and social care markets together as commissioners working with providers to achieve the safest, highest quality health and social care services with the best clinical and experience outcome for patients. Key areas for market transformation are:-
  - More preventative services especially in the community, schools and out of hospitals for the young and frail elderly. Supporting self-care, patient empowerment and personalisation.
  - More integrated continuity of care out of hospital for people with long term care conditions
  - Delivering more capacity in primary care at scale and collaboratively across social and community services
  - Delivering the safest, clinical service for emergency and urgent care needs within all national and local standards of access
  - Achieving a step change in productivity and equity of access to clinically effective planned and elective care meeting NHS Constitution Standards at all times

To achieve true transformational change across our health and social system all LHE partners will need to fully engage patients, the public, local professionals and politicians to help achieve a radical change in the range and location of services over the next 5 years. If we are to achieve our ambitions for sustaining high quality, safe and easily accessible services by 2020 for our growing population, we will need our full fair funding allocation in order to meet our statutory duties and deliver for patients and our population.

This involves short term opportunities in:

- Clinical engagement
- Older People's Procurement
- Multidisciplinary Team working piloting across the CCG
- Closer work with Local Authorities through the Health and Wellbeing Boards and Better Care Fund
- Motivation across all providers to improve outcomes and have a financially stable system

and long term opportunities in

- Sustained demand reduction and improve wellbeing through maximisation of patient engagement and prevention
- Alignment of the provider landscape with available financial resources.
  This will involve consideration of the services provided and configuration of acute hospitals, community care and primary care i.e. a managed re-set of the provider market
- Continued integration at the operational and organisational level that moves to a seamless service for patients
- Step change in clinician involvement

The clinical areas for strategic pathway change over the 5 years of the Plan are:

- Older Peoples Services
- End of Life Services
- CHD tackling inequalities
- Children and Young People Services
- Emergency and Urgent Care Services
- Mental Health Services
- Long Term Care Condition Services
- Planned and Elective Care Services
- Cancer Services

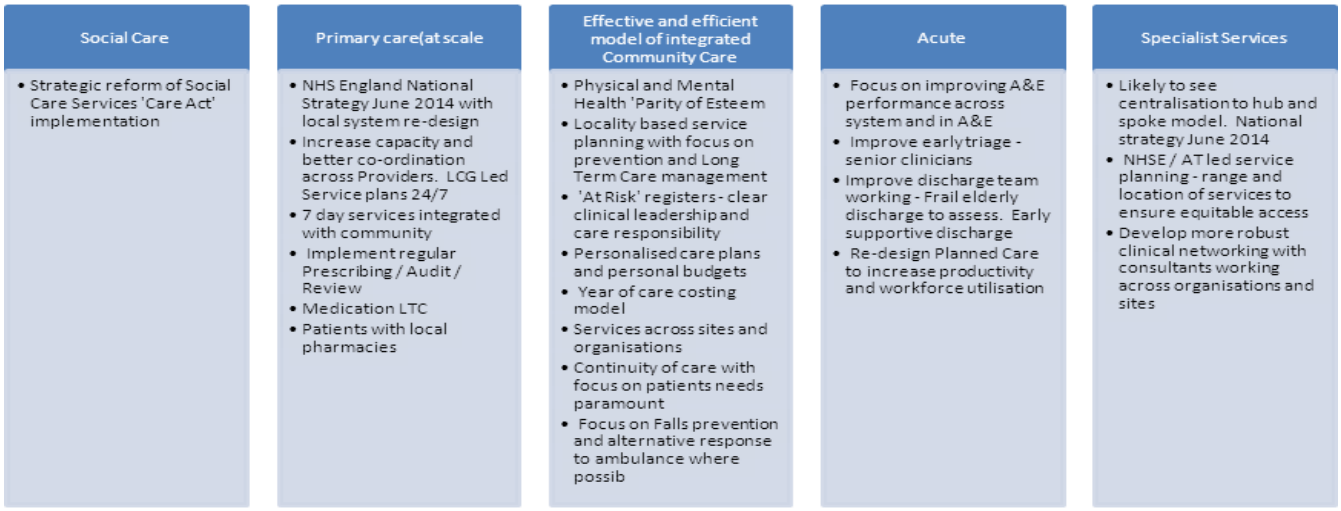
In addition, operational improvements will be sought in

- Reducing the amount of time people spend avoidably in hospital through better and more integrated care in the community, outside of hospital
- Increasing the proportion of older people living independently at home following discharge from hospital
- Increasing the number of people having a positive experience of hospital care
- Making significant progress towards eliminating avoidable deaths in our hospitals caused by problems in care

In the first two years of the Plan the LHE has identified 3 areas for system-wide review: unplanned care, elective surgery and diabetes care.

Unplanned care: system plan

The key issues across the LHE are:



The main planning issues for providers across the LHE are:

- Ensure workforce and capacity planning is correct for peaks and troughs
- Clear 'clinically appropriate' products for who should be seen and priorities
- Early senior clinical triage
- Must achieve better A&E performance as a system
- Achieve national standards in ambulance handover and release
- Specialist Services possible model centralised into hub with single contract and prime vendor sub-contracts to spokes
- Focus on short length of stay patients to avoid unnecessary admissions
- Focus on frequent A&E attendees with alternative service and understood care plans
- Joint planning across system to re-configure A&E / major trauma and Urgent Care response

CUH is fully committed to this agenda.

Clinically lead review of surgical services across the local health economy

Cambridge University Hospitals, Peterborough and Stamford Hospital, Hinchingbrooke Hospital and Papworth Hospital all provide surgical services within the Cambridgeshire and Peterborough local health economy. An initial joint position statement has identified that all Trusts face increasing demand from a growing and ageing population but that there is spare capacity in some parts of the system.

On this basis we have agreed two joint objectives in relation to surgical services:

- To maximise the clinical benefit from specialist high complexity surgery to patients across the health economy and to ensure the sustainability of these services
- To identify and strengthen the range and quality of services appropriately available on a local basis
- To further these joint objectives we are jointly committed to:
- Review opportunities to create a clinically appropriate focus for specialist high complexity surgery across the health economy
- Review opportunities for enhancing local surgical services
- Consider short-term opportunities to use current spare capacity in a sustainable way by also identifying any medium /longer term implications

and to advise on the implications of any proposed changes and the best means of achieving them in keeping with the NHS Constitution and Mandate.

We will initially test this approach in relation to orthopaedic surgery and then advise on a future programme for review.

To prepare for this initial review, each Trust will consider and prepare a statement of:

The balance of activity projections and available capacity over the next 5 years

- The clinical and organisational viability of any potential changes
- The financial implications of any potential changes
- The implications for education and training
- Proposals for stakeholder engagement
- Their view of national professional and healthcare policy which may impact on this review

In addition, the CCG will outline population needs projections and issues relating to catchment population, clinical thresholds, equity of access by Local Commissioning Group/practice and benchmarked ambition on productivity.

Long term Conditions/Diabetes care

This programme is being led by Hinchinbrook hospital. The Trust has submitted its position statement identifying key population and capacity issues.

Service changes at CUH and in the community

Recognising these challenges to improve outcomes in the face of rising activity, insufficient capacity and decreasing financial resources, the Trust has developed and implemented a number of programmes to meet our local CCG's commissioning intentions and address our local population changing needs.

CUH has responded to the local Joint Strategic Needs Assessment (JSNA) report with a particular focus on starting to plan now for the significant forecast growth in the number of older people in Cambridgeshire over the next 20 years. Specific examples are working with local commissioning GPs to develop CQUINS that better identify and manage frail elderly patients and the development of integrated care pathways developed collaboratively including RADAR (direct phone access for GP to geriatricians) and a TOPAS service (review of frail elderly admissions not admitted to an elderly care bed).

Acknowledging the pressure that a growing elderly population can bring, the Trust has organised its front door medicine to ensure primary care clinicians and specialist consultants are working together to facilitate admission avoidance where appropriate for patient care. Despite the growing elderly population, CUH's admission conversion rate has not increased, demonstrating that the organisation's response to local need is effective and beneficial.

Improving pathways for emergency and unplanned care is a priority for the Trust and we are implementing clear protocols for patient management including:

- All patients aged 75 years or over admitted to the Trust, via the emergency pathway, are to be screened for frailty using the clinical frailty scale (CFS) within 72 hours of admission.
- Increasing the number of shifts provided by GPs in the Emergency Department
- Increased staffing in the Emergency Department
- Introducing Point of Care testing in the Emergency Department
- Liaising with GPs to undertake pro-active reviews of older people on their lists

Each clinical division has set out detailed Transformation proposals within its business plan. These include proposals to increase evidence based practice, service modernisation as well as centralisation to achieve greater cost effectiveness.

The CCG's tendering of the Older People's Pathway and Adult Community Services is an unprecedented move towards an outcome-based contract. The trust is bidding, with its partners MITIE and Cambridgeshire and Peterborough NHS Foundation Trust (CPFT), with a vision to provide a proactive, integrated model of care across the local health economy, ensuring we have a clinically safe and cost effective system delivering equitable access. The Uniting Care Partnership (Cambridgeshire and Peterborough NHS Foundation Trust with Cambridge University Hospitals NHS Foundation Trust) bid has been shortlisted to go to the next stage of the process.

Recognising the wide catchment area that the hospital serves and the issues associated with available transport and local services, we work with our community colleagues to deliver services in areas such as Ely, Royston, Newmarket, Hinchingbrooke and Saffron Walden to facilitate ease of access. Outreach work also enables educational opportunities for clinicians working in these areas to benefit from knowledge-share.

The Trust has run primary care clinician educational sessions in areas where there was benefit to admission avoidance and care closer to home. For example, Outpatient Parenteral Antibiotic Therapy (OPAT) was established to deliver a more timely service to patients in the right setting. In 2013 this scheme saved on average 13 bed days per patient-rising to 29 days for orthopaedic patients.

For Long Term Conditions such as Heart Failure, Diabetes and COPD sessions offered as part of NHS Cambridgeshire's Sustainable Healthcare Partnership programme were well received in providing support to community and primary care in relation to patient management and improving self care.

The use of technology empowers both the patient and clinician in providing efficient patient care. Through technology, the Trust is actively promoting fewer hospital attendances, increased network working and sharing of knowledge across the health economy. For example CUH has introduced Realtime - a live bed-state patient tracking and discharge planning system devised to facilitate efficient patient flow from the Emergency Department (ED) to the ward and on to discharge. A key element of this technology has been the development of electronic documentation and pathways for complex discharge patients. This has enabled us to support the local health system in discharging patients to the most appropriate setting for their on-going needs.

The Trust's eHospital Programme to provide a world-class clinical information system and drive new ways of working will be fully implemented in October 2014. We expect eHospital to reduce some marginal costs and to provide a platform for the development of integrated care across primary, community and secondary healthcare (based on its central use of the electronic patient record) as well as for research and development.

A programme is underway to review cardiology and respiratory care pathways between CUH and Papworth to improve patient care, reduce inefficiency and remove duplication of effort where possible. Initial findings will be available in the Spring.

Capacity Development: Theatres

A scheme to develop two new theatres within the existing Trust theatre area has been approved by the Board of Directors.

With a highly utilised and ageing plant, options for building a new theatre in this financial year to accommodate additional surgical activity have been developed and reviewed to address the 2014/15 shortfall in theatre capacity. In-list utilisation is now at a maximum level resulting in no regular fixed session availability, affecting our ability to deliver RTT and cancer targets.

The Trust is planning to develop two additional theatres (incorporating EVAR) with recovery and re-located support facilities. Providing an additional six recovery spaces, they will be co-located in an ideal position within the Trust's main theatre suite, next to Emergency / Transplant / Recovery / Overnight Intensive Recovery. This new development will also provide greater flexibility and supervision of junior theatre, anaesthetic and surgical staff, particularly out of hours. The programme of design and construction should take nine months from approval.

Capacity Development: Options for major infrastructure development

The Trust faces urgent requirements for further capital investment in clinical facilities. In addition to a general capacity shortfall, there are specific issues in a number of key service areas that can only be resolved through further investment. The key drivers for this investment in buildings to meet this capacity shortfall are:

- Rising demand caused by demographic change
- An immediate shortfall of 30 adult beds and 1 theatre in 2014/15 and a projected shortfall of 255 beds and 10 theatres by 2018/19
- Long-standing and increasingly critical issues in paediatric services:
  – insufficient capacity (30 beds now rising to 60 beds in 2018/19);
  – dispersed services (14 locations across the hospital);
  – functional unsuitability, especially as regards segregation from adults;
  – vulnerable children's services in neighbouring District General Hospitals;
  – continuing pressure for centralisation of specialist work at Addenbrooke's;
  – plans for academic development that would bring additional specialist activity
- Critical infrastructure issues in the neurosciences block (built c1960)
- Capacity requirements in the Oncology and Haematology Day Units, where activity is growing at 7% to 8% per annum. These units are already operating at a level of utilisation where patient dignity and privacy are compromised and will soon be faced with a level of demand that cannot be met within existing facilities
- Substantial backlog maintenance requirements

It is highly unlikely that the Trust will have the necessary borrowing capacity to resolve all of these issues in the next five years. The challenge therefore, is in identifying a deliverable development that will optimise the response to capacity, safety and functional suitability challenges in a context of severe resource constraints. In response to this challenge, the Trust has initiated work to develop business cases as follows:

- Children's Facility: a dedicated, single facility to meet projected demand, improve patient care and to enable the further repatriation of activity from London and to establish a regional centre for specialist services.
- Oncology and Haematology Ambulatory Centre: the Centre will deliver transformed patient experience covering Day Chemotherapy (including haemato-oncology), Outpatient Clinics, Information and Support
- Neurosciences Facility: new facilities to accommodate demand for Neurology activity (primarily the diagnosis of acute symptoms and the long-term management of chronic neurological conditions) and Neurosurgery infrastructure (operating theatres, intensive care and radiology with major specialised equipment)

The initial timescale for reporting this first phase of the proposed development programme to the Board is May/June 2014

Our strategies

Clinical Strategy

Our clinical strategy development process has four phases:

- Assessing the clinical potential for service development
- Introducing a revised investment process and creating a prioritised programme of future investment options
- Identifying and analysing the context for future service development (ensuring sustainable quality and service standards, the future healthcare economy, and future models of delivery
- Creating market awareness and a market intelligence function across the Trust

Phase 1: assessing the clinical potential for service development

During the year we have reviewed our clinical strategy in the Biomedical Research Centre (BRC) research themed areas (cancer, neurosciences/mental health/special senses/dementia, immunity, infection and organ transplantation, metabolic medicine and endocrinology and cardio-respiratory disease) and in the other major clinical areas. Key elements of the potential for service development will be systematically assessed with a view to meeting both short-term and longer term challenges. Long-listed proposals are set out in the Appendix.

Phase2: introducing a revised investment process

Our revised approach to investment is intended:

- To bring about improvements in the nature and quality of care for patients within available resources
- To ensure the range of services we offer is coherent, sustainable and supports our quality strategy
- To improve value for money in order to create further opportunities for investment
- To recognise and enhance the reputation and standing of the Trust and support the organisation's agreed brand values
- To provide a centre of excellence for the development of knowledge and understanding
- To make financial return where appropriate on particular proposals; and to ensure that investment costs overall are funded in full (affordable)
- To make a surplus for further investment in patient care

A new Investment Panel has been created to act as the advisory forum to the Board of Directors on investment issues to ensure the provision of high quality, cost effective service development. The Investment Panel is part of the Trust's investment process and links corporate and clinical strategy with decisions about service development and funding. Our investment assessment tools have been updated to support this process. The Investment Panel will systematically assess opportunities from a prioritised programme of future investment options.

Phase 3: Identifying and analysing the context for future service development

Our PESTEL analysis is set out in the appendix.

Phase 4: Creating market awareness and a market intelligence function across the Trust

Proposals are in place to develop a market intelligence function across the new divisional structure once eHospital has been implemented.

Integrated Care Strategy

In 2012, the Strategic Health Authority's (now NHS Midlands and East) decision not to support Cambridgeshire Community Services (CCS) in its bid for Foundation Trust status allowed Cambridgeshire and Peterborough Clinical Commissioning Group (CCG) to introduce its approach to securing the future for the services currently provided by CCS, providing flexibility over future service configuration to improve outcomes in the context of significant demographic and financial pressures.

Consequently the CCG has focused on three key strategic clinical priorities:

- Improving care for the frail and elderly;
- Improving care for those at the end of their lives; and
- Decreasing inequalities in health across the CCG, focussing on reducing the inequality in premature death from coronary heart disease

To address the first priority, in 2013 the CCG tendered a contract over five years for the design and delivery of improved integrated care for older people and adult community services to achieve the overall ambition of improving outcomes and patient experience. This is consistent with the Health and Well-Being Board's priorities and is informed by work with the King's Fund to develop innovative approaches to care for older people.

The CCG has outlined that future service arrangements will need to ensure that older people are proactively supported to maintain their health, well-being and independence for as long as possible, receiving care in their home and local community wherever possible.

- For care to be provided in an integrated way with services organised around the patient
- To ensure that services are designed and implemented locally, building on best practice
- To provide the right contractual and financial incentives for good care and outcomes
- To work with patients and representative groups to design how services are commissioned

The core scope of services is acute unplanned hospital care for older people (65 and over), older people's mental health services and community services for older people. This includes A&E, unplanned admissions, community nursing services and intermediate care.

The aim is to join up the patient pathway so that the range of services which encompass enhanced primary care, community health services, unplanned hospital care, mental health, social care and voluntary sector services deliver a holistic and innovative approach to patient care; supporting delivery of the right care, in the right place, at the right time.

The CCG's preferred approach is a move towards outcome-based incentivised contracts, linking a proportion of payment to specified outcome measures as a way to deliver measurable improvements in delivery of care, sharing financial gain and risk across the commissioner – provider system as well as delivering recurrent financial balance in a sustainable way.

Recognising the importance of this unprecedented procurement and its role as a local district general hospital as well as a specialist hospital on a supra-regional and national basis, the Trust committed to participate in the process in order to be able to help construct a future service in the best interests of Cambridgeshire older people. Partnering with Cambridgeshire and Peterborough NHS Trust and MITIE as a member of an NHS-led, limited liability partnership called the 'UnitingCare Partnership', it is committed to developing an integrated service solution that is both innovative and flexible; promotes independence and tailors services to the needs of both the individual and the local community.

As a partner in UnitingCare, the Trust's bid has been evaluated by a team including healthcare professionals, such as local GPs and patient representatives. Following the evaluation, bidders were short listed to take part in the third stage of the procurement which will be used to develop proposals in more detail. Unitingcare has been selected to go through to the next stage of the process.

A revised 'Outcomes Framework' that takes into account the views of a range of stakeholders, including patient panels will also be produced for this next stage. On final selection of the preferred bidder, implementation is expected for January 2015.

The Trust recognises the risks inherent in these changes and will continue to assess opportunities to mitigate these during the process, acknowledging that its partnership solution may not be the preferred bidder on evaluation of the final service solutions. Whatever the outcome, there will be a degree of financial risk associated with the procurement. Addressing this, the Trust is undertaking an externally-led risk assessment review in order to demonstrate assurance to the Board of Directors. This is expected to be completed by Summer 2014.

The Board has appointed Deloittes to provide independent board assurance with respect to a number of significant developments as set out in this Plan and in particular to

- produce a range of scenarios for the outcome of the elderly care tender clearly setting out the financial

and capacity implications for CUH

- review the activity and financial models for each SOC which sets out the implications for each, and collectively
- review the activity and financial models for TPP and set out the implications of this outsourcing arrangement
- devise a single capacity plan utilising the Trust's existing capacity planning tool to model the potential impact of a combination of scenarios based on variable implementation of the initiatives above
- review the 5year Long Term Financial Model ensuring it reflects the full impact of opportunities above
- provide a comprehensive risk register covering the whole programme of work over the next 5 years
- identify potential funding solutions for the programme

Better Care Fund

As part of the Government's £3.8 billion national *Better Care Fund* – 'a single pooled budget for health and social care services to work more closely together in local areas', the CCG, NHS England Area Team and Local Authorities are producing a two year plan for the use of the fund to be submitted to Government by April 2014. While this represents an opportunity to further integrate care closer to home, it is not new or additional money in the system. For most CCGs, finding money for the Better Care Fund will involve redeploying funds from existing NHS services and has the potential for significant changes to currently commissioned services or the introduction of new service specifications. It will mean a significant loss of hospital-based activity into the community. NHS England has stated that 'hospital emergency activity will have to reduce by 15%' (NHS England 2013).

If launched and used successfully, the consequences for the local population will be the promotion and availability of integrated care closer to home. However, it is a significant challenge to the Trust and other providers in the region to achieving financial balance with reduced income whilst maintaining better quality outcomes.

As a re-allocation of existing funds, it comes with tough conditions attached for successful applications. Spending plans for the fund will have to demonstrate how they will provide, amongst other things, protection for social care services, seven-day services, better data sharing between health and social care, joint assessments and care planning and user engagement.

As part of this programme there will also have to be agreement on the impact of changes for the acute sector with impact analysis carried out for each provider on their local area. Through championing a joint planning systems approach across the local health and social care economy, we hope to minimise financial pressures through collaborative integrated programmes to optimise patient care and deliver the capacity our continued increasing activity levels require.

Programmes established using the fund will also have to be measured against a set of national metrics (a proportion of the fund is related to performance against outcomes) and will include :

- Admissions to residential and care homes
- Effectiveness of re-ablement
- Delayed transfers of care
- Avoidable emergency admissions
- Patient/service user experience

The Better Care Fund also aligns with the integrated care work that the Trust is currently undertaking across its specialties and with partner organisations operationally.

The Trust is also addressing key health economy issues that affect service delivery including:

- Anticipatory rather than reactive planning approach to long-term conditions
- Engaging patients to support them in self-management
- Ensure good-quality training courses in care planning and self-management support are available and that staff are encouraged to attend them
- Improving the management of end of life care

- Robust discharge planning at point of admission including early supported discharge and 'discharge to assess' models
- The management of conditions suitable for ambulatory care
- Risk stratification of patients
- Improved care co-ordination across primary, community and secondary care
- Case management

Charitable funding

The Trust is supported in its work by Addenbrookes Charitable Trust (ACT), the designated NHS Charity for CUH. ACT has 10 independent trustees, including two trustees who hold non-executive positions with the Foundation Trust (the Senior Independent Director and the Lead Governor). The charity actively fundraises to increase the level of support that it can provide to CUH. ACT's charitable expenditure is guided the principles of additionality and maximising public benefit. For 2014/15 ACT has set a target of £7.5 million charitable expenditure in support of CUH.

Clinical Workforce Strategy

The Trust remains committed to developing its workforce by ensuring that the right people have the right skills and are in the right roles, whilst seeking to reduce overall Trust pay costs in a way that aligns with Trust values of kind, safe and excellent. Our focus remains on medical workforce efficiencies, nursing workforce productivity and workforce transformation programmes. We are also ensuring greater collaboration with a number of the other Trust's Transformation programme work streams, specifically with respect to the effective clinic, variation of care and the portfolio strategy work.

We continue to develop a workforce strategy to take account of Government policy that all aspects of publicly funded health and social care should be more routinely provided to patients and the public seven days per week.

Workforce Strategy

Reconfiguration of Divisions and Directorates

With effect from April 2014 the Trust has reconfigured its clinical Divisions and Directorates in order to:

- Improve the outcomes and experience for patients
- Support our academic aims and Biomedical Research Centre (BRC) themes
- Improve the operational effectiveness of the organisation.

The purpose of this strategic realignment is to enable the Trust to effectively and efficiently deliver the operational service alongside our longer term strategic plan. It is based on the concept of effective clinical leadership coupled with devolved accountability and responsibility for decision-making.

The structure was developed by the Divisional Directors and a detailed transition plan was developed with senior staff across the divisions to ensure the safe transition from one structure to the other, ensuring an appropriate level of stability and business as usual. Potential risks have been identified and entered on the risk log along with mitigation. The risk register is reviewed regularly at the weekly transition planning meeting.

Workforce Priorities

The Trust's workforce priorities are aligned with the Trust's vision to be the best academic healthcare organisation in the world

- Excelling in patient care
- Excelling as a centre for research
- Excelling as a university teaching hospital

Our priorities are to ensure the workforce is appropriately sized and skilled to meet service demands, is engaged and motivated to provide excellent patient care/experience and is affordable.

Workforce Planning

Strategic workforce plans spanning a five year period will be developed with clinical and corporate divisions that will be fully integrated with clinical strategies and long term business plans to ensure sustainability. Their

viability will be measured against the changing NHS landscape and financial constraints. Joint working with our commissioners and other providers in modelling models of service provision and pathways of care across the whole health system is an essential element of long term strategic workforce planning. The Trust plays an active role with the East of England LETB and the Local Workforce Partnerships in discussing and shaping system wide workforce planning and the commissioning of education and training.

Underpinning the long term strategic plans will be detailed annual divisional workforce plans factoring in activity assumptions and financial cost improvement programmes. They will also be developed on local, regional and national intelligence of workforce demographics such as recruitment hotspots and training commissions. This will ensure that risks can be mitigated and the workforce flexed to ensure it meets the needs of services.

In terms of headcount, vacancy authorisation measures will continue to ensure robust analysis of all vacant posts in terms of service necessity and financial health. Divisions are required to demonstrate rigorous control of workforce expenditure, demonstrating contingency plans to absorb year on year cost pressures such as national pay increases.

Establishment control will continue focusing on having reconciled and aligned workforce and financial data with the emphasis on streamlining structures and process in readiness for e-hospital.

Workforce Transformation Programmes

During 13/14 CUH implemented a series of organisational change programmes that resulted in approximately161 posts being removed across a number of clinical and non-clinical roles and significant improvements in workforce productivity. The focus for 14/15 and 15/16 will be on:

- Transformational approach
- Quality-led initiatives: follow through on financial savings
- Focus on quality outcomes for patients and improvement in patient experience
- Divisional ownership and accountability supported by central workstreams
- Intention to move towards a ‘Continual Improvement’ Hospital approach

Workforce redesign will be aligned with pathway and process redesign with the objective of improving productivity, reducing pay costs and improving our ability to recruit and retain staff. The new Divisional configuration has been designed to enable a focus on patient flow; the Clinical Directorate is the primary patient-delivery ‘unit’ where the expertise, decision-making and accountability for patients reside.

The implementation of e-hospital will require further significant redesign of work flows and roles. It is a major catalyst for workforce change and will result in significant headcount reduction of certain roles. The organisational change process supporting these changes will seek to minimise redundancies and ensure the maintenance of services during the change process.

In addition to e-hospital there are two other major transformation projects being implemented in 2014/15, the Transforming Pathology Partnership and the tendering of integrated care services across Cambridge and Peterborough; both of which involve the remodelling of service delivery underpinned by major workforce redesign and organisational change.

All changes to workforce will continue to be risk assessed and the impact on the provision of quality services assessed. Divisional Directors and their leadership teams will be accountable for undertaking risk and quality assessments. These will require sign off by the Medical Director and Chief Nurse prior to implementation with clear demonstration that potential risk is understood, accepted and mitigated against.

Seven day services

The provision of safe, clinically effective and cost effective care across seven days will be a strategic priority for the Trust in 14/15. The drivers for this are:

- The provision of safe and clinically effective care across all days of the week
- Safe and sustainable working arrangements and patterns for staff
- Increasing activity levels and the need to increase capacity to meet this additional demand
- Cost effective utilisation of expensive equipment and estate
- Responding to patient demand for services outside of the “working” week

A significant number of emergency services are already provided across seven days and a number of specialties are involved in discussions and consultations to introduce shift patterns to enable the extension of services into evenings and across weekends. A rapid response hospital at night service is currently being implemented.

A Steering Group has been established to ensure a consistent and co-ordinated organisational and workforce framework for the extension of service provision across seven days including a review of variations in clinical outcomes. A key underpinning enabler is increasing the flexibility in Medical and Dental terms and conditions of service and the Trust is actively engaging with national negotiations in order to influence this important lever. The Medical Director and the Associate Director of Organisational Development are members of the national negotiating groups for Consultant and Junior Doctors respectively.

Recruitment and retention

Securing the supply of high quality staff in an increasingly constrained labour market for nursing and a range of specialist roles will require the Trust to implement a strategy that focuses on maintaining the profile of the Trust as an employer of choice and growing our own. We will actively work with Higher Education Institutes to ensure that newly qualified staff are attracted to work with the Trust and in conjunction with our Local Partnership Group increase the provision of return to nursing courses. The Trust has utilised rotation schemes for a number of years as a highly effective recruitment and retention tool and we will continue to build on these.

A key focus for 2014/15 will be implementing values based recruitment commencing with the roll out of pre-application assessment and interview methodology focussing on quality and safety for qualified and unqualified nursing posts. We have been collaborating with a company to develop new technologies around on-line processes.

There have been a number of independent reviews of midwifery staffing ratios and skill mix during 13/14. As a result of this work we will be improving the utilisation of assistant practitioner roles that have evaluated very well both within the Trust and in other providers.

We will continue to develop the highly regarded and effective Apprenticeship scheme which secures for the Trust a supply of engaged staff and provides pay costs savings through skill mix.

Training and Development

Education is one part of our tripartite mission and as a major teaching organisation we are committed to providing high quality education, training and development opportunities for all staff in order that they are equipped to deliver the very best care for patients. We will work with the East of England LETB and our local Workforce Partnership Group to utilise CPD funding in the most effective way and to improve the quality of mandatory training by better utilisation of e-learning platforms.

A Board Development Programme will be implemented in 2014/15 building on the governance review undertaken by Deloittes in 2013/14. A team and leadership development programme will be developed and implemented to support the new Divisional leadership teams.

The priorities for education and development provision through CPD fund utilisation are agreed with Health Education England and reflect the CUH Quality Strategy. The focus is on development of multi professional staff bands 2 – 9 using both Health Education England and in-house expertise to support a learning environment and development of the student and existing workforce to:

- Maintain current services
- Develop new and expanding specialist services and roles
- Develop leadership capability
- Provide Trust blended learning programmes, with a particular focus on e learning in the areas: of acutely unwell patients; trauma; frail elderly and long term conditions.

Performance and Pay

There will be a continued focus on performance management, hardwiring a culture where expectations are known and understood by employees and effective feedback on performance given. Performance and behaviour standards have been developed for all Agenda for Change Staff and are now embedded in the appraisal process.

In 2014/15 we will start rolling out changes to pay progression which will mean that pay progression is predicated on the achievement of performance and behaviour standards and compliance with mandatory training and annual appraisal.

Employee engagement

In 2013/14 the Trust Board and Council of Governors mandated a programme of work to improve patient and staff engagement and further embed Trust values and behaviours through a range of listening events and interventions. This programme has been developed and roll out will commence in March/April 2014. It willl enable the Trust to respond to the Francis recommendations. This campaign involving staff, patients and the public will help us better understand what matters to patients and staff and what obstacles exist to staff providing kind, safe and excellent care programme and feeling engaged and involved. The outputs from this work will inform our staff engagement and patient experience strategy focus and be used to refresh the Trust behaviour standards.

Transforming Pathology Strategy

The Transforming Pathology Partnership (TPP) is a joint venture between six NHS Trusts in the East of England, (one of which is CUH). TPP has been awarded the contract to provide community pathology services across the TPP area. The joint venture has been instigated in response to a bid/NHS restructuring process being run across the East of England, which will see unsuccessful bidders lose all their community pathology work.

TPP will deliver a new service model for both acute (which it will deliver across all 6 partner Trusts) and community pathology services. TPP is seeking to transform pathology delivery to improve services. It is believed that TPP is the largest clinical transformation currently in progress within the NHS. TPP will have approximately 900 staff following transformation.

TPP is being set up as a contractual joint venture with CUH acting as the legal host for the joint venture, prior to TPP becoming a corporate entity. Each Trust will be a partner and customer of TPP. Go-Live date for the contractual joint venture is expected to be 1st May 2014.

Teaching and training

CUH is a teaching hospital for medical undergraduates and postgraduates, nurses and students in other clinical professions. Patient-centred teaching is one of our core activities and is central to or vision to be one of the best academic healthcare organisations in the world. We are the teaching hospital for the University of Cambridge through the School of Clinical Medicine and the Postgraduate Medical Centre which provide the infrastructure and support to facilitate the education, training and continuing development of postgraduate professionals in hospital medicine, general practice and dentistry.

Much of the clinical teaching occurs within the Trust with the consultants, junior staff, nurses and allied health professionals regularly involved in medical student teaching and assessment. The integration of academic research with full professional clinical training has been the hallmark of the Clinical School since its foundation.

The link between the hospital and the university creates an environment where good clinical practice, teaching and research flourish and can be translated into better care for our patients. This relationship also attracts doctors and academics from around the world to work in the hospital and the university.

The Third sector and Volunteering

The Trust recognises the value that the voluntary/third sector brings to many areas of our activities. Fostering these relationships, CUH engages with over 30 services, charities, enterprises and networks to provide support and improvement for our patients, our services and the wider community. Covering age, race, disability, gender, sexual orientation and religion, our links with partner organisations are wide-ranging and stretch from organisations such as the *Carer's Trust* to *Pets as Therapy* through to partnership working with *Women's Aid and Refuge* in conjunction with the Cambridgeshire Domestic abuse and sexual violence partnership.

We acknowledge both the social and economic benefits our links with voluntary sector organisations can bring from organising increasing awareness days for disabilities to easing the transition from a hospital setting to the community for vulnerable patients. Often with detailed knowledge of groups within our local community or demonstrating innovation in connecting and helping patients manage their diseases, they in turn, becoming a valued part of the patient's pathway.

More than 400 individuals volunteer regularly each week in patient facing roles across the Trust. The focus is on improving patient experience, through social interaction and practical (non-clinical) support. The impact of volunteering is widely felt and appreciated and our campaign to further raise the volunteer profile, especially to patients and visitors, will be launched this Spring. As we move into a new phase with the introduction of

ehospital, staff will be able to electronically request the specific, appropriate services of a volunteer in real time (8am until 8pm). In addition to our Trust managed volunteers, a further 14 voluntary organisations provide services onsite.

The Carers Trust has a Carers Support Officer based at the Trust.

Sustainability

The Trust has formally adopted its own Sustainable Development Management Plan entitled 'Taking Action for a Sustainable Future'. The Plan places a comprehensive response to the increasingly pressing threat of climate change at the centre of these actions. Building upon its award-winning sustainability and environmental programme (launched under the banner of *Think Green* in 2009) the Trust is:

- Understanding the impact the organisation has on the environment and local community. Bringing forward increasingly accurate metrics on energy and water consumption: ongoing programme of extending automatic meter reading and the Trust's campus-wide building energy management system alongside recycling rates and data on travel modes and points of departure.
- Implementing actions to cut our direct organisational carbon emissions by 40% by 2017 (adjusted for site growth from a 2007/08 baseline). This specific target is set within the broader aim, aligned with the Climate Change Act (2008), to reduce both direct and indirect emissions by 34% by 2020.
- Lighting, heat exchanger and air handling unit upgrades for greater efficiency; signing the contract for the provision of a new on-site Energy Innovation Centre to be online in 2016 (highly efficient energy from waste, combined heat and power and the use of waste wood biomass); increasing recycling rates; implementing staff behaviour change programmes, and; improving sustainable travel infrastructure.
- Taking actions for a sustainable future that tailor the sustainability principles of reduce, re-use, repair, replace and recycle to fit the Trust's energy, waste, water and transport requirements in delivering kind, safe and excellent healthcare.
- Focusing input across the Trust's 14 work streams with in its *Transforming Care for the Future* programme – integrating environmental sustainability improvement plans within distinct initiatives around care and productivity. We are currently drawing up evidence-based recommendations for our Green Theatres Project. This focus on existing transformation work streams provides an open door for the improvements that environmental sustainability can deliver – particularly around Scope 3 emissions which can be problematic.

Risks to short term stability and resilience

The Board of Directors has reviewed the latest Board Assurance Framework, used as a context for board agenda items, highlighting the main changes and movements in the Trust's strategic risks. Key risks identified by the Board include insufficient capacity and lack of capital. Further details are set out in the Appendix.

C. Quality plans

The Trust Board agreed a 5 year Quality Strategy in 2013 which aims to ensure every patient receives the safest, highest quality care personalised to their needs.

The focus is on ensuring that our patients have the best clinical outcomes, delivered with compassion in a safe environment, resulting in the best possible experience. The Quality Strategy outlines the approach everyone in our hospital will take to improve quality between now and 2018. It builds on our strengths and complements our governance, risk and safety infrastructure, but also addresses those areas where we know we could improve. It outlines our priorities, and sets out what success will look like in 2018, together with the framework for delivery and the methodology for measuring our progress. The key priorities set out in the strategy are:

- Improving the experience of our patients – **person-centred care**
- Improving staff experience – **staff as partners**
- Improving safety and eliminating avoidable harm – **harm-free care**
- Improving the reliability of care – **delay-free care**
- Providing clinically **effective care**

Each priority has a work programme which sets out its structure, processes and outcomes; and a key part of the strategy will be the establishment of a quality and safety academic unit at CUH.

Our emphasis will be on improving our structures and systems so that they support safe practice and enable improvements in individual and team effectiveness, leading to the best outcomes. Removing inefficiency from our processes, particularly with the implementation of eHospital will improve quality for our patients and staff.

Our quality strategy aims to ensure CUH will meet the requirements of the new CQC standards being implemented from 2014, whilst maintaining an ability to respond to future requirements such as those of the National Institute for Health and Care Excellence (NICE) or of the Commissioning Outcomes Framework. We will however maintain flexibility so that we can take account of the findings and recommendations of future reviews and regulatory requirements.

The aim of our strategy is to ensure that the Trust is in the upper decile nationally for all key performance indicators used by our regulators. Going beyond that, we will enhance our own programme for setting standards and measure our performance using global comparators. By 2018 we will have submitted CUH for an external assessment through, for example, Joint Commissioning International (JCI) or an equivalent detailed assessment programme. We will work to gain membership of Dr Foster global comparators, seeking to benchmark our performance against other leading medical institutions and looking beyond national boundaries to international standards of leading clinical practice.

What will Success look like in 2018?

Person Centred

Every patient is treated as a person, not a number, with dignity and respect, and is fully involved in their treatment and care. “No decision about me without me.”

Staff as Partners

A fully engaged, skilled, trained and competent workforce delivering care of the highest quality. An organisation that is well-led at all levels.

Harm Free

Patients will suffer no avoidable harm.

Delay Free

Care delivered on time and to time cost efficiently, meeting or exceeding all national standards in relation to providing timely care.

Clinically Effective

Care that achieves the best outcome possible for each patient and which is delivered using the latest evidence based techniques.

How will we measure success?

Some aspects of our success will be qualitative, whilst others will have quantitative measures. Both are important in assessing the progress we are making and to know whether the strategy has been successfully implemented and delivering what we intended. A simple test of whether we have improved quality will be whether the right thing to do, is always the easiest thing to do.

We will measure progress against:

- **Each of the five priorities** identified above, and **quality indicators** within these domains

- **National quality indicators** as mandated by regulators and NHS England
- **National standards and targets**, for example on waiting times under delay-free care
- **CQUINs** (Commissioning for Quality and Innovation) agreed with Commissioners (increasingly we will seek for these to be aligned as closely as possible to our overarching quality priorities)
- **Accreditation –** achievement of JCI or equivalent
- **Establishment of an academic quality and safety unit**

Delivery framework

The successful implementation of this strategy will depend on quality priorities and objectives being genuinely owned by individuals and teams at a local level. The first step in delivering our quality priorities will be developing the systems, structures and the processes to support them. We intend to move from quality being dispersed across many portfolios, to accountability being with the Medical Director and the Chief Nurse, but with the delivery of quality being devolved to individual divisions, specialties, services and teams, with a small central support and monitoring team.

In addition, the trust's overall culture must be one in which every member of staff understands their personal role and responsibility in delivering the highest standards of quality and work within their team(s) to ensure this goal is achieved for every single patient. To do this, the Board and senior teams will ensure that everybody's personal objectives are aligned with the priorities in this strategy and in our quality account. We will need to learn and embed new approaches to quality improvement, enabling every member of staff to develop their expertise in quality.

The five priority areas will be delivered using a systematic approach to quality improvement that aims to develop in CUH the attributes of a High Reliability Organisation (HRO). At the core of high reliability organisations (HROs) are five key concepts, which are essential for any improvement initiative to succeed:

- **Sensitivity to operations.** Preserving constant awareness by leaders and staff of the state of the systems and processes that affect patient care. This awareness is key to noting risks and preventing them.
- **Reluctance to simplify interpretations**. Simple processes are good, but simplistic explanations for why things work or fail are risky. Avoiding overly simplistic explanations of failure (unqualified staff, inadequate training, communication failure, etc.) is essential in order to understand the true reasons patients are placed at risk.
- **Preoccupation with failure.** When near-misses occur, these are viewed as evidence of systems that should be improved to reduce potential harm to patients. Rather than viewing near-misses as proof that the system has effective safeguards, they are viewed as symptomatic of areas in need of more attention.
- **Deference to expertise.** If leaders and supervisors are not willing to listen and respond to the insights of staff who know how processes really work and the risks patients really face, regardless of grade and not to be confused with hierarchy, we will not have a culture in which high reliability is possible.
- **Resilience.** Leaders and staff need to be trained and prepared to know how to respond when system failures do occur.

Specifically, this will include developing over the next 5 years:

- **A safety and quality management system (SQMS)** the key features of which are a safety and quality policy that includes a requirement for a senior management committed to quality, an organisational manual with operational standards and trained and competent personnel
- **Safety risk management**, that includes a safety reporting system and a just and equitable culture
- **A compliance and performance monitoring system**
- **A trust-wide staff framework** providing a systematic approach to training, development and

engaging staff in the delivery of high quality services.

We recognise that we need to maintain flexibility over the coming years to enable us to remain responsive to external issues, events and emerging regulatory requirements. Through our Quality Account we will conduct an annual stock take of the previous year's priorities, review progress, and then set key priorities for the following year. Each year we will work with our Commissioners to agree meaningful and stretching CQUIN (Commissioning Quality and Innovation) measures that support our quality priorities.

Existing Quality Concerns

Currently no quality concerns have been raised by the CQC. The CQC's recently introduced Intelligent Quality Monitoring report placed the trust in the lowest risk banding.

Key quality risks / Risks to delivery

Key quality risks are set out in the Appendix

Board Assurance

During 2013 the Trust developed an Integrated Quality, Performance and Finance report which is reviewed in detail by relevant board sub- committees and reviewed by the Board on a monthly basis. The metrics in this report mirror those in the Trust's Quality Strategy and Quality Account and include the latest quality monitoring information from the CQC and the CCG.

Workforce implications

For the first time, objectives (corporate and individual) will be clearly linked to the Quality Strategy. A new objective setting template has been agreed and will be implemented from April 2014. This will ensure that all objectives are aligned to delivering the aims of the Quality Strategy.

Response to the Francis, Berwick and Keogh reports

The Trust has reviewed the Francis report and the subsequent Berwick review into patient safety. The Francis report into the failings at Mid Staffordshire Trust identified five themes. The need for:

- New fundamental standards of compliance with clear means of enforcement
- Greater openness, transparency and candour
- Improved support for compassionate, caring and committed Nursing
- Accurate, useful and relevant information
- Better healthcare leadership

Broadly-based organisational development work is underway across the Trust on improving patient experience and staff engagement through developing a positive, open, professional culture that puts patients' needs first. Our focus is on:

- Honest transparent information
- Prompt action around complaints
- Staff attitudes and behaviours.
- Authentic patient and public engagement

To address these key areas, we have taken forward a programme known as 'Always Kind Safe and Excellent' with a particular emphasis on 'person-centred care' and 'staff as partners'.

An initial analysis exercise will seek to understand what makes most difference to patient experience and to staff experience at CUH. A Trust wide exercise to gather views from as many staff as possible, together with a series of facilitated 'listening' events with patients and staff took place between December 2013 and March 2014.

The outcome of the survey work and the listening events analysis will be the development of an aligned staff engagement/patient experience strategy to drive CUH to become an even more values-led organisation in order to embed a culture of transparency, trust and quality service delivery.

In addition there are complimentary programmes of work underway led by the Organisational Development Directorate which will support the delivery of the Francis recommendations on leadership, staff training and development and value based recruitment.

The Trust has reviewed the findings of the Keogh report and awaits further national guidance.

Contingency

The Quality Strategy sets out a sensible and measured approach to improving Quality at CUH. There are no formal contingency arrangements detailed in it, however each workstream has an individual workplan that can be flexed should any operational difficulties arise with its implementation.

D. Productivity, efficiency and CIPs

Context

Institute for Fiscal Studies (IFS) Green Budget: Feb 2014

http://www.ifs.org.uk/budgets/gb2014/gb2014.pdf

The IFS notes that 'The spending squeeze will be exacerbated by the £6 billion a year of additional commitments made by the government for the years after 2015–16. In addition, a growing and ageing population will increase pressures. The ONS projects that the overall population will grow by about 3.5 million between 2010 and 2018, with the population aged 65 and over growing by 2.0 million. One implication of this is that, even if NHS spending were 'protected' and frozen in real terms between 2010–11 and 2018–19, real age-adjusted per capita spending on the NHS would be 9.1% lower in 2018–19 than in 2010–11'.

A decade of austerity: Dec 2012

http://www.nuffieldtrust.org.uk/sites/files/nuffield/121203_a_decade_of_austerity_full_report_1.pdf

The Nuffield Trust has shown that because of population growth, ageing and cost increases, by 2020-21 the NHS will require some £30bn (25%) more than it is getting now just to maintain services at their present level.

Background

The Trust has traditionally met its break-even financial obligations albeit at times on a non-recurrent basis. As part of the 2013/14 Turnaround Programme implementation, the Trust has made significant progress in its planning, governance and assurance arrangements for the CIP Programme with weekly meetings of the Trust Transformation Board to review ongoing progress against key milestones for delivery. The total value of the Trust's CIP Plans for 2013/14 was £28.8m and the Trust is well on track to deliver this by April 2014.

The financial plan for 2014/15 is for a £10m deficit including eHospital, with an underlying £4m operational surplus, similar to the plan in 2013/14. Whilst there is a balanced plan, this is a high level of risk and further assurance is required to ensure delivery. The total CIP requirement for the Trust's Transformation Programme (formerly Turnaround Programme) for 2014/15 is £23.1m and £34.5m for 2015/16. Divisional CIPs are £4.5m and £5.4m respectively.

At present, £14.64m of risk-assured (green RAG rated) schemes have been planned by the Transformation work streams. There are a further £4.10m of amber RAG rated schemes and £6.45m of red RAG rated schemes. Actions / decisions relevant to the red RAG rated schemes have been identified.

A further £2.21m of non-recurrent schemes have been identified. These, and the Divisional CIPs will not form part of the transformation programme.

Senior clinical and operational management continue to be committed to the implementation of the transformation plans through the new Clinical Divisional structure.

The Trust's Transformation Programme comprises 12 work streams to deliver a range of service and cost improvements (CIPs) which will then be embedded as part of normal business. eHospital is also part of our overall transformation agenda. eHospital benefits are included within workstreams in 2014/15, but for planning purposes are shown separately in 2015/16 pending further analysis and assigning to workstreams. To date, this assumes savings in line with the original eHospital business case and is subject to further testing.

eHospital benefits in 2014/15 form part of the overall transformation programme and will not be routinely

reported separately.

Our Transformation work streams are:

- Capacity Release
- Pathway Redesign
- Outpatients
- Drugs
- Workforce Redesign
- Contractual Management
- Financial Governance
- Estates
- Procurement
- Portfolio Strategy
- Theatres
- Utilisation of Investigative Services

The Transformation workstreams are targeted to achieve savings plans of £26.1m. At present, £14.64m of risk-assured (green RAG rated) schemes have been planned by the Transformation work streams. There are a further £4.30m of amber RAG rated schemes and £7.15m of red RAG rated schemes. Actions / decisions relevant to reducing red RAG rated schemes have been identified.

The Transformation Strategy sets out the 5 key aims which form the basis of the Transformation plans for 2014/15 onwards:

- To drive the delivery of transforming hospital services to ensure the every patient consistently receives the safest, highest quality care, personalised to their needs and has the best clinical outcomes, delivered with compassion in a safe environment, resulting in the best possible experience.
- To lead the organisation through transformation, embedding the philosophy and implementation of 'continuous quality improvement' and develop Divisions, Departments and staff to have the capacity, capability and expert support where necessary, to implement and maintain quality and continuous improvement methodologies, systems, processes and procedures
- To ensure consistent organisational challenges form the primary focus of the transformation of services
- To ensure Transformation delivers financial sustainability through Trust-wide focus on safety, efficiency, productivity, patient experience and service excellence,
- To ensure that, as part of transformation and continual quality improvement in a devolved structure, there are effective structures, systems and processes to support the development of, and optimisation of, opportunities arising from, innovation and providing relevant support to staff in achieving these opportunities.

Quality leads Transformation and the Transformation Strategy is purposefully aligned to the Trust's Quality Strategy 2013-2018, *Patients First and Always*. Each of the Quality Strategy key priorities are linked with the Transformation Programme and with the Quality Strategy's aim of making services safe and viable for the long-term together with a Trust-wide focus on safety, efficiency, productivity, patient experience and service excellence in a way which ensures financial sustainability.

The Trust now requires truly transformational schemes to form the basis of its 2014/15 plans onwards and the effect of this is evident in the plans for 2014/15 (see Appendix). Additional work streams to review contractual management and financial governance have been added to the Transformation programme for 2014/15 to deliver what might remain of cost reduction schemes whilst the transformational schemes are developing and gaining traction.

Divisional CIPs

In addition to centrally managed CIP workstreams, an element of recurrent CIP is achieved through specific divisional plans. Whilst managed by individual divisions, they are subject to the same process regarding governance, quality impact assessments and monthly monitoring as those in the transformation programme.

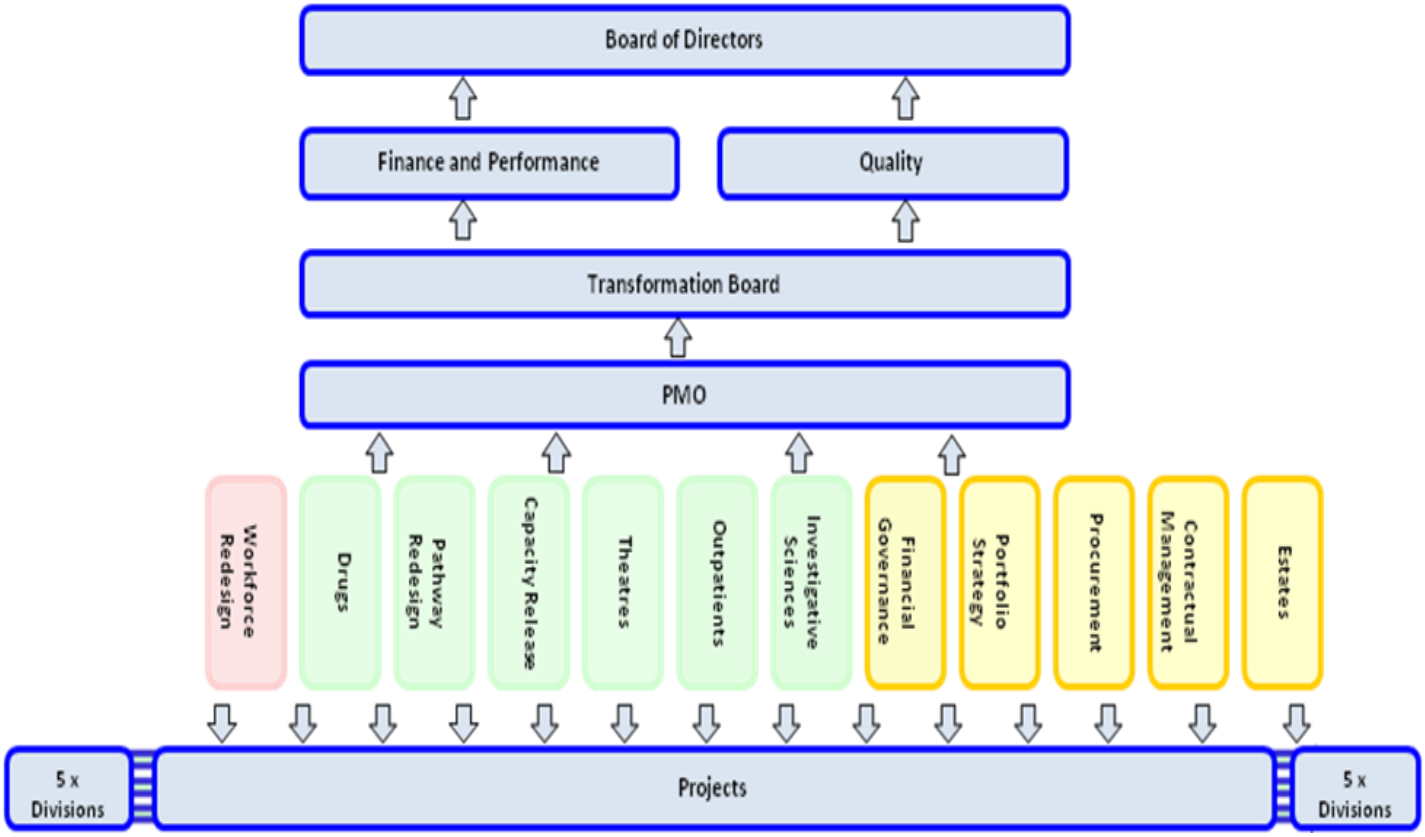
CIP Governance

The Programme Management Office (PMO) is now headed by a substantive Transformation Director. .As in 2013/14, the Programme Management office (PMO) rigour and discipline is being maintained for the Transformation Programme. This will ensure that the Transformation programme is kept on track and also offers specialist support in change management and business analysis together with support in development of a pipeline of new schemes.

The weekly Turnaround (now Transformation) Board is firmly established as an integral part of the Trust's working week and chaired by the Chief Operating Officer. Attendance is excellent and the meeting has benefitted from the active engagement of the Divisional Directors and Associate Directors of Operations, as well as Heads of Directorates and Executive Directors. For 2014/15, each workstream will have a Divisional Lead.

The board meeting is used as a forum for peer group challenge, for communicating key interdependencies and for monitoring developments both in terms of finalising plans and assessing progress. The engagement of the Trust Chief Executive continues to progress any remaining blockages or barriers within the organisation.

The diagram below outlines the structure adopted within the Trust and shows the channels of reporting and approval.



Transformation enablers

Senior clinicians are leading on transformation programmes and have been actively involved in developing and delivering CIPs with each clinical transformation workstream having a Clinical Lead.

Quality Impact of Transformation / CIP projects

As part of the approach to identifying and implementing its Transformation (CIP) Programme, the Trust assesses the risk of the changes being proposed. This is achieved through formal risk assessment using the

Trust's agreed risk assessment methodology by individual divisions and directors, taking into account risks linked to quality, performance, safety, experience, regulatory and compliance.

This approach ensures that risks are identified in advance of any CIP being implemented so that there should be full awareness of the risks arising from the actions being proposed.

The Trust has recognised that any CIP does bring with it some risk and therefore risks identified as low or moderate can be accepted. However CIP's should not be implemented where the risk is identified in advance as high.

Once risk assessments are completed they go through a moderation process, are shared across corporate services and divisions and are ultimately signed off at Executive Director level before any CIPs are implemented. No CIPs are implemented where a moderated risk assessment remains high without mitigation plans.

Quality Impact Assessments for each workstream are continually updated and reviewed by the workstream Steering Board and risks and issues are updated by the PMO on a monthly basis and reported to the Board via the Finance and Performance Committee.

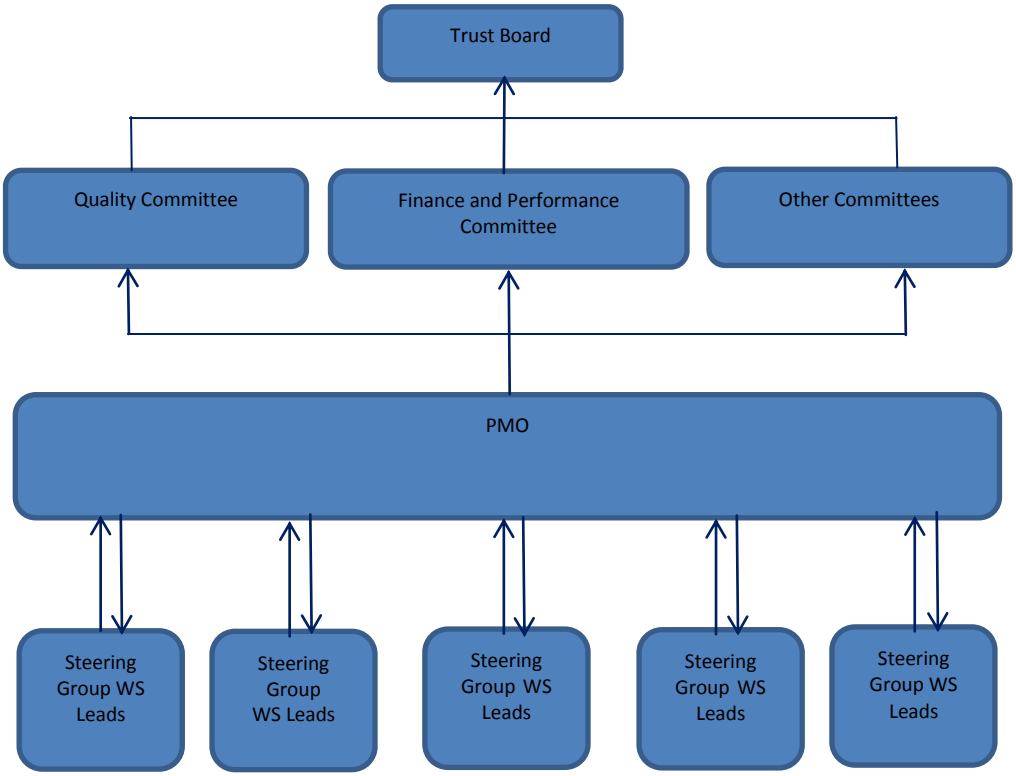
Quality Impact Assessments for the stretch plans of each workstream are being reviewed by each workstream Steering Board.

Notwithstanding this, the Medical Director and Chief Nurse are to review the amber and red RAG rated risks of each workstream on the 3rd April 2014 before these elements on the schemes can be approved and the plans go forward.

The Trust's Transformation Programme Risk Agreement and Escalation Process is as follows (and shown in the diagram below):

1. Workstream Steering Group:
    - Formally approve Quality Impact Assessment
    - Identify and score Risks, Issues and Quality Impact
    - Monitor areas and review fortnightly
    - Discuss and agree level of risk, issues and mitigations
2. PMO:
    - Review risk and issues at high amber and red status across all projects and Workstreams
    - Review Quality Impact areas of concern
    - Raise areas of concern to relevant committees
    - Guidance
3. Committees:
    - Review Quality Impact areas of concern quarterly
    - Agree mitigation where appropriate
    - Raise Quality Impact areas of concern to Trust Board
    - Add to Board Assurance Framework (BAF) where appropriate
4. Workstreams Leads have the responsibility to ensure the Risk, Issues and QIA logs are maintained and kept up to date.
5. All high amber and red RAG rated Risks logged in the Trust Board risk register.
6. Before being presented to the Committees, Risks, Issues and QIAs to be presented to the Trust Transformation Board.

Transformation Programme Risk Agreement and Escalation Process



E. Financial plan

Summary

The Trust's overall financial objective remains to achieve a sustainable financial future. In 2013/14 it is expected that the Trust will achieve its financial performance as a result of the Transformation Programme and significant increases in productivity. The Trust will have achieved a positive recurrent run-rate in-year, with an anticipated £4.6m underlying financial surplus position.

The Trust's eHospital programme has incurred significant up-front implementation costs in 2013/14, which continue for 7 months into 2014/15. With the project going live in October 2014, efficiencies will begin to flow from the investment through the final 6 months of the year. As in 2013/14, the Annual Plan has been prepared on the basis of including the costs and benefits of eHospital, with monitoring of the Trust's ongoing financial performance both including and excluding the impact of eHospital. This is to ensure that the underlying financial performance of the Trust is not masked by the impact of eHospital. The analysis and commentary in the appendix therefore describes the Trust's financial plan including eHospital, but also includes further analysis and commentary to ensure that the Trust's underlying financial position is clear.