Operational Plan Document for 2014-16

Heart of England NHS Foundation Trust

Operational Plan Guidance – Annual Plan Review 2014-15

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

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

Annual plan review 2014/15 guidance is available here.

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

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

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

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

The expected delivery timetable is as follows:

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

1.1Operational 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)*	Philip Hunt

Signature

Approved on behalf of the Board of Directors by:

Name *(Chief Executive)*	Mark Newbold

Signature

Approved on behalf of the Board of Directors by:

Name *(Acting Finance Director)*	Aidan Quinn

Signature

1.2Executive Summary

Over the last year the Trust has updated its strategy (the Corporate Strategy) to make sure it is relevant to the future needs of the NHS. This five year strategy has concentrated on the acute models of care and developing out of hospital services. It runs alongside other work streams that have been included in the Reshaping HEFT Programme that has been running for several years. The Corporate Strategy recognises that radical transformation is needed in order to deliver a clinically and financially sustainable organisation. There are five key themes to the Corporate Strategy;

1. Transforming Acute Care,
2. Investing in Out of Hospital Services,
3. Becoming recognised as providing outstanding services,
4. Developing a more distinct identity for our hospitals, and
5. Creating a truly patient centred culture.

These plans will ultimately deliver a significant reduction in the acute footprint based on a short-stay model of care, a reconfigured surgical service, an integrated health and social system in Solihull and an “outstanding” CQC rating. By improving the way services are delivered, acute capacity will be reduced and efficiencies will be achieved leading to cost reductions to support the Trust’s financial security. The operational managers have already put plans in place to start this transformation programme.

Against this backdrop, the Trust also has plans to address some key aspects of quality and safety of care that have been highlighted in the year, namely by the CQC visit in November 2013, the Kennedy Review in December 2013 and the patient flow issues identified as part of the Monitor undertaking in January 2014.

The financial plan is to deliver a small surplus each year, which reflects a combination of small income growth and a challenging efficiency programme. The Trust will continue to invest in a significant capital programme to support the Corporate Strategy. The Trust will maintain a COSR rating of at least a 3 across the plan period

1.3 Operational Plan

A The short term challenge

The updated Corporate Strategy has examined both the short term and the long term challenges the Trust faces in the increasingly tight financial regime alongside an increasingly demanding agenda relating to quality and safety.

The Trust's purpose, as defined in its mission, is to provide high quality healthcare to its local communities. We are proud to be rooted in these communities. It is the patients and their communities who matter to the Trust above all else and it is to them that the Trust should always look when thinking about the future.

The Trust has come a long way over the last 15 years. It has grown into one of the largest NHS Foundation Trusts in England and today provides services to over one million people who live within 20 minutes of our hospitals. Each year it provides over three quarters of a million outpatient appointments, over a quarter of million people use the Accident and Emergency services and it helps deliver over 11,000 new-borns. Although the hospitals will always be at the heart of what the Trust does, the next phase in its evolution we will see it become more of an integrated healthcare provider.

In the future, some of the care currently provided in hospital will transfer to more appropriate locations in the community and in people's own homes. The hospitals will develop a stronger sense of identity as they specialise in different areas.

The Trust is aiming for greater separation of planned and emergency services to improve the care and experience provided for our patients. Finally, there will also be continued investment in specialised services so people can continue to access to high quality and leading edge care within a short distance of where they live. When developing its models and pathways the Trust has taken into account the key statistics below;

- In the next 10 years the number of people aged over 90 in our local population will increase by 65% (at any one time two thirds of our patients are over 65).
- The NHS spends about 70% of its money caring for people with long term conditions`, currently 15m people in England have LTC many have co-morbities,
- The Trust's population is becoming older and sicker with many of its patients having long-term conditions with co-morbidities. Often the hospital is used inappropriately as a safe haven for these patients if they deteriorate, and discharging them back home or into step down care can be a complicated and lengthy process.
- The bed occupancy rate in the hospitals frequently exceeds 100%
- 30% of our admissions could be treated at an alternative care location, including two thirds who could be treated at home. 63% of people think moving services from hospital to community will improve them.

Taken together the challenges represent a formidable test for the Trust and it is accepted that 'Do nothing' is not a realistic option nor is an assumption that there will be more money to solve the problem.

The Trust has started a journey of bold and radical thinking where a variety of alternative options of how it delivers care in the future are being considered.

One issue which underpins virtually everything else is the physical capacity to cope with the demands facing the Trust. For many years now the Trust has been facing an almost continuous challenge of a shortage of beds. This has reached crisis point and impacts on virtually everything the Trust strives to achieve. The solution to this cannot be to simply keep opening more and more acute beds. At the front door we know many patients could be treated elsewhere and avoid being admitted and at the back door many patients experience delays before they are able to leave hospital

The solution to this crisis therefore lies partly outside of the hospitals but there is still more that can be done to improve the efficiency of internal processes. The Trust's strategy, therefore, is about transforming this situation. This will require four key things:

- investment in out of hospital services
- a shift in resources towards (first 48 hours) acute services
- a clearer identity for the hospitals and
- a change in working culture in when patients are admitted and where and how they are looked after them while they are in the Trust's care.

All of these changes will mean that there is a reduction in the average length of stay. This, coupled with initiatives to use alternative packages of care towards the end of a hospital stay will mean there is a lower requirement for in-hospital capacity.

Better Care Fund

Work undertaken through the development of the Better Care Fund Plan for Birmingham has resulted in a shared commitment to develop a viable health and social care system which more appropriately responds to the needs of individuals who are vulnerable.

The programme focuses upon an aspiration to maximise the opportunities for providing quality care including mental health in a variety of community based settings, with a focus on preventative and proactive care, only admitting to a hospital bed when it is the right thing to do so. This means avoiding non-qualified admissions and discharging people from acute care at the optimum time into more appropriate alternatives.

There is a system wide piece of work to model the implications of this shift using a 7 day maximum length of stay for an unplanned spell within a typical acute district general hospital setting. This along with information about the type of services required enables an informed assessment of the type and volume of community alternatives needed.

The Trust is a member organisation within the Birmingham Integration partnership board and therefore influential in developing the delivery plans. As an organisation it is supportive of these plans and they are in line with the Trust strategy. However the Trust is clear that it continues to have a duty to respond to the needs of the patients and these plans reflect this mitigation.

However the Trust has agreed to a system wide operational risk management approach via Birmingham Integration partnership and Chief Executives Forum to inform decision making.

The Trust is also working with the Solihull CCG who are developing their own BCF proposal.

B Quality plans

The NHS is moving from measuring waiting times to measuring quality and this means care is now subject to closer scrutiny. Outcomes of care the patient experience and of safety record are becoming commonplace in measuring the quality of a hospital. Such measures include;

- new hospital inspection regime to assess quality of provision and publish results
- increasing use of clinical standards to measure services and highlight variation in outcomes
- much more focus on safety, patient experience and outcomes
- need to ensure provision of routine services seven days a week

As well as these NHS wide patient quality issues there are some specific issues at the Trust that must be part of future quality plans;

CQC

The Trust volunteered to be one of the 18 first wave Trusts to be inspected under the new style CQC chief inspector of hospitals inspections and was visited in November 2013 with the report published in January 2014. This involved announced visits to all sites over three weeks, followed up with some unannounced visits and a number of meetings with staff focus groups, patients and carers, external stakeholders and public consultation events. The Trust was assessed against the five key domains (Safe, Effective, Caring, Responsive, and Well-led) The outcomes included in the final reports were;

- Warning Notice (Regulation 10) - Good Hope hospital;
- Compliance actions - (Regulation 9) - Heartlands and Good Hope hospitals;
- Compliance actions – (Outcome 23) - Heartlands, Solihull and Good Hope hospitals;
- Compliance actions – (Outcome 22) – Heartlands hospital.

The Trust has provided four action plans to the CQC and to Monitor in response each of the sets of compliance actions raised in the reports. These action plans will be monitored by the Executive Management Team throughout 2014/15. There was a follow up visit from the CQC in February 2014 in relation to the Warning Notice and the Trust is awaiting the final report on this visit.

The Trust participated in a special review by the CQC relating to a 'review of services for looked after children and safeguarding in Solihull'. This final report is yet to be published; the Trust intends to take any relevant action identified by the CQC.

Friends and Family Test

The Friends and Family test (FFT) is being routinely monitored by the Trust and is reported monthly to

Finance and Performance Committee and quarterly to Patient Experience Committee and Nursing Committee. These reports often give an early warning indication of where there is a problem arising so the areas where scores reduce or buck a trend are followed up so corrective action can be taken.

As part of the contract the Trust has to extend this to other areas of patients from 2014/15 and a plan is in place to achieve the targeted levels.

Kennedy Review

In early 2013 the Trust commissioned an independent report on the internal issues associated with the Mr Ian Patterson case which was conducted by Professor Sir Ian Kennedy with a report being issued in December 2013. The report covered the period on Mr Ian Patterson's employment at the Trust from 1998 to 2011. The Board reviewed the findings of the report and has set up a task force chaired by the Chair of the Trust. This taskforce has been divided into ten work streams, each with an executive or a non-executive lead to deliver particular outcomes which will improve the quality of patient experience as well as internal reporting and governance. The work streams are;

i. Review of the Trust whistle blowing policy
ii. Further development of a patient centred approach in the Trust
iii. Review of the terms of reference of Quality and Risk Committee
iv. Improving the consent process
v. Reviewing the flow of information to Trust Board
vi. Improving patient information and the patient environment
vii. Review of the Trust disciplinary a process
viii. Development of a clinical leader support and development programme
ix. Implementation of 'values based' consultant recruitment
x. Development of a protocol for patient recall.

Quality Account

The Trust's Quality Report in 2013/14 will report that the Trust has chosen to continue to monitor its seven identified quality outcomes;

- Fundamentals of Care
- Falls
- Pressure Ulcers
- Fractured Neck of Femur
- Improving Clinical Outcomes for Stroke
- Improving Discharge Arrangements

An example of the innovative ways in which the Trust is improving patient care and quality is the Cedar wood programme. As part of the Collaborative Care Programme (CCP), Good Hope hospital has been working with a local provider, Midland Heart to provide a care facility on the hospital site that acts as a stepping stone for patients who are ready to be discharged but are not ready to return home. The service consists of 29 private, modern and comfortable bedrooms, a garden, a communal area and restaurant, so

bringing together independent living with support services. It enables older patients to re-familiarize itself with essential personal skills required to help them live independently, reducing the chances of readmission to hospital once discharged. The current facilities have run since November 2013 and once the effectiveness of the service has been assessed, there are plans to further extend this service.

Patient Flow

In response to the Monitor undertaking relating to the A&E 4 hour wait target the Trust has invested in a Director of Emergency Pathway Transformation with the remit to improve the internal processes and work with partner agencies to ensure patients are treated and discharged in a timely manner. Learning from the success of other Trusts, the transformation programme begun with a "Breaking the Cycle" week in December 2013 and January 2014 and has been followed up with a "Breaking Barriers for Patients" week in March 2014. Such initiatives will continue into the 2014/15 year with a view to enabling the Trust to consistently hit the A&E target.

National and Local Commissioning Priorities

As part of the agreement of the 2014/15 contract the Trust has three CQUINS that are nationally mandated and six that are locally agreed. The locally agreed items are;

- Safeguarding – learning and feedback from safeguarding issues, increase in Common Assessment Frameworks undertaken by the Trust
- Cancer Survivorship – supporting patients after a cancer diagnosis to improve their health outcomes and improving communication with GPs
- Leadership for Harm Free Care – Safety Metrics on Wards and Board engagement in Safety Walkabouts
- Deteriorating patient - Improving outcomes for patients
- Maternity – supporting normal deliveries
- Elimination – promoting good practice in urinary incontinence and prescribing of laxatives

Performance against these standards is monitored by the Finance Department and where there is non-compliance or where there is a trajectory not being met this will be brought to the attention of the directorate manager for rectification plans. Any remaining issues are reported to the monthly Finance and Performance Committee and Trust Board.

Board Assurance

All of the above supports the Trust having "Safe and Caring" as a strategic priority and underpins the Corporate Strategy theme of "becoming recognised as providing outstanding services". The Trust's Board Assurance Framework sets out a structure to facilitate the escalation of risk and issues associated with the delivery of safe and quality services. Strategic risks to the delivery of services and mitigation plans are reported quarterly to our Executive Management Board and our Trust Board.

Assurance is derived from a number of sources. Patient experience and nursing metrics are regularly reviewed by committees in our Trust and the Clinical Quality Performance Group reviews the quality dashboard monthly.

In addition, the head of internal audit provides an overall opinion of the arrangements for gaining assurance through the Board Assurance Framework and on the controls reviewed as part of the internal audit work. The following sources of information are regularly reported through our Trust committees:

- Monitor quarterly reporting;
- CQC essential standards of quality and safety;
- Health and Safety Executive;
- NHSLA;
- Patient experience metrics;
- Nursing metrics;
- Dr Foster information;
- Staff surveys;
- Internal audit;
- External audit;
- Peer reviews.

Each level of management, including Trust Board, reviews the risks and controls for which it is responsible. This is monitored through a reporting structure, to support our risk management strategy and Board Assurance Framework.

Also the annual Quality Report, which provides a report to the public on the quality of the services we provide, is independently reviewed by our key stakeholders, including the commissioners as well as external auditors.

The Trust ensures that all relevant stakeholders, including staff are kept informed of, and where appropriate, consulted on the management of risks faced by the organisation. We engage our stakeholders through the following forum:

- Governors consultative Council
- Consultative Health Council
- Patient and public involvement forums
- Overview and scrutiny committees
- Patient surveys
- Patient focus groups
- Staff survey
- Foundation Trust membership
- Commissioners

These groups are regularly consulted to obtain assurance relating to the quality and safety of the services that the Trust provides.

C Operational requirements and capacity

The Trust uses several methods to assess the operational requirements and capacity for the hospitals;

i. Traditional budget setting programmes including reviewing bed and theatre models alongside rostering and work planning systems to determine the resources required to keep the hospitals running.

ii. Winter planning to determine the additional capacity required over the winter period which may involve buying in additional resources from other providers.

iii. CIP planning to determine where efficiencies can be realised.

iv. Reshaping HEFT which has been reviewing alternative patient pathways and adopting accepted best practice in areas such as stroke.

v. Corporate Strategy which is driving the more transformational initiatives including transforming acute care, investing in out of hospital services, becoming recognised as providing outstanding services, developing a more distinct identity for our hospitals and creating a truly patient centred culture.

Traditional budget setting

The LDP proposal confirms that there is financial pressure on the local CCGs. Whilst there is population growth and an increasing demand on services as well as inflation expectations the expected growth in income is 0.5% per year. To achieve a surplus it means there is a requirement for efficiency savings of £24m for each of the 2 years of the plan period. These are covered in section D below.

Winter planning

The Trust has set aside £2.5m for winter 2014/15 and this will be used to staff winter flexed capacity within the hospitals as well as purchasing additional out of hospital capacity. The out of hospital capacity such as recovery at home (Healthcare at Home), virtual community wards, community step down wards and Cedar wood wards (Midland Heart) were all used in winter 2013/14 and an assessment will be performed on the relative effectiveness of each schemes to determine that funding allocation to each of those areas.

Reshaping HEFT

The reshaping HEFT programme has been running for over 12 months and was set up to develop improved patient pathways. The schemes that will continue into 2014/15 and 2015/16 are;

(a) Surgery reconfiguration

This project was set up to review how surgical services are delivered across the Trust and whether there are any alternative options to improve these pathways. This project is progressing gradually because there are a large number of influential stakeholders to engage with, but the following case for change for Surgery has now been agreed and widely shared:

- The strategic objectives of improved quality, sustainability and financial delivery
- The challenges of meeting the emergency surgery standards and sub-specialisation college requirements
- The challenge of the sustainability of junior doctor cover across for surgery delivered across multiple sites
- The potential benefits of creation of an elective care centre with "protected" surgical beds i.e.
    - Reduction in cancellations – internal as well as significant patient benefits
    - Better able to achieve 18 week and cancer targets
    - Operational efficiencies
    - Creates centres of surgical excellence and capacity for expansion
- The need to resolve emergency surgery issues at Heartlands
- The general view amongst the surgical community is that the status quo is no longer an option, that it is not sustainable for the future and that a burning platform for change has been reached

The Executive Management Board has agreed to work up two options in more detail. In both options all outpatient and diagnostic activity remains locally provided with agreement on the location of some speciality services. A detailed business case will be presented to the EMB with the aim of using the key strengths of each site to best meet the needs of the population served by the Trust, now and in the future. There will also be a focus on quick wins.

(b)HEFT @ Home

The HEFT at Home project is progressing well and was implemented in 2013/14. For 2014/15 and beyond the Trust will assess the impact of the schemes (Supported Integrated Discharge at Heartlands, Recover at Home and Midland Heart at Good Hope) to determine the level of services used by these providers.

(c)Stroke services

The Hyper Acute Stroke Unit (HASU) has been relocated on the Heartlands site and a training programme has been in place for nurses to support the stroke pathway. In the 2014/15 year agreement will need to be sought from commissioners over the intentions for Burton and Walsall hospitals acute stroke care, because plans to remove these services will have an impact on Good Hope and therefore the overall Trust plans.

(d)Seven day working

A leading A&E Consultant continues to work with directorates on their 7 day working plans. A national survey on seven day services has been published (October) and HEFT was shown as having good cover by many acute specialties at weekends.

(e)Chemotherapy at Solihull

The capital plan includes a new building for these services.

Corporate Strategy

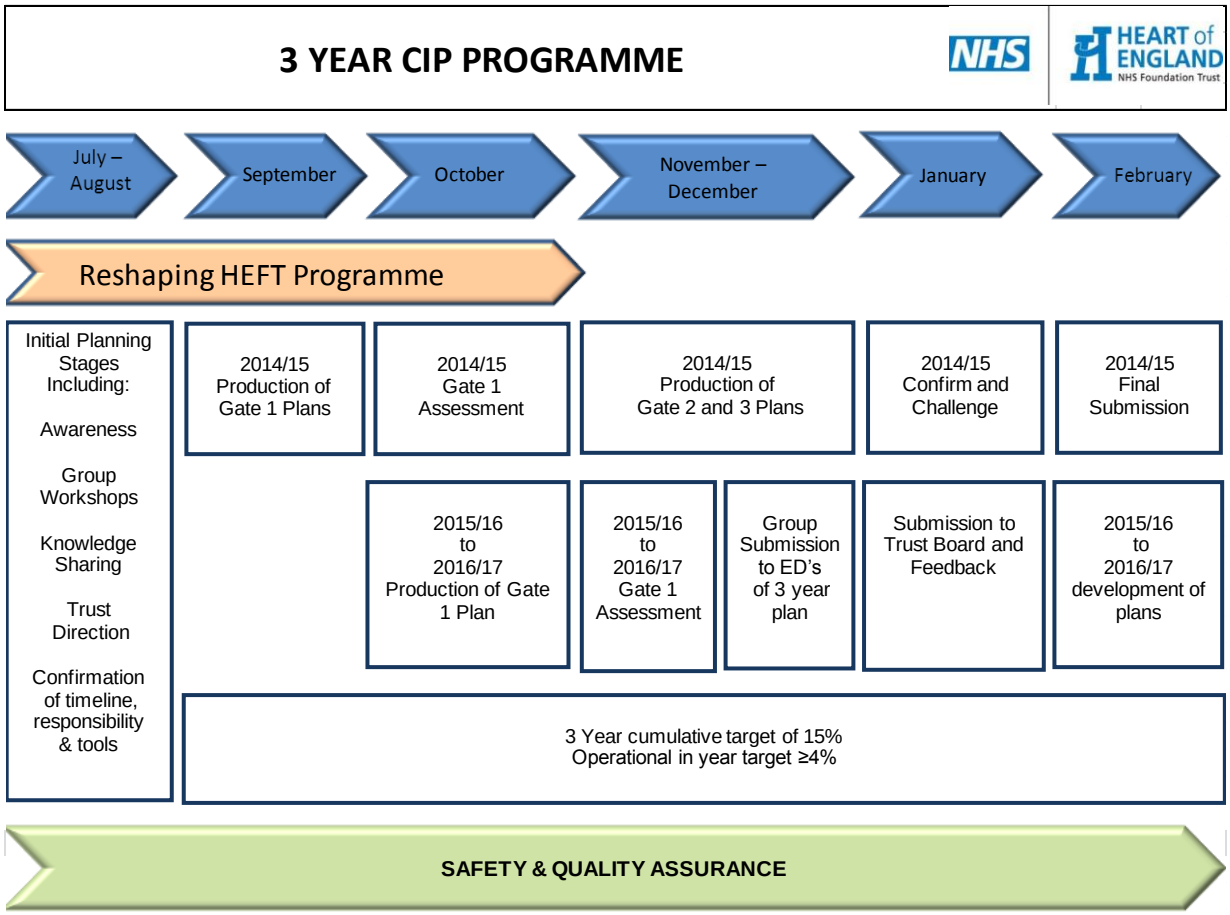
As described in section A the Trust has developed a Corporate Strategy relating to the provision of acute care. Inevitably the reduction in length of stay and the provision of more out of hospital care will mean a reduction in acute hospital capacity. In the first two years of the implementation of this strategy it is anticipated that there will be reduction of 10 wards across the hospital sites. This will result in an anticipated resource reduction over that period. Currently the Trust spends almost £20m per year on temporary staffing (agency and locums) and it is anticipated that the majority of the resource reduction will be absorbed by eliminating the need for temporary staffing usage.

Other Income

The Trust is currently preparing for a tender for sexual health services published by Birmingham City Council which will also influence the Solihull Metropolitan Council commissioning of services. This tender is for a period of five years with an option to extend for a further two years depending on satisfactory performance and is of a total value of £20m per year. The anticipated award/mobilisation start date for the tender is October 2014 with an anticipated contract start date of January 2015. Because of the uncertainty around this tender a no-change to current position has been assumed in the plan.

D Productivity, efficiency and CIPs

Based on the assumptions in the NHS Tariff (inflation 2.4% and deflator 1.6% per annum) the Trust is required to make efficiency savings of £24m per year for the next two years. This is a huge challenge. The Trust started the planning for the 2014/15 CIP year in September 2013 and Finance and Performance Committee, Operations Committee, Executive Management Board and Trust Board have been updated regularly on progress in line with the chart below. Each site or division was given a given a target of 5% per year and this was reviewed when the proposed efficiency schemes have been considered. The newly appointed Medical Director has experience of applying a robust quality risk assessment to efficiency programmes and a similar assessment will be made of the current proposals.



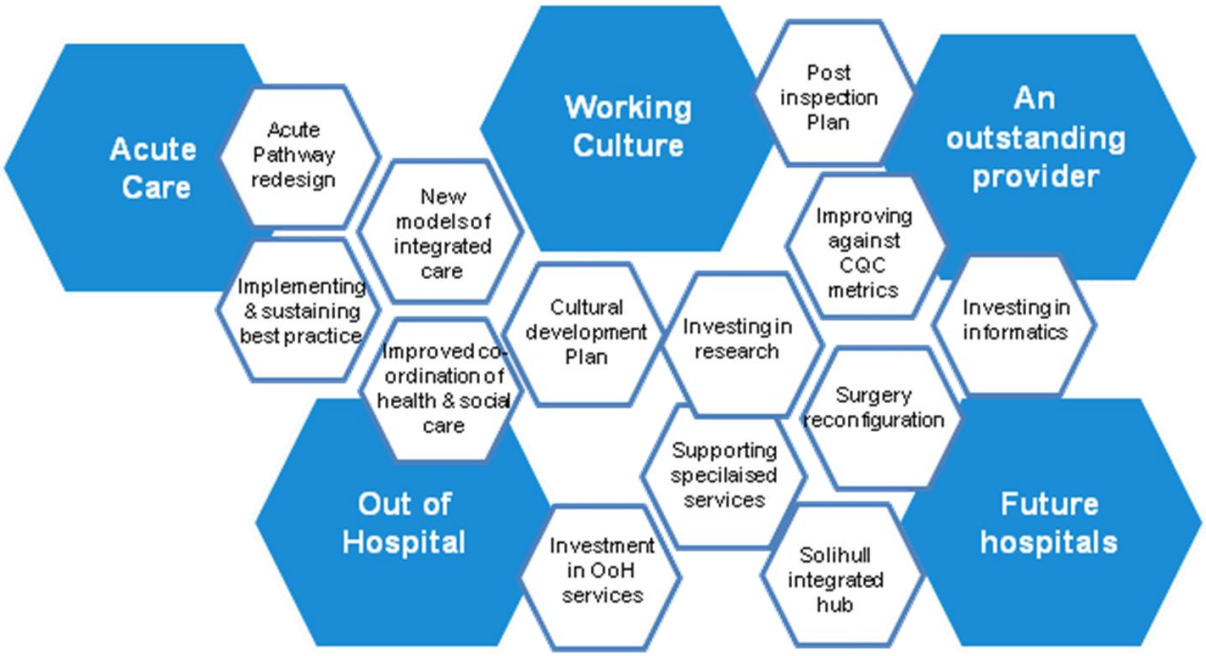
"Redesign is the key to a service that can live within its means"

In addition to the divisional/ site targets the Trust has considered more centrally driven projects that cut across the whole of the organisation and a centrally managed project team looking at these business processes has been set up. These projects include;

- Paper 'light' solutions in outpatients and theatres including electronic medical records,
- Outpatient self-check in.
- Business Process redesign including digital dictation, ADTs and outpatient outcome forms, and
- Back office savings.

As part of this planning it became very clear early in the process that the traditional methods of delivering efficiency were producing diminishing returns and would not deliver £48m of savings over two years. Therefore more radical ideas for savings plans were required, which dovetailed well with the development of the Corporate Strategy. The key strands of the strategy are shown in the diagram below;

Healthcare at the heart of our communities……



…..to provide services that inspire confidence, trust and pride within the communities we serve

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A number of workshops and meetings have been held with the site teams and have identified the governance structure to support delivery including the use of a Trust Programme Office (PMO) to provide oversight and project management input. Areas of the strategy that will assist in reducing costs over the plan period are;

- Redesigning the acute pathway at Good Hope and Heartlands,
- Redesigning the urgent care model at Solihull
- Developing new models of integrated care for older adults
- Investing in out of hospital care,
- Reconfiguring surgical services, and
- Improving integration at Solihull

In order to deliver this the overall strategy each site has set out a roadmap detailing what they are going to do and how this will be measured. These action plans have been supported by the common themes of four areas of transformation;

- Operating Systems,
- Management Infrastructure,
- Mind set and behaviours, and
- Building capability to deliver.

In addition the HR and ICT teams have developed a workforce enabling strategy and an ICT enabling strategy that will support the operational teams in the transformation work required in their areas.

E Financial plan

The Trust has prepared a financial plan with a small surplus of £2m per year over the next two years. Although the plan includes a small level of activity growth, the income generated is reduced by the tariff deflator. The further impact of inflation on the costs requires savings plans of £24m per year.

1.4