Operational Plan Document for 2014-16

Northumbria Healthcare NHS Foundation Trust

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

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

Name	**Birju Bartoli**
Job Title	**Executive Director of Performance and Governance**
e-mail address	**Birju.Bartoli@NHCT.nhs.uk**
Tel. no. for contact	**0191 293 4287**
Date	**March 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 Board of Directors.

In signing below, the Trust is confirming that:

- **The Operational Plan is an accurate reflection of the current shared vision of the Board of Directors 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 Board of Directors 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:

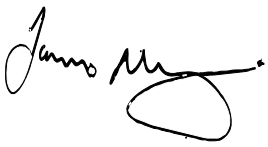
Name *(Chair)*	**Brian Flood**

Signature

Approved on behalf of the Board of Directors by:

Name *(Chief Executive)*	**Jim Mackey**

Signature



Approved on behalf of the Board of Directors by:

Name *(Finance Director)*	**Paul Dunn**

Signature

Contents

1 Executive Summary

Northumbria Healthcare NHS Foundation Trust is a successful, high performing Trust providing secondary healthcare to over 550,000 people spread over the largest geographical area of any Trust in England, from Tyneside in the South and East, to the Scottish Border in the North, and to Hexham and Haltwhistle in the West of the County. It currently delivers services from three acute sites and seven community hospital sites. The Trust gained Foundation Trust status in 2006 and Monitor approved the Northumbria acquisition of community services in North Tyneside and Northumberland and delegated adult social care services in Northumberland from 1st April 2011. The Trust's turnover is now over £400m, and employs approximately 9000 staff. This is due to further increase in when the Trust submits an application to Monitor for the acquisition of North Cumbria University Hospital NHS Trust – as first outlined in the Trusts 2012/13 strategic plan.

The Trust has an ambitious programme of work for the next five years with the operation plan outlining the focus for the next two years. As outlined in the Trust's previous operational and strategic plans, 2014/15 and 2015/16 will see a strong focus on the completion and opening of the Trust's new Specialist Emergency Care Hospital. The opening of the new hospital will transform how the Trust delivers emergency care to its local population and will deliver most of the standard requirements of the Keogh seven day working paper published in December 2013. There also continues to be a strong commitment, via the current Buddy arrangements, to undertake the acquisition of North Cumbria University Hospital Trust (NCUH), for which the executive and clinical team at NHCT continue to provide support to colleagues in NCUH. However, the Trust's core function, priorities and values remain as per previous years, that is, to be the best in class in delivering high quality, safe, patient centred healthcare through dedicated, caring and committed support teams and healthcare professionals.

The Trust has a number of clinical priorities that encompass safety and quality measures ranging from delivery of integrated care between acute and community services and zero tolerance to hospital acquired infections, to transformational strategic priorities such as, the acquisition of NCUH and development of the Specialist Emergency Care Hospital – all of which focus on delivering improved outcomes for the local population.

Financially, the Trust remains strong with an underpinning financial strategy which enables the Trust to invest in a range of revenue and capital developments which support the on-going delivery of clear strategic objectives for the year ahead. The Trust has a strategic aim to ensure it maintains CSRR rating of at least 3 over the period of the medium term plan. The Trust has identified a clear risk mitigation strategy to deal with the externally volatile environment given the implications of initiatives such as the Better Care Fund. The Trust has been engaged with partners in the development of such plans. However, at this stage of completing the medium term plan, the exact implications are yet to be fully quantified.

The Strategic Plan outlined below builds on previous submitted APRs with key operational objectives being delivered over the coming two years. These objectives link with the system-wide objectives of the Better Care Fund which has been agreed via commissioning colleagues, local authority and the area health and wellbeing boards. The Trust continues to maintain a track record of delivery against its objectives and key regulatory requirements / access targets and as such remains confident in delivering the measures outlined in its 2014/15 – 2015/16 operational plan. This operational plan forms a subset of the Trust's overall five year strategic plan.

1.1 The Trust's vision

The main business of Northumbria Healthcare NHS Foundation Trust is to help improve the health and quality of life of people by providing high quality healthcare services from Accident and Emergency care to long term conditions. To do this we need to be excellent at four key objectives:

1) Deliver excellence in safety and quality for the services we provide - **SAFE**
2) Provide excellent patient centred services - **CARING**
3) Deliver quality outcomes and integrate clinical pathways between primary, community and secondary care - **QUALITY**
4) Ensure the Trust maintains long term financial strength to deliver our clinical services and priorities – **SAFE, CARING, QUALITY**

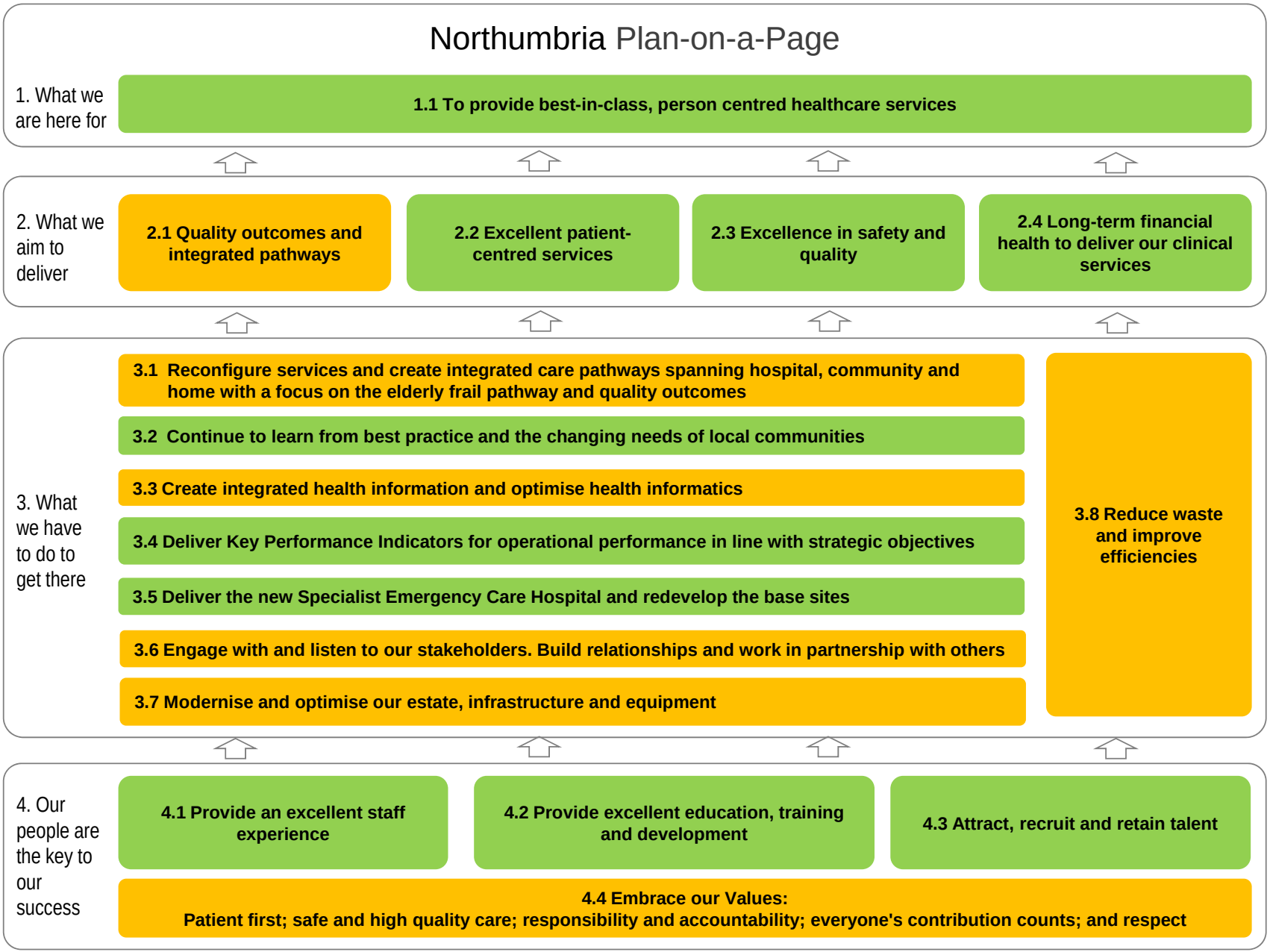
These core objectives have been translated into metrics and statements that are meaningful to our staff (highlighted in bold) and are visually displayed within the Organisation.

The Board of Directors has identified core competencies to achieve these strategic objectives. The Trust will continue with its strong track record to develop, improve and innovate what it delivers and how it is delivered and will do this by using internationally recognised improvement methodologies. It will continue to work in close partnership with primary, tertiary and social care providers to provide seamless pathways of care and deliver this care in the best place for patients. The Trust has a wide range of key stakeholders and will continue to actively engage with them and act on their views. This proactive approach with partners and stakeholders will provide the Trust with better business intelligence to make informed decisions about continually improving care and ensuring that the Trust's priorities remain aligned with those of the community it serves. The Trust will continue to market its services to its customers and aim to build a stronger brand with a reputation for excellence.

To achieve these improvements, the Trust will enhance its patient focused and performance driven culture. The Trust's culture has been built on trust, openness and empowerment with clear lines of accountability / responsibility that has helped the Organisation to learn and improve. Everyone will know what the Trust wants to achieve and how they contribute to the things that really matter resulting in happier and engaged patients and staff that recommend our services to others. The Trust will continue to recruit, develop, motivate and communicate with its people and support them with the appropriate training and competencies to do the right thing, every time. All parts of Northumbria will work to bring about innovative improvements in service delivery for the benefit of our patients. To do this, the Trust will re-align resources making better use of technology and information so as to make better decisions, develop and leverage our estate and maximise its long term financial strength. The vision of the Trust has been created into a visual strategic map which is on the next page**.** This has recently been refreshed to take into consideration the significant changes the Trust faces over the next three years.

It should be noted that there will be a revised 'group' strategic visual map that will be completed in advance of the submission to Monitor for the NCUH acquisition.

3 The Northumbria Plan



2. Operational Plan

Background

Northumbria Healthcare NHS Foundation Trust is one of the Top 40 Hospital Trusts as defined by CHKS, a leading company that benchmarks hospitals' performance. The Trust's performance is recognised regionally and nationally as having very strong clinical services in a range of specialties, excellent clinical leadership, a track record of delivery with limited resources, an innovative approach to service delivery and excellent relationships with primary care.

The Trust also has an excellent reputation for teaching and training, being a key unit of Newcastle Medical School and teaching partnerships with Northumbria and Sunderland Universities for nurses and other professionals. Professor Roger Barton is Dean, Director and Chair of the Board at Newcastle Medical School, and Dr Richard Thomson is Clinical Sub-dean for Northumbria, at Newcastle Medical School. The Trust has a significant commitment of clinical time in the postgraduate field, for example Dr Chris Tiplady is Regional Clinical Advisor for Education, Dr Brian Wood is Director of the Postgraduate School of Medicine and Associated Specialties, Mr Mike Bradburn is Head of School of Surgery, Dr Colin Doig is Regional Advisor for Training and a further eight Trust consultants are Training Programme Directors within the Northern Deanery.

The Trust's inpatient results for 2013/14 are very good. The overall score for the Trust on the key 20 questions is 88.4% which is in the top 20% of Trusts (82.6%). Overall, 95% of inpatients rated their care as excellent, very good or good. The outpatient results continue to be outstanding. The overall score is 88.8%, with the score for the top 20% in England standing at 82.6%. 97% of patients rate the Trust as excellent, very good or good. This data is based on feedback from 2127 inpatients and 5744 outpatients. It is externally produced by Patient Perspective, a company based in Oxford and is a CQC approved contractor for the national patient survey programme. These scores demonstrate a further improvement from 2012/13.

Staff survey (acute and community) results for the Trust are in the top 20% for the third year – with the Trust also having the highest return rate nationally for the third year running.

The Trust is recognised by its regulators, that is, Monitor, Care Quality Commission and the NHS Litigation Authority as providers of high quality care. It has fully met the CQC safety and quality outcomes and there are no material risks demonstrated in the latest release of the Intelligent Monitoring Profile for the Trust. In the latest release (March 2014) of the profiles, the Trust was placed in Band 6. The Trust has also had an external assessment of its annual quality governance self-certification including documentation assessment, interviews with Board and Business Unit members (clinical and non-clinical), and focus groups with a cross section of clinical staff in April 2013. The Trust has not identified any material change from the April 2013 self-certification that would highlight any cause for concern. For 2014/15, KPMG will undertake a further in depth assessment (to commence in April 2014) against the Annual Quality Governance Framework at the Trust's request, and will build on the original review conducted in April 2013. The outcome of the assessment and any associated actions required will be incorporated into the five year strategic plan submission to Monitor.

The Trust has a bold and innovative strategic plan for the next five years that focuses on safety and quality of service provision. A significant element of the forward plan (see section re Trust's clinical strategy) is the opening of the Northumbria Specialist Emergency Care Hospital (NSECH) in Spring 2015, alongside the re-development of our community hospitals and base site general hospitals. The opening of the new hospital will signal a transformational change in how healthcare services are delivered by the Trust and provides an opportunity to review patient flow / pathways across primary, community and secondary care and deliver real integration of services. Details of the background and rationale for transforming the Trust's clinical model for Emergency care has

previously been submitted to Monitor (including the financial components) prior to the authorisation of this significant investment. Building works for NSECH commenced in November 2012 and the new hospital is currently on schedule to open in 2015. The new hospital will consolidate emergency services to one site and will also ensure seven day working not only at consultant level (currently available) but also consultant seven day working at specialty level. The Trust will also deliver 24/7 A&E consultant working into the Emergency department as a result of this major change in service reconfiguration. Self-assessments against the Keogh 10 standards of delivery for seven day working (December 2013) indicate that the Trust will be compliant in all standards relevant to acute care when NSECH is opened in 2015. This will be in advance of the target date for compliance of 2016/17. Evidence suggests that for non-elective patients, being seen early in a patient's pathway by an appropriate specialist (consultant) can lead to better clinical outcomes. The Trust has responded to this evidence and the need to consolidate it's medical workforce (due to the reduction in trainee numbers) by centralising its emergency admissions to a new purpose built Specialist Emergency Care Hospital. In addition to improving clinical outcomes for patients, the re-modelling of emergency care services within NHCT, results in a fundamental change to our medical model. That is, the Trust will move from providing three emergency medical rotas to one which will be based at NSECH. This in itself offers efficiencies that ensure that rota compliance (both junior and senior medical cover) is robust for the future. The new way of working and the creation of a purpose built emergency care hospital has also attracted consultants in those areas that have previously been difficult to recruit into, for example Radiology, further supporting the medical model of care. In addition, the Trust has invested in the training and recruitment of Nurse Practitioners, Acute Critical Care Practitioners and Physician's Assistants. All such posts have been recruited and trained in advance of NSECH opening and provide additional resilience. Further detail is available in the workforce section of the plan – see page 21. The Trust will evaluate the new service model to demonstrate the improvements in the quality of care that are anticipated as a result of the change in working patterns of senior medical staff during 2015/16. Further details are outlined in the clinical priorities table on pages 14-20.

2a The Short Term Challenge

The Trust's strategic position within the local Health Economy

Northumbria has many characteristics that place it in a strong position in the local health economy, for example, the Trust has the biggest A&E department in the North East treating the highest number of patients, the fourth biggest orthopaedic department in the country with some of the best quality outcomes and strong links to the Newcastle Medical School. These strong links to education and training and the Trust's reputation for strong clinical engagement and leadership make it a positive attraction to recruit and retain staff.

The Trust encourages a positive, innovative partnership with our key stakeholders such as Clinical Commissioners Groups, Local Area Teams, Local Authorities, Healthwatch and voluntary organisations in order to continually improve patient pathways and provide the best care. This is evidenced by their active involvement in the development of the Trust's strategic and operational plans, Quality Account and specialty based clinical work, for example, Age UK working closely with Elderly care teams (as part of a successful Health Foundation bid) within the Trust and the development of a formal partnership agreement with Northumberland County Council.

The Trust has strength in a number of areas which place it in an ideal position to provide both high quality healthcare and training to its local population and clinical staff of the future. The Trust provides local services to its population wherever possible by utilising its community hospital sites so as to minimise travel for patients. This is a facility that is greatly valued by both the local population and local councils. The ability to deliver services closer to home has been further increased by the recent introduction of telemedicine based clinics – particularly beneficial for our more rural based communities.

The Trust has a strong focus on quality of care and this is demonstrated in its patient experience programme and its responsiveness to real time patient feedback. As a provider of community services and delegated social services (in Northumberland) it has strong links with the local authorities in both North Tyneside and Northumberland and both parties have been able to benefit from this relationship. The Trust has a strong reputation for its clinical services and has been nationally recognised in a number of areas including, orthopaedics and its clinically-led safety work.

Competition remains healthy in the North East. The lack of a significant private sector presence is compensated by the competitive nature of Newcastle upon Tyne Hospitals NHS Foundation Trust. Both Trusts work in partnership to deliver the right care, at the right time, in the right place. However, both are ambitious to provide the very best of care to local patients and as such do compete to provide the best acute and community care and where appropriate in the most innovative way.

Commissioning intentions demonstrate no material changes to services going forward out with those described in the financial section of the plan. The commissioners have signalled their aim to enhance their focus on reduction in falls, pressure ulcers and mortality work within the Trust. In addition, given the predicted demographic / age profile changes in the area (approximately 2% increase in elderly patients based upon ONS data) care for the frail elderly remains a further focus for both the Trust and commissioners, and is a key component of a number of the priority domains that the Trust will focus on over the next five years (demonstrated for year 1 and 2 in the operational plan) and is integral to the Better Care Fund proposals (which have been agreed with CCGs, LA and Healthwatch). Similarly, the Better Care Fund proposals outline measures to reduce inappropriate admissions to hospitals. The Trust aims to continue to develop its ambulatory services (see trends in referral section below) to reduce admissions to hospital as well as ensuring that its community infrastructure is well supported in the future. The impact of the Better Care Fund on the Trust's financial and activity modelling is at this stage unclear. It is anticipated across Northumberland and North Tyneside the impact could equate to £6m, however, at this stage it is unclear what re-investment might take in alternative services. The Trust has in place a strategy to manage a potential dis-investment of this size. The challenge for the local health economy will remain, as it will no doubt for a number of geographical areas, to continue to deliver local quality services whilst at the same time ensuring that service configuration is transformed to deliver the Better Care Fund saving requirements. The Trust's operational priorities for the two years outlined in this plan have already been shared with commissioners and are in keeping with their local delivery plans. Similarly the Trust will ensure that the five year strategic plan is agreed and in line with commissioner assumptions.

North Tyneside Clinical Commissioning Group have also recently led a consultation on the future model of working for Maternity services in North Tyneside, in particular, the midwifery-led unit based at North Tyneside Hospital. The Trust is fully engaged in the process and has provided proposals for alternative models of delivery which include the option of delivering at the collocated midwifery-led unit and medically-led unit at the new Specialist Emergency Care Hospital.

In addition to acute Trusts as key competitors, the Trust is aware of the AQP (any willing provider) process in which commissioners can tender for services currently provided by the acute sector. The Trust has an internal process that highlights any potential AQP that is either directly relevant, or is a service that they may wish to tender for in the future, and has a corresponding system in place to ensure that appropriate tenders can be completed within timescales for application. The Trust has submitted tenders to date where the Trust believe it can provide a competitive, high quality service. The outcomes for the AQP tender process to date have resulted in the Trust delivering some additional activity in the future.

The Trust examines trends in referrals by specialty on a regular basis and there is a clear demonstration of an overall increase in activity over the past five years – for both elective and non-elective care, namely A&E attendances. The Trust predicts that this demand in activity volume will continue to increase, although its form may vary given the initiatives that have been introduced to reduce emergency admissions. For example, the geographical area that the Trust covers has a high percentage of elderly residents – and as such the Trust has seen a change in case mix / age profile now attending the Trust. In 2013/14 the Trust established an 'elderly care assessment' centre at its North Tyneside site to meet this demand and reduce, where possible emergency admissions for this patient group. These centres will be expanded to the other acute sites within the Trust during 2014/15, and will be fully functioning in advance of the opening of the new Specialist Emergency Care Hospital. The Trust has already established ambulatory care and surgical assessment units to help prevent inappropriate admissions. These units have led to an overall reduction in non-elective admissions during the period of 2013/14.

The Trust also regularly assesses its market share with analysis by GP practice and specialty. For elective care, market share trend analysis is shared regularly with the Executive Management Team, Business Units, with the Board and the consultant body.

2b Quality Plans

National and local commissioning priorities
The Trust has fully engaged with both of its CCGs, OSCs, Healthwatch and local stakeholders to ensure that its key quality priorities fit with both local and national priorities. The Trust has also specifically engaged with wider stakeholders to ensure that its quality priorities for 2014/15, as outlined in its Quality Account, have been considered and agreed. As per previous years, each of its key quality priorities can be mapped back to the NHS measurement of quality that is patient experience, clinical outcomes and patient safety. A full outline of the priorities for the next two years is outlined in the table on pages 14-20.

The Trust's approach to Quality – the Quality Strategy
The strategic plan for quality improvement is a plan that is directly aligned with the values of the organisation, that balances the need to support and involve individual staff members and that recognises the need to build the teams they work within, to develop clinically effective pathways of care. The Trust recognises the need to enhance the supporting processes that underpin clinical care, and also be more ready at an organisational level to focus on quality. The Trust recognises how its staff are pivotal in ensuring that it provides high quality, effective care to all its patients and as such this is reflective in its quality strategy

As a recap, the Northumbria Improvement Way meets the Trust's strategic quality needs by refocusing improvement activities at four levels within our organisation.

Level One: Our People
Incorporate the values that drive this strategy within annual performance reviews and learning plans. Staff participation in improvement activities and engagement with quality initiatives, ensuring easy to access processes for providing feedback on opportunities for improvements and our progress in addressing them.

Level Two: Our Care Teams
All Care and Support Teams within the Trust will work through a standardised process (a Team Based Improvement Plan) to understand and measure current and future state, identify and prioritise opportunities for improvement, and then implement change. This work is aligned with contemporary healthcare quality improvement approaches e.g. LEAN/Six Sigma/FOCUS PDSA.

Level Three: Our Clinical pathways and Supporting Processes
Cross- system based improvements address some of our most important clinical priorities. Focus on development of a further five system-wide / specialty improvement projects.

Level Four: Our Organisational Readiness
The Trust's ability and readiness to support quality improvement at a team and pathway level, alongside its broader growth and maturity at an organisational level. The Trust has an established, engaged and dynamic governance structure for quality improvement through the development of an Improvement Council which feeds directly to the Safety and Quality Committee.

The Quality Council was established in 2012**.** It exists to support all those in the Trust who are passionate about quality. The council meets quarterly to share skills, learn together and inspire frontline teams to take forward their ideas to improve services and care for the patients they serve.

2013 was an extremely successful year for Northumbria Healthcare. The Trust was named as Provider Organisation of the year at the prestigious HSJ awards and the feedback from the judges highlighted that "Northumbria has excelled in applying the science of improvement. They measure what they care about and they know how to use the data to produce extraordinary results …."

The Quality Council supported the application of 10 projects to go forward for the National Patient Experience awards – this was the Council's best year yet, nine projects were selected as national finalists with two announced as runners up and two as winners outright.

For 2014/15 the Quality Council will support a further 20 improvement projects within the Trust. As part of the Trust's approach to quality, the Trust is committed to continually reviewing its approach to quality improvement and will continue to refresh and refine its strategy (as outlined above) to ensure that it meets the needs of its staff and patients.

Safety and Quality Priorities
The Trust has identified its key safety and quality priorities for 2014/15 – see clinical priorities section pages 14-20. A number of these are measures featured in the 2013/14 plan and this is the second year of focussing on these improvements. The new elements have been agreed following significant engagement with clinical staff, governors, stakeholders and members of the public to ensure that the safety and quality priorities adopted by the Trust are measures that are meaningful in terms of improving outcomes and of importance to the public that the Trust serves.

Key measures of quality that can be subdivided into safety, clinical effectiveness and patient experience that will be monitored from 2014/15 and thereafter till 2015/16 or until sustained improvement is demonstrated, are outlined within the clinical priorities section pages 14-20.

Quality concerns
In 2013/14 there have been no planned or unplanned reviews by the CQC and the safety and quality outcomes as outlined by the CQC, have all been fully met. The Trust has been the subject of a planned CQC Mental Health Act review in March 2013. The release of the March Intelligent Monitoring Profile by the CQC placed the Trust in Band 6 with HSMR being the only elevated risk. The Trust has a mortality framework that is delivering significant work in this area (previously presented to Monitor regional managers and the local area team) and provides the Board of Directors with assurance against this metric.

The Trust is aware of the proposed changes to CQC inspections, but aims to continue with its current systems and processes to ensure compliance with CQC standards – for example, by using the Trust's ward assurance / inspection programme which is aligned to the CQC outcomes, as well as using the NHS Institute's 15 Steps programme and Business Unit evidence-based certification

of compliance with outcomes. Each of these outcomes is then mapped back to the five core CQC standards. Furthermore these programmes are now incorporating the recently published KLOEs released by the CQC in February 2014 for acute Trusts. The Trust's Excellence in Safety quarterly report to the board will also reflect the five key questions assessed by the CQC moving forward.

There have been five Health Ombudsmen investigations in 2013/14, four are complete and the fifth investigation is still currently on going. This is on the back drop of an overall national increase in Ombudsmen investigations which has seen an eight-fold increase in the number of complaints accepted for investigation. There are no serious incidents or complaints that represent a systemic failure or risk, however all of our safety and quality priorities are derived from the need to enhance our care to avoid serious incidents or complaints. The Trust had registered two never events in 2013/14 – no harm resulted from these events, however full investigations were completed and the required actions to be undertaken are monitored via Safety and Quality Committee and the Board of Directors.

Assurance to the Board on the Quality of its services

The Safety and Quality Committee (S&Q) is a sub-committee of the Board of Directors and has executive, non-executive and senior clinical representation. The committee is responsible for providing assurance to the board with regards to safety and quality matters within the Trust. Its focus is based on safety, patient experience and clinical effectiveness / outcomes. As such it has a number of 'panels' that directly link with the committee and provide detailed assurance of any safety and quality issues. For example, the Serious Untoward Incident / Serious Learning Event (SUI / SLE) panels (three Board members or their relevant deputy) meet every two weeks to formally manage associated action plans from SUI/SLEs, and to ensure that the most appropriate actions have been undertaken as a consequence of a registered SUI / SLE. The panels also ensure the timeliness of completion of reports and associated actions and shared learning within the organisation. The Quality Panels are also a sub-group of S&Q committee and are clinically-led panels with support from Non-Executives, and the information and patient experience teams. Each specialty service is peer reviewed against its outcomes – that may either be nationally based outcomes and/ or those that the service have identified as being quality measures. The Trust's clinical audit plan, and associated progress, reported to the Safety and Quality Committee provides further assurance to the Board. The Mortality Group, which is a sub group of the Safety and Quality Committee, is a key link to the Business Units to understand the Trust's mortality measures – with particular regards to the clinical pathways and care bundles that deliver best practice. Feedback from weekly mortality audits that are shared with the wider clinical body, are also overseen by this group which has Non-Executive membership.

The Board also receives assurance on the safety and quality of its services by receiving monthly reports on compliance against regulatory targets, safety and quality priorities and clinically agreed measures for specialties. The Trust's Annual Quality Governance self-certification was fully assessed in April 2013 by KPMG (score of 1.0) and it is expected that the Trust will commission an external review again by KPMG in April 2014. This score also provides further assurance that the Trust works to the highest standards. The self-certification process undertaken by the Board of Directors (February 2014) has not highlighted any material issues that may have cause for concern. The most recent self-certification approved by the Board in March 2014, highlights further processes and systems that have been introduced within the organisation, that provide assurance on safety and quality matters.

The Board of Directors has a well-established open and transparent style to serious and reputational related complaints, serious incidents and claims. These are reported to the Board of Directors at monthly intervals. At quarterly intervals, the Board receives a report on emerging themes from clinical governance systems and this includes mortality reviews and leading work on our harm rate. These themes form the basis of the Trust's safety and quality priorities. These are

all subject to measurement and or clinical audit to report on progress to the Trust's Safety and Quality Committee. An innovative and engaging development has been the production of DVDs that are posted on our intranet for better staff cascade and learning of serious untoward incidents and the development of safety panels consisting of Board members and deputies.

The ward nursing assurance report, unannounced 15 steps ward assurance 'inspections', along with Non-Executive and Executive 'walk arounds' all provide the Board with additional information with regards to the quality of service provided by the Trust.

The Board of Directors approved the Quality and Safety Strategy in 2007 and therefore has a strong track record of an open and transparent style of leadership for quality and safety. This has been recognised recently by the Trust wining the HSJ provider of the year award in 2013 and also for the Board receiving a national award for leadership, a patient safety award in the National Patient Safety Awards and PEN awards. It is within this context that the Board of Directors held its recent Board development session to undertake a self-assessment of Monitor's Quality Governance.

The Trust has a robust process for ensuring clinical quality improvements are monitored. Significant quality improvements are included in the Trust's Quality Account and these are reported to the Board of Directors at monthly intervals. A full review of progress is reviewed quarterly by the Safety and Quality Committee where appropriate. An innovative approach has been to develop a quality scorecard for each clinical team by their service. This represents the Trust's quality improvements and is also reflective of the information on the NHS Information Centre. Any deviation from the England average is reviewed by the Safety and Quality Committee and reported to the Board of Directors. These measures are also peer reviewed by the now well established quality panels which allow for in depth analysis and discussion of the service quality score card by both clinicians and statisticians for significant variation to outcomes. Relevant actions are undertaken as necessary to ensure continuous improvement.

The Trust has a robust clinical audit programme and also a programme of audits undertaken by internal audit that all provide assurance to board members on the quality of Trust systems and processes as well as Trust clinical services. Audits undertaken by Internal Audit are monitored; both in terms of outcome and any actions via the Audit Committee (sub-committee of the Board) and clinical audits are reported to the Safety and Quality Committee and a summary of activity to the Board of Directors on a quarterly basis.

Key Quality Risks

The key quality risks inherent in the plan are focused on the acquisition of North Cumbria during 2014/15. The Trust is working closely with North Cumbria University Hospital Trust to ensure that it has aligned its safety and quality systems and process to that of NHCT pre-acquisition so as to mitigate any quality risks. The TDA has also outlined the terms that NCUH will need to deliver prior to acquisition to ensure that there is no risk to safety and quality of services. NCUH will also undertake a self-assessment of the Monitor Quality Governance Framework which will be externally reviewed by auditors, both in terms of providing a local divisional assessment (as per NHCT – East division) but, also to provide Monitor an overall group position of the new organisation prior to acquisition. The Trust will ensure any appropriate actions are addressed via the acquisition process.

In addition, the external financial environment has the potential to result in a quality impact on services delivered by the Trust. However, the Trust has a robust process in place to manage all cost reduction programmes within Business Units that ensures a quality impact assessment is undertaken with full clinical challenge (across Business Units and at Board level) in advance of the scheme being undertaken and six months post-delivery of the scheme (for significant value

schemes) – see section on CIP delivery for full detail. These processes will help to mitigate any unacceptable financial impact on quality.

Francis, Berwick and Keogh

The Trust has considered the Francis, Berwick and Keogh reports and their respective focus on delivering high quality, safe care. The Francis Report, in particular, has resulted in a self-assessment document which the Trust has assessed itself against on a quarterly basis. This has been shared with the Board, CCG Quality Review Group and the Council of Governors who have also both been involved in the self-assessment and subsequent development of the action plan. Most items will be complete by the end of 2013/14 except for those items that are reliant on national guidance being issued – for example: *There should be a common set of national standards for the education and training of healthcare support workers.* A standard for measuring kindness and compassion on our wards, as outlined in the Francis Report, is also a key component of the Trust's quality plans for 2014/15 and 2015/16. In line with both the Francis Report and the Keogh Report the Trust is examining its nursing numbers, including skill mix to determine the required nursing numbers based on current acuity (using accredited tools), but also in advance of the changes to nurse distribution in advance of the opening of NSECH.

The Trust's Clinical Strategy

The Trust has six key clinical priorities for the year 2014/15 that will span forward to 2015/16. A number of these are measures identified in the 2013/14 plan (and can fit within a number of priority domains), but with additional components for delivery. The six key domains (as per the 2013/14 plan) which encompass the Trust's clinical and Safety and Quality priorities are:

- Safer and more effective care
- Deliver Best in class patient centred care
- Transform the complex frail elderly pathway
- Better integrated and coordinated care pathways for Information and care
- Transform our approach to our quality strategy and the use of quality outcomes
- Delivering excellent patient Experience as a result of our clinical teams.

Each domain has a number of clear objectives that the Trust will deliver over the coming two years – these are detailed in the table on the next page. A number of these measures also have further detailed plans underpinning the operational requirements to ensure delivery of key milestones for example delivering progress on integrated care / working and services for the local population (part of the better integrated care pathways domain). Furthermore, these domains are also aligned with requirements that fit under the Better Care Fund and have been agreed with all partners within this fund – that is CCGs and local authority members, and approved by the relevant Health and Wellbeing Boards. All priorities have been agreed following significant engagement with clinical teams, stakeholders and have been approved by the Board and Council of Governors.

Risks to delivery of the plan have been considered by the Board and the organisation as a whole. The delivery of the new Specialist Emergency Care Hospital is a key component of the plan for 2014/15 and 2015/16 and the Trust is committed to delivering this building programme and the required transformation of clinical services within the timescales outlined, whilst ensuring that all safety and quality measures are maintained. The Trust recognises that the proposed changes come with risks, but these have been considered by both the project board and Board of Directors (and will continue to be considered) until opening and thereafter with appropriate actions undertaken as and when required. Broader, strategic risks are outlined and considered on page 21.

Clinical and Quality Priorities	Contribution to the Strategy	Key actions and delivery risk	2 year targets: 2014/15 to 2015/16
Safer and more effective care	Deliver Excellence in safety and quality	A key objective for the Trust is to deliver excellence in safety quality and compliance of regulatory standards. This is integral and embedded within the clinical strategy for the Trust and as such measures that could fall within this domain are also found embedded within other priority domains. Risk assessment is moderate	**2014/15** Further reduction on hospital acquired infections; MRSA; CDiff; SSIs. The Trust's target for Cdiff is expected to be 30 – whilst this will be challenging, the Trust is confident that it will be able to achieve this target. For SSI rates the Trust will function within the benchmarked range for Trusts who actively monitor SSI rates (incl post discharge) in orthopaedic patients Improve management of medicines in hospitals (year 2) – demonstrate a 10% reduction in the number of missed medication doses – this measure will be closely linked to the sepsis bundle of compliance Improve clinical compliance of the Sepsis 6 bundle of care to improve outcomes for those patients suffering from sepsis. Focus on improvement will be to have demonstrable improved compliance by the end of the year in the designated front of house areas. This is one of the key measures with regards to the Trust's work on reducing harm and mortality within its hospitals Demonstrate a significant reduction in falls and hospital acquired pressure ulcers and continue to maintain compliance with safety thermometer data collection and outcomes. The Trust will demonstrate a measured reduction in pressure ulcers based solely on safety thermometer collected data using 2013/14 as a base line. Completion and compliance with WHO checklist and debrief in all

Clinical and Quality Priorities	Contribution to the Strategy	Key actions and delivery risk	2 year targets: 2014/15 to 2015/16
			theatres. This is the second year of this metric and is a consequence of the two never events that were seen in 2013/14 and a further two in 2014/15 – of which one was in theatre. The measure in 2014/15 is to ensure that completion and compliance against the WHO checklist is fully embedded in all of the Trust's theatre complexes and that all members of the theatre team continue to challenge staff as and when appropriate. Compliance will continue to be monitored via regular audits as per the methodology used in 2013/14. Introduction of e- prescribing. This will be procured during the period of 2014/15. The Trust view the introduction of this service as an essential component of safe medicine dispensing practice and the need was highlighted as a consequence of a methotrexate never event in the Trust during 2013/14. Funding for the development has been secured. Introduction of seven day consultant working in designated clinical areas. The Trust will be fully compliant in the standards outlined in the Keogh report published in December 2013 when it opens its new Specialist Emergency Care Hospital in 2015. The priority for 2014/15 will be to ensure that services such as radiology have consultant on site working seven days a week. This will act as a transitional year for a number of services to move to seven day working in advance of the opening of the new hospital. **2015/16** The work programme will be refreshed to reflect the most significant work that follows from the above

Clinical and Quality Priorities	Contribution to the Strategy	Key actions and delivery risk	2 year targets: 2014/15 to 2015/16
Deliver best in class patient centred care	**Deliver best in class patient centred care**	The Trust has commenced building a new, purpose built specialist emergency care centre and will invest £200m over the next 10 years to deliver both the new development and also the upgrades of the existing hospital sites. Risk assessment is moderate	**2014/15** Each specialty to identify and deliver a number of cycles of clinical pilots for the new way of working for when NSECH opens. Clinical pilots to include sub speciality piloted and be inclusive of medical, nursing and allied professional staff groups. Complete the building works for the new hospital and enter the commissioning period for the new NSECH building. Complete the transitional / plan for opening ensuring business critical moves are understood in detail to ensure that transfers of services remain safe. Base site redevelopment commenced to accommodate any immediate changes that will be required on opening of the new hospital and the medical model for the walk in A&E services on the base site is confirmed – including medical provision. Roll out of the HR and communication strategy for NSECH to ensure that all staff are aware of their change of base if appropriate and that the public awareness of the changes to service commence. Develop the business case and structural plans for the redevelopment of Berwick Community Hospital – part of Building a Caring Future programme and review the requirements for the remaining community hospitals – notably Alnwick and Blyth. **2015/16** The new Specialist Emergency Care Hospital to open – work programme will be refreshed to reflect the most significant work that follows from the above

Clinical and Quality Priorities	Contribution to the Strategy	Key actions and delivery risk	2 year targets: 2014/15 to 2015/16
			Berwick Community Hospital – commence building work.
Better integrated and coordinated care pathways for Information and care	Clinical and business need for information technology and deliver excellence in patient safety and quality	This is a priority that underpins a number of the other clinical priorities that the Trust will deliver over the next three years. Work will focus on inter-operability between community / GP and Acute trust systems, and primary and secondary care integration of communication and care pathways such that patients have their care delivered in the most appropriate setting. Risk assessment is moderate	**2014/15** Ensure an electronic patient record system (community patient record system in the first instance) is rolled out fully and electronic communication between primary and secondary care is embedded for all services. This will lay the foundation for implementation of an electronic patient record in the Acute Trust Procurement and Implementation of a ward information management system (WIMS) to help in the electronic coordination of beds on all the sites, as well as functioning as an electronic system for the collation of key clinical information. Integrated care programme – developing the palliative care model to span across both acute and community provision including support into nursing homes. Developing the systems and processes for integrated working with nursing homes. Development of coast to coast shared services (e.g. Paediatric and Clinical Support services) integrating care and good practice in line with buddy arrangements for the acquisition of North Cumbria University Hospital Trust. **2015/16** The work programme will be refreshed to reflect the most significant work that follows from the above

Clinical and Quality Priorities	Contribution to the Strategy	Key actions and delivery risk	2 year targets: 2014/15 to 2015/16
Transform our approach to our quality strategy and the use of quality outcomes	Deliver Excellence in safety and quality	The organisation has a refreshed quality strategy that is supported by the Quality Council and the Safety and Quality Committee. The Council will support three pathway and five service specific projects moving forward Risk assessment is moderate	Develop a model for weekly clinical audits using the Hogan preventability score as per the NHS outcomes framework. Use findings to further drive quality improvement within the organisation. The Trust will focus on a further 20 team based improvement projects throughout the year to compliment the work of the quality council and continue to deliver the requirements of the Health Foundation bids for Elderly friendly wards and the sepsis project. Identification and development of metrics for whole system integration to provide a stable base line for future benchmarking and driving the development of services Develop the future models of working for maternity and endoscopy within the Trust in line with national requirements for bowel cancer screening, seven- day working and CCG consultation on the future of midwifery led unit in North Tyneside. Implement models of seven day working in key clinical disciplines – with measurement of improved outcomes where appropriate – as per domain 1 **2015/16** The work programme will be refreshed to reflect the most significant work that follows on from the above but will include the Hogan / mortality work, seven-day working and delivery of quality improvement projects within the Trust.

Clinical and Quality Priorities	Contribution to the Strategy	Key actions and delivery risk	2 year targets: 2014/15 to 2015/16
Delivering excellent patient Experience as a result of our clinical teams	Excellent patient centred care	The Trust performed in the top 20% in the country in the National patients experience survey and is committed to consistently performing to this level. It has an ambitious real time patient experience programme where results are fed back to teams within 48 hours. Risk assessment is moderate	Further implementation of patient feedback real time monitoring with further wards being embedded into the Trust wide programme and the implementation of the ward assurance programme (as discussed in section Approach to Quality) in departments (eg theatre) and across all ward areas. Ward assurance visits to be undertaken out of hours in addition to continuation of in hour visits and patient experience to be measured on weekday and weekends to provide comparison data. The Trust will openly publicise its data collated via 'Your Voice' with patients, family and the public. Full compliance of friends and family test and achieve 30% response from all those admitted to the wards or through A&E. 2014/15 Introduction of a new metric for kindness and compassion in line with the Francis report. Achievement of the national accreditation schemes e.g. Bliss and year of care. **2015/16** Maintain national position of top 20% and ensure continued performance against the friends and family metric. The work programme will be refreshed to reflect the most significant work that follows on from the above

Clinical and Quality Priorities	Contribution to the Strategy	Key actions and delivery risk	2 year targets: 2014/15 to 2015/16
Transform the complex frail elderly pathway	Deliver best in class patient centred care and excellence in patient safety, experience and quality	This is the third year for this clinical priority. The Trust has a large elderly population and the pathway work associated with this priority serves to closely integrate acute and community care – demonstrate the benefits of a whole system approach and avoid admissions where appropriate. Risk assessment is moderate	Demonstrate a strong focus on dementia care (delivery of the national strategy) and the role of carers for both dementia and palliative care. Developing the tilt – head of bed programme to be established through the day and night in our elderly care wards and for this to be rolled out as a pilot across the community to nursing homes The development of the elderly care assessment centre (integrated working between primary and secondary care) will focus on admission avoidance for this group of patients. The first of these centres was opened in 2013/14 at NTGH and new elderly care centres will be operational at the Wansbeck and Hexham sites in 2014/15. The units will be a vehicle for further integration of primary and secondary care with joint decision making for those patients that are referred to the unit Development of community services in line with the Better Care Fund to reduce admissions to hospital and support the independent living of patients where appropriate. Understand medication and side effects in our elderly population acute and community care – further development and adoption of the Health Foundation Shine project and patient experience real time information. Year 3 (final year of the three year planned programme) of embedding the use of the comprehensive geriatric assessment – spreading the good practice observed in the previous year. **2015/16** The work programme will be refreshed to reflect the most significant work that follows from the above

Key System-wide / Health Economy Strategic Objectives
In addition to the specific clinical and quality measures outlined in the attached table, the Trust is also focusing its attention on system wide initiatives to improve the services it delivers.

North Cumbria Acquisition

The significant strategic priority for the Trust is the potential acquisition of North Cumbria University NHS Trust. The Trust is currently classified as an 'official buddy' to NCUH and is keen to progress from this arrangement to that of a full acquisition during 2014/15. On completion of the acquisition, the Trust will have an annual turnover of £685m and will employ 13,185 staff (headcount). The Trust received approval from the Co-operation and Competition Panel for the acquisition process to proceed in December 2012. The potential acquisition of NCUH links to the overall Trust strategy by :

- The Trust has a duty to help other NHS bodies if we can
- Similar challenges in North Cumbria that Northumbria have overcome
- Over time, size will become more important
- Some services currently just viable become more secure
- Some services we currently buy in could be provided in house
- Leverage and negotiating strength.

The Board of Directors has signed a Heads of Terms and has in place a number of interim / seconded management arrangements to work alongside the CEO and Medical Director of NCUH – both previously senior clinical and management posts within Northumbria Healthcare NHS Foundation Trust. The Trust is also working closely with colleagues in NCUH to align clinical and management structures to those in NHCT so as to facilitate integration post acquisition and to ensure consistency of services and standards across both divisions. The group and divisional east and west structure will ensure that quality remains at the heart of the newly formed group organisation and will also allow for maximum efficiency gains from clinical and non-clinical areas.

The Board expects to submit the business case for approval to Monitor during 2014/15. This is considered to be high risk but, the Board of Directors will not request Monitor to review the acquisition proposal if the Board's view is that our existing services and long term financial strength are at risk. The associated implementation plans, delivery milestones and risks will be managed via the post-integration plan. The detail for this objective is part of the acquisition submission to Monitor and includes the original outline business case, the post transactional plan and the benefits realisation plan.

Integration of acute and community services
A key system-wide improvement for our local population is to enhance the integration between primary/community care and acute services. This is a measure the Trust has focused on last year and will continue to be a key component of the two year operational plan. The focus of Care Closer to Home has already led to improvements in clinical pathways and resulted in improved care co-ordination and prevention of admissions. The Trust has a partnership agreement with one of the local authorities which supports this work. The integration of services will remain a priority over the life of the five year plan.

Investment Strategy
The Trust has embarked upon an ambitious programme of investment, which has resulted in significant investment over a number of years. In addition to the development of the NSECH, this year will see the opening of the new Haltwhistle Community Hospital and the formal commitment (based upon funding provided by Northumberland County Council) to re-develop Berwick Community Hospital. The redevelopment of the Berwick facilities will bring together what are

currently dispersed Hospital, Community, Primary and Social Care services.

PFI Buy back
The Trust will during 2014/15 be looking to conclude a transaction to "buy-out" one of the current assets managed via a PFI contract. The basis on which the transaction is to be concluded has yet to be agreed.

Clinical Workforce Strategy
Recruitment to qualified nursing posts has continued to be strong during 2013/14 and additional investment posts have been recruited into with great success. A small project team from key areas within the Trust regularly reviews nursing recruitment and this group regularly feeds into the Trust's Executive Management Team (EMT) to ensure that they are fully informed on its ability to sustain appropriate staffing levels within clinical areas.

The Specialist Emergency Care Hospital and associated base hospital redevelopment plan will require specialist nurses with additional skills and part of the Trust's strategy is to develop these specialist skills and expertise within the organisation, offering on-going development opportunities and careers internally where possible, for example, nurse practitioners and advanced critical care practitioners. A successful programme of recruitment and commissioning of specialist training has taken place during 2013/14 and this will ensure that staff are fully trained for the opening of the new hospital.

Development of the Specialist Emergency Care Hospital will require the development of the Consultant Medical Workforce within Emergency Care to provide 24/7 care and different models and ways of working across the wider Consultant workforce. Specialty Training Numbers in Obstetrics and Gynaecology and Anaesthetics are being reduced in line with expected national demand and it is not yet known what impact this may have on service provision (see section re key workforce pressures). Developing our SAS doctors to realise their full potential has been supported by the development of a structured organisational development programme now in place for all SAS doctors and this has received excellent feedback to date. It is planned to continue with this programme and continue to improve it for participants wherever possible. The Trust is has developed some joint GP / secondary care posts to encourage working across primary and secondary care traditional boundaries and is looking to further explore innovative opportunities which support the delivery of integrated care.

The Trust is mindful of the possible regulation of the Healthcare Assistant workforce which may bring some challenges along with the outcome of the Francis II Report and its impact on nursing and other professional groups. The Trust will be delivering the care certificate in 2014/15 with a fully supportive programme for new and existing Healthcare Assistants to ensure that they fulfil the requirements set out in the Francis II Report, embed the Trust Values within their practice and that delivering compassionate care is at the forefront of their roles.

Modernising Scientific Careers (MSC) – the Trust has continued to recruit strongly within a wide number of science roles, however the changes and impact to the graduate programmes and also the educational arrangements will not be known for two to three years. The Trust continues to have a strong focus on MSC and the associated workforce issues including internal and external training issues and the development of extended roles. Changes in the provision of healthcare and the associated development of the NSECH may result in some areas which can support the MSC programme for the Trust.

ICT will play a pivotal role in the development of both clinical services and the ability of the Trust to develop as a business. Digital Healthcare and the ability to be at the forefront of technological delivery will be a key challenge both in the ability to recruit skilled ICT staff but also how the Trust supports staff to utilise and be able to use the technology that is available.

Workforce pressures
Our benchmarking and associated assessments with other organisations shows our workforce profiling to be of a similar nature, however, some key challenges do exist such as the age profile of our workforce which is more prevalent within some areas than others e.g. District Nursing. The Trust has a plan in place for each of these areas which consists of the internal development of staff (including regular reviews of skill mix and academic, vocational and bespoke individual and team programmes) and external developments working in partnership with higher education institutes and stakeholders to consider meeting the longer term workforce needs. The Trust also has a Workforce Plan which is regularly reviewed and actions undertaken at both a strategic and local level, these actions are monitored by the Trust's Workforce Committee.

Future medical staffing numbers remain a workforce issue particularly for the middle grade tier of doctors for all of healthcare. The development of NSECH will aim to consolidate rotas onto one emergency site and so will mitigate some of this pressure longer term – see page 6 and previous NSECH submissions to Monitor. The development of the Trust SAS doctors will also help to limit the pressure. In the short term, the Trust has invested in overseas recruitment of middle grade doctors and has also used the opportunity to recruit consultant posts in those specialties such as Radiology that are traditionally difficult to recruit. Consultant Medical Staff Recruitment remains strong in most areas and there has been some success in facilitating joint recruitment with North Cumbria.

The Trust has also invested in the development of Nurse Practitioners (NP) and Advanced Critical Care Practitioners (ACCP) that can function to a level of junior doctors. A number of the NP posts are already in post and are currently consolidating their training. The Trust has invested in the development of ACCP posts, two individuals are nearing the end of their training and recently a further four have commenced their training programme. Both of these 'types' of posts are essential for NSECH development and function and also serve to reduce the reliance on junior doctors for service purposes. The cost associated with this recruitment is within the financial plan for NSECH.

2c Operational requirements and capacity

The operational and financial plan has been based upon activity levels which are consistent with the 2013/14 outturn position plus demographic growth. The plan assumes as a consequence investment in additional resources to match the anticipated marginal costs of any increased activity, as a consequence of the demographic growth identified.

Our two main Commissioners have identified demand management initiatives relating to both general planning and specific assumptions regarding the implications of the Better Care Fund. Whilst the Trust has been fully engaged given the current status of those plans, it has not included those assumptions in the base plan. Separately however, the Trust has modelled the implications of those assumptions being fully enacted. The sensitivity model run on this basis indicates that the Trust would maintain the planned level of continuity of services risk rating.

2d Finance, Productivity, Efficiency and CIPs

Changes in commissioning intentions
The Trust has well developed links with its major commissioners both clinical and at a senior level. These links cut across various levels of the respective organisations.

The two major CCGs with which the Trust contracts both have aspirations to reduce overall non-

elective and electivity activity with the Trust with resources being switched toward care closer to home.

Whilst the Trust has seen a change in the reduction in the non-elective contract in recent years, this has largely been driven by changes in pathways instigated by the Trust e.g. the introduction of ambulatory care.

Should the CCGs realise their joint aspiration, the Trust is well placed to meet this challenge given that it manages Community services across both CCGs and has a network of community hospitals in the county of Northumberland.
In constructing the financial strategy, the Trust has reflected lower non-elective growth in 2014/15 of 1% consistent with the contractual tolerance agreed with CCGs.

The CCGs strategy on QIPP is generally driven by the view that tariff deflation and allocation growth will be sufficient to deliver their on-going requirements.

SLM Strategy
The Trust has an extremely well developed Business Unit structure which is built extremely strong clinical involvement. Each Business Unit has a comprehensive Board structure in place which ensures decisions are built upon clinical and business evidence. The Trust engages in various benchmarking exercises both externally and internally across individual clinical teams. This benchmarking is shared across the wider Clinical and Management body where services are challenged regarding clinical and service outcomes.

The Design of Cost Improvements
In deciding on the level of cost reduction the Board of Directors has taken into account a range of different factors, including:

- the current and future economic outlook, the Board undertook a review closely monitored the external environment regarding the potential impact of the economic climate on both current and future performance
- the publication recently by Monitor of their assessor and downside assessments
- the on-going trading position of the Trust both historic and projected.

Clearly the Trust operates in an ever-changing environment and, in light the current economic climate, the Board of Directors as a consequence instigated a detailed and wide-ranging strategic review in order identify ensure the cost reduction programme was comprehensive in nature. The key cross cutting themes identified include:

Theme	Focus
Procurement	**Obtaining best value and reducing transaction costs.**
Premises	**Review estate utilisation, letting to Commercial and NHS Partners. Disposal and re-configuration of under-utilised or inefficient estate.**
Paybill	**Terms and conditions, premium payments, agency usage, skill-mix, rostering, duplication**
Back-Office	**Duplication, value added, local vs central, processes and systems**
Commercial	**Developing new commercial income streams e.g. services to external bodies (e.g. NHS Fleet Solutions), extended employee benefits (e.g. salary sacrifice schemes, home computing).**

Capital Investment	**Sharpen and prioritise investment linked to future payback (lower costs, income stream)**
Service Integration	**The synergies resulting from the integration of Acute and Community services**
Clinical Efficiency	**Length of stay, cancellations, theatre utilisation, service line reporting metrics, reducing DNAs, minimising marginal costs of additional activity**

The vast majority of cost reduction development and design is undertaken at Business Unit level this results in greater clinical engagement and ownership. Overall generally approximately 80% of the programme is developed by the business units within the Division, with the balance being made up of corporate themes or Group-wide commercial activities.

The Group-wide commercial activities are currently shown within the East Division but in future years following the North Cumbria acquisition these activities will transfer to a group level activity and the benefits deriving will be shared across each Division on a pro-rota basis.

Each Business Unit within the Division has its own "plan on a page" which is consistent with the Trust plan and overall consistency is ensured via the embedded gateways within the process in order to sign-off the programme (described below).

In arriving at the content of the programme each Business Unit will review specific internal and external benchmarking. The programme is built around key themes.

The Process

The cost improvement programme within the Trust is driven by significant clinical involvement with ownership taken at the individual Business Units where Clinicians and Managers agree jointly the forward programme.

The Executive Management Team of the Trust acts as the group which ensures consistency across the Trust and reviews the overall programme prior to sign-off by the Finance, Investment and Performance Committee and ultimately the Board of Directors.

The Trust, in pulling together the programme has taken steps to ensure agreed quality standards are maintained and it is clear throughout that patient safety and quality cannot be compromised.

Each Business Unit consists of the key clinical leaders and therefore each Business Unit engages in a robust process to ensure each cost reduction plan is sustainable and does not adversely impact on safety or quality. Each scheme is quality impact assessed and "signed-off" by the clinical lead. Where there are significant schemes (whether that be financial or potential service impact) these are formally reviewed and assessed six months post change to ensure there are no unforeseen consequences of the change.

In order to ensure there is a form of external clinical scrutiny each Business Unit is required to present their plans for the year ahead to the Trust's Clinical Policy Group. The Clinical Policy Group comprises of the key clinical and managers from within the Trust together with GP representatives from the external community.

Each Business Unit programme must be "signed-off" by the Clinical Policy Group and thereafter there are quarterly presentations on the Business Unit performance in terms of delivery and

impact on safety and quality. Each Business Unit will outline progress against the programme together with an analysis of key quality metrics highlighting any emerging trends. This information is used to inform the Quality Declaration to Monitor.

Monthly reports go to the Finance, Investment and Performance Committee and Board of Directors detailing the safety, quality, service standards and finance performance across the Trust.

Underpinning this process, each Business Unit reviews on a weekly / monthly basis overall progress in order to manage delivery and also pick up any quality impact.

Management

Key accountability resides with each Business Unit as they represent the key drivers of change and accountability. Risks are identified and addressed. Within each Business Unit there are identified individual project managers who are responsible for managing delivery and there is a report/monitoring which reviews delivery on a rolling fortnightly basis.

At Corporate level performance is reported to a sub-committee of the Board and within the financial plan there is a level of contingency held.

The Trust has a strong history of delivery and is further enhancing internal capacity/capability by implementing a new Project Management system at a corporate level to further enhance the management and monitoring of on-going performance.

2e Financial Plan

Since Foundation status, the Trust has demonstrated a consistent and very strong financial track record. This can be evidenced by the on-going delivery of a financial risk rating of 4 (under the previous risk rating) and the underlying strength in both revenue and liquidity performance. The financial plans submitted in respect of 2013/14 to 2015/16 indicate an on-going performance.

The plans incorporate a number of key priorities:

- The completion of the new NSECH facility which will become operational in 2015/16
- The continued investment in community services including the development of closer integration across Community, Acute, Primary and Social care
- The redevelopment of the Berwick Community Hospital.

Within the planning assumptions a number of risks have been identified including the new NSECH, cost reduction delivery, demand management and the implications of the Better Care Fund.

3 Membership Commentary

We draw our members from three membership constituencies – the public constituency, the staff constituency and the patients' constituency. Membership of the public constituency is open to anyone over the age of 12 living in Northumberland and North Tyneside. The patient constituency is open to people who have been treated in one of our hospitals in the past year but are not resident in the immediate catchment area.

Staff who are employed directly by the Trust on permanent contracts automatically become members unless they inform us that they do not wish to do so.

Over the past year, we have taken an opportunity to thoroughly review our membership and engagement strategies to ensure it remains fit for purpose. This has become more systematic by using a range of mechanisms to communicate and engage to meet the growing needs and expectations of the Trust, Governors and Members. This will enable us to move forward to meet our objectives of improving relationships and of having an informed and engaged active membership and Council of Governors.

Engagement is vital to involving our patients, the public, our members, our staff and other key stakeholders in the development and evaluation of our services to ensure that the services and care we provide are designed and delivered around our patients' needs.

The engagement strategy has the following broad, overarching objectives:

- To increase the number of 'active' trust members and ensure regular communication and engagement
- To deliver a programme of engagement activity
- To manage and develop the Council of Governors to carry out their role effectively
- To increase opportunities for Governors to engage with members, staff and the public
- To engage, build and manage relationships with stakeholders.
- To comply with statutory duties.

The engagement strategy will focus on the following key performance indicators which is monitored quarterly by the Council of Governors and Membership Committee:

Membership

- There is a 1% increase per annum in members who regard themselves as 'active'
- All members receive an annual newsletter
- All members with email addresses receive the annual newsletter and three e-updates per year.

Engagement

- Deliver the annual 'We're listening' campaign with feedback given on progress to staff, Governors, Members and stakeholders
- Four engagement forums held in Northumberland and North Tyneside each year with voluntary and community groups to discuss and feedback on key issues
- Annual summer roadshow delivered across the local communities we serve
- 100% of requests for pro/reactive engagement met

Governors

- All Governors' meetings are run effectively with meeting agendas reflecting key issues and risks and supporting Governors in their role
- Monthly meetings in each governor constituency
- Successful management of annual election process
- Appropriate induction programme for new Governors
- Suitable training programme to develop and support Governors
- Weekly Governor e-bulletins delivered with latest news, training and developments
- Governors receive all urgent briefings about trust developments
- Governor involvement and contribution to the Trusts annual priorities and forward planning
- Meet your Governor sessions across all constituencies
- Members events to engage members and governor and ensure on-going dialogue

Stakeholders

- Aim for 100% attendance at stakeholder meetings
- Stakeholder bulletins throughout the year
- Quality Account stakeholder event held each year

North Cumbria acquisition process – membership activity

As part of the acquisition process for NCUH, the Trust has recruited public, staff and patient members and held elections for a shadow Council of Governors.

Governor elections update

The Council of Governors consists of 36 governors elected by members in the public constituency, 23 governors elected by the staff constituency, 11 governors appointed by local partner organisations and one governor elected by the patient constituency.

Governors are elected to office for terms of up to three years and may seek re-election for further terms. Elections are held in accordance with Monitors Model Election Rules. During the year, no elections were held and all positions were elected unopposed.