



Operational Plan Document for 2014-16

Somerset Partnership 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):

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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.

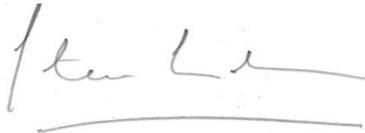
In signing below, the Trust is confirming that:

- 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)	Stephen Ladyman
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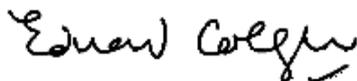
Signature



Approved on behalf of the Board of Directors by:

Name (Chief Executive)	Edward Colgan
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Signature



Approved on behalf of the Board of Directors by:

Name (Finance Director)	Pippa Moger
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Signature



1.2 Executive Summary

The Somerset Partnership NHS Foundation Trust Operational Plan document sets out the Trust's strategic and operational plans for the two year period from 2014/15 to 2015/16.

Somerset Partnership NHS Foundation Trust is a high performing organisation, with an established national reputation for innovation and best practice. Patient safety and quality is at the heart of everything that the Trust does. The Trust has sought to ensure that the lessons learned from the Francis inquiry and other major reviews are disseminated throughout the Trust and implemented effectively. The Trust has developed and employs an integrated approach to quality and patient safety and performance management, which is evidenced through the monthly quality report and performance report, presented to the Trust Board, which outline the Trust's trends against a broad range of performance indicators, and patient safety & quality metrics.

A key priority for the Trust remains its commitment to ensuring transparency in all areas of its work, supporting and encouraging all staff to report all incidents and near misses, in order to maintain a strong platform of high reporting and low harm incidents. Following the publication of the Francis report, the Trust has reiterated its commitment to putting patients first, ensuring that they are at the very heart of everything that the Trust does. Patients should be involved in every aspect of their care and to understand how the Trust is performing. Central to this is the Trust's commitment to listening to and learning from patients, their carers and staff. The Trust recognises the responsibility that it has, to deliver safe, high quality and cost effective services, and is committed to act with integrity, and to be honest and open about the decisions that it makes at patient, service and organisational level.

Somerset Partnership recognises the magnitude of the challenges faced by the health and social care economy, both nationally and locally, both in terms of efficiency, cost effectiveness and financial sustainability, and also in rising to the challenge of continuing to make improvements to the quality of services delivered to patients, whilst meeting ever-rising levels of demand for services. Meeting these challenges will require collaborative working between organisations involved in the commissioning and delivery of care, to deliver the major systemic change which is necessary in order to ensure that patients continue to receive excellent standards of care.

Somerset Partnership is integrally involved in the local System Transformation Group, playing a leading role in driving forward change across Somerset, and seeking innovative opportunities to deliver health and social care more efficiently, focusing on patients and service users, rather than on organisations. The Trust is committed to raising standards of care for patients, as well as driving innovation and efficiency. The two-year period covered by this plan will see the Trust make major investments in community hospital facilities, enhancing standards of privacy and dignity on wards, and investing in information technology.

The Trust's key priorities for 2014/15 are:

- preserving and raising further the quality of care delivered to our patients;
- maintaining a balanced financial position;
- exploring the scope for greater levels of integration, both within and outside of the Trust;
- optimising opportunities for collaborative working with other organisations across the local health and social care economy;
- implementing Safer Staffing levels;
- the implementation of the Trust's Information Technology Strategy;
- the reopening of Wessex House;
- the redevelopment of Chard Community Hospital;

- work to enhance standards of Privacy and Dignity at Rowan and Magnolia wards;
- implementing the recommendations of the Department of Health document “Hard Truths – The Journey to Putting Patients First”;
- seeking to deliver the strategic objectives of Somerset Clinical Commissioning Group and NHS England, through changing the way in which services are configured and delivered, in partnership with others across the Somerset health and social care community;
- engaging closely with the nine GP federations, local authorities and local people to ensure that our services are appropriately adapted to meet the needs of local communities.

Through its investment in information technology, Somerset Partnership will enable its staff to undertake their roles more efficiently, eliminating paperwork and duplication of recording, and freeing up more time for care to be delivered to patients. The improvement to the Trust’s data quality will afford the Trust the opportunity to undertake a greater range of internal benchmarking, and to identify where scope lies for greater efficiency and productivity improvements to be made, so that the Trust deploys its resources optimally in delivering high quality care to patients.

In developing its operational plan, the Trust has actively engaged its staff in determining the priorities on which the Trust will focus in the coming years. As part of its established planning processes, and its membership of local multi-agency forums, the Trust has also engaged with partner organisations and other key stakeholders across the local health and social care economy, in shaping its own plans and ensuring consistency and congruence with the plans of others. The Trust works with all of its Foundation Trust Governors to identify ways in which they and the wider Membership can develop as valued partners, in determining the strategic direction of the Trust, including the development of the Trust’s operational plan, and in providing the Trust Board with information about the views of patients, carers, staff and the wider community. Governors are invited to attend the public part of Trust Board meetings, Away Days and Trust Board seminars, which are routinely held after formal Trust Board meetings. The Trust’s Chairman and Chief Executive also meet with the Lead Governor of the Council of Governors after each Trust Board meeting.

The Trust benefits from a stable annual staff turnover rate of 11% and a stable workforce of approximately 2,900 whole time equivalents. This enables a healthy balance of newly qualified staff and experienced staff, to ensure a consistently high quality skill mix in the multi-disciplinary teams. The Trust recognises the challenging financial climate in which the NHS is currently operating and, in line with other NHS organisations, the Trust is required to deliver a significant level of savings, in terms of improved productivity and efficiency. The Trust’s financial strategy is to deliver savings to manage reductions in tariff and cost pressures, to enable the Trust to continue to deliver safe patient services and surpluses for reinvestment in its services and facilities.

Whilst the financial challenge is significant, the Trust has a strong track record of delivery against challenging cost improvement programmes. As part of the Trust’s process in respect of Cost Improvement Programmes, the Medical Director and Director of Nursing and Patient Safety are required to assess the impact of the programmes on the quality of services and on patient safety, and to report their conclusions to the Trust Board prior to the agreement of any cost improvements.

Somerset Partnership NHS Foundation Trust has a total operating income of £147 million and maintained a Level 4 Continuity of Service rating in 2013/14 and plans that this will continue in 2014/15 to 2015/16. The Trust has a proven track record of delivery against its cost improvement programmes, although it is recognised that this becomes increasingly challenging each year. In preparing the Trust’s financial plans for 2014/15 to 2015/16 the following

assumptions have been adopted:

- there will be a tariff reduction of 1.8% in 2014/15 and 1.1% in 2015/16;
- pay costs will increase by 1.5% in 2014/15 and 2.2% in 2015/16 due to the increase in the pension contributions;
- non-pay costs will increase by 2.1% in 2014/15 and 2.1% in 2015/16.

The Trust's key aims within its financial strategy are to:

- maintain a surplus in both 2014/15 and 2015/16;
- continue to maintain strong cash balances;
- continue to invest in the Trust's estate and infrastructure;
- support the delivery of the Trust's strategic themes and goals;
- continue to deliver integration / operational synergy savings through the integration of physical and mental health services;
- invest to ensure that safer staffing levels can be maintained;
- invest in the further development and improvement of the Trust's Information Technology systems, in order to support the delivery of productivity improvements.

Somerset Partnership aims to continue to promote learning and excellent practice and to be innovative in its service delivery, seeking opportunities to enhance the quality of service provision and to share the best practice across the organisation, in order to provide safe, high quality care for each and every one of the patients it serves.

1.3 Operational Plan

Organisational and Local Context

Somerset Partnership NHS Foundation Trust is the principal provider of community health services and specialist mental health and learning disability services to the population of Somerset. The Trust serves a population of nearly 550,000 and has around 500 community hospital and mental health inpatient beds across the county. Wherever appropriate, the Trust aims to treat patients at home, or as close to home as possible. The Trust employs over 3,800 staff (around 2,900 whole time equivalents) and provides a wide range of community-based services, delivering over a million patient contacts a year. Somerset Partnership NHS Foundation Trust is a high performing organisation, with an established national reputation for innovation and best practice.

The Trust's mission is summarised as:

'Caring for you in the heart of the community'

The Vision of the Trust is:

'We will be the leading provider of community-based health and social care'

The Trust's Mission and Vision are underpinned by the following six strategic themes, each of which is supported by strategic goals, which are reflected in this plan:

Strategic Theme: Quality and Safety

Strategic goals:

QS1: We will further strengthen the Trust's systems and processes for improving quality and safety

QS2: We will improve the culture of care

QS3: We will ensure that the Trust meets the requirements of key national bodies and implements the key recommendations arising from national reports and enquiries

QS4: We will work with partnership to improve standards of quality and safety

Strategic Theme: Service Delivery

Strategic goals:

SD1: We will aim to ensure that our services to our patients continue to be of the highest standard and meet identified national and local priorities

SD2: We will develop new services, and improve and build upon existing services, to ensure that we deliver the best care to patients

SD3: We will use Information Technology to support improvement in the efficiency and effectiveness of our services

Strategic Theme: Culture and People

Strategic goals:

CP1: We will continue to develop the Trust's open, honest, transparent culture, reflecting our values

CP2: We will continue to develop systems to ensure effective communication and engagement

CP3: We will ensure that the Trust has effective leadership arrangements in place

CP4: We will develop and train our staff, and equip them with the skills to deliver the highest standards of care to our patients

CP5: We will develop positive, challenging and realistic relationships with commissioners, patients and service users, Members, GP Federations, Governors, partners and the wider community

Strategic Theme: Integration

Strategic Goals:

Int 1: We will further integrate services within Somerset Partnership

Int 2: We will seek to take forward opportunities for integration with other health and social care providers in order to bring improved patient care

Int 3: We will seek to take forward opportunities for integration outside of the wider NHS and Social Care community

Int 4: We will continue to develop patient focused pathways, with a workforce fit for the future

Strategic Theme: Innovation

Strategic Goals:

Inn 1: We will proactively seek out and embed innovation and good practice, from within and outside the organisation

Inn 2: We will use technology in our drive for innovation and to improve the efficiency and effectiveness of our service

Inn 3: We will develop the Trust's arrangements for research and strengthen academic links

Strategic Theme: Viability and Growth

Strategic Goals:

VG1: We will review the range of services we provide and how we provide them, to ensure that we deliver safe, high quality care as efficiently and effectively as possible

VG2: We will ensure the Trust is equipped to make the most of business development and

tendering opportunities

VG3: We will continue to develop organisational relationships and arrangements for partnership working

VG4: We will ensure that our organisational processes support the viability and growth of the Trust within funded resources.

VG5: We will continually advertise our successes and market our strengths, both locally and nationally

These strategic themes and strategic goals were developed by the Trust during 2013/14, through a process of consultation with staff, Governors and other key stakeholders.

The draft Joint Strategic Needs Assessment for Somerset, which informs the development and strategic direction for service provision across the county, states that the population is projected to rise by about 0.7% (3,500 people) each year. The majority of the population increase in Somerset is due to projected rises in the number of older people (aged 65+) living in the county, anticipated to increase by around 30% between 2011 and 2021. Somerset's ageing population will present ongoing challenges for health, social care and housing providers. The ageing population has particular implications for services in Somerset as it is a key risk factor for many common health conditions. The projections for Somerset's demography will see further increases in the numbers of patients with cardiovascular disease, cancer and diabetes. Projected increases for dementia and heart failure are particularly high. In Somerset there are approximately 8,720 people with dementia. This is expected to increase to 11,400 by 2021. Rates of dementia in Somerset are significantly higher than those seen in the rest of England and there are indications that even this figure may be a significant underrepresentation of actual need.

The number of children (aged 0-15) in Somerset is projected to rise by around 11% by 2021, while the number of working age people (aged 16-64) is projected to fall slightly. Somerset's population is classified as around 52% urban and 48% rural, making it one of the ten most rural counties in England. According to the Government's 2010 Index of Multiple Deprivation, Somerset is close to the national average in terms of overall levels of deprivation. The 2013 Local Authority Mental Health Profile, released by North East Public Health Observatory, shows that Somerset performs better than, or is at least broadly in line with, the national average in respect of most indicators. However, Somerset is significantly worse than the national average in terms of the percentage of adults with depression and the rate of emergency hospital admissions for self-harm.

The changes to Somerset's demographics and epidemiology, outlined in the Joint Strategic Needs Assessment, coupled with the challenges presented by the changes to the overall financial position over the coming years, mean that Somerset Partnership needs to ensure that its arrangements for capacity and workforce planning are robust. The Trust is also highly cognisant that challenging economic circumstances nationally also tend to give rise to increases in demand for mental health services which significantly outstrip what would otherwise be expected.

Somerset Partnership NHS Foundation Trust was a pioneer in the field of integrated health and social care mental health provision, and modern community mental health provision has been in place for longer in Somerset than in most parts of the country. Somerset Partnership faces competition, in relation to the provision of community and mental health services locally, from

other Foundation Trusts from within and outside of Somerset, as well as the independent sector, the third sector, general practitioners and other organisations. The Trust has a good track record of competing for service development opportunities, and bid successfully, during 2013/14, for a broad range of services that increased the breadth of its portfolio, with a value in the region of £1 million. Somerset Partnership NHS Foundation Trust monitors, on an ongoing basis, national and local websites and other media, to identify potential opportunities to extend the range of services that it provides. In keeping with the Trust's Mission, Vision and Strategic Themes, Somerset Partnership seeks actively to continue to grow its business through service expansion and strategic partnerships, by proactively seeking and responding to opportunities which arise as a result of the changing health and social care environment.

Amongst the bids successfully submitted by the Trust during 2013/14 were:

- The retention, by the Department of Health, of the Trust as a personality disorder demonstrator site;
- Delivery of a Primary Dental Service in Bristol and South Gloucestershire's Prisons;
- Delivery of parenting support services in Bristol, to parents of deaf or hard of hearing children;
- The extension, until September 2014, of the Frome assessment beds pilot;
- The extension, until October 2014, of the Telehealth Central Service;
- Children and Young People's Improving Access to Psychological Therapies: Training of Cognitive Behavioural Therapists and Parenting Therapists;
- Redesign of the podiatry service, to increase community clinics for patients with diabetic foot ulcers, including a rotational podiatrist to Taunton and Somerset NHS Foundation Trust;
- Increasing the Trust's contract with Yeovil District Hospital NHS Foundation Trust to provide podiatry, from 7.5 hrs per week to 30 hrs per week.

A. The short Term Challenge

Somerset Partnership recognises that, both nationally and locally, the health and social care economy faces challenges on an unprecedented scale, both in terms of efficiency, cost effectiveness and financial sustainability, and also in rising to the challenge of continuing to make improvements to the quality of services delivered to patients, whilst meeting ever-rising levels of demand for services. The Trust is clear that meeting these challenges will entail the implementation of significant change within the organisation, in terms of service redesign and integration, but also recognises that this in itself will not be sufficient to meet the magnitude of the challenge being faced. Somerset Partnership recognises that a fundamental reappraisal is required of the nature and configuration of service provision, across pathways which span organisational boundaries, involving pan-organisational collaboration and major systemic change, with the quality of service delivered to the patient and financial sustainability as the starting point.

The Trust's active approach to addressing the short term challenge, through partnership working is reflected in its Strategic Theme, **Integration**, and its four underpinning goals. Other Strategic Themes and goals of the Trust which particularly support this work are **Quality and Safety** (Goal QS4), **Culture and People** (Goal CP5), **Viability and Growth** (Goals VG1 and VG3), and **Innovation** (Goal Inn1).

Somerset Partnership is an active member of the countywide System Transformation Group, a forum which brings together local health and social care providers and commissioners within its membership, with the purpose of ensuring that organisations increasingly work together to meet the challenges faced in Somerset, in continuing to provide high quality, sustainable person

centred care to the local population, in the face of increased demand and considerable resource constraint. Transformation Group members recognise that these challenges underpin the compelling case for change that will convince organisations and, in due course the broader population, of the unprecedented scale and nature of change required over the coming five year period, as well as the extent of the action which will be required in the short term.

The Transformation Group recognises that the challenge is not unique to Somerset: NHS England's document 'The NHS belongs to the people: A call to action' sets out the national context, recognising the need to do more than merely make improvements to the current system. The document 'A Case for Change: Transforming Health and Social Care Services in Somerset', endorsed by the Somerset Partnership Trust Board in October 2013, was produced jointly by the organisations in Somerset responsible for commissioning and providing the largest part of health and social care services. The document sets out the challenges faced in Somerset in continuing to provide high quality, sustainable person centred care to the local population in the face of increased demand and considerable resource constraint, and invites the local leadership groups to commit to work together to bring about transformational change, focusing on the patient and not the organisation. As a health and social care community, Somerset is developing a range of initiatives to change the way in which services are delivered, including work to review care delivery across some of the most challenging areas, such as frail elderly care pathways, reablement, and long term conditions.

Somerset Partnership and its partner organisations across the county, recognise that the challenges of rising demand from an increasing and ageing population, together with greater expectation in the face of increased costs and financial restraint, cannot be met sustainably by providing more services in the same way. The approach adopted in Somerset to meet this challenge recognises that it is imperative that front line leaders and professional staff are engaged in changes and feel ownership of the process. This requires professional leadership in all areas of all organisations, to encourage the innovation and confidence that is required for transformational change. Those working on the front line with local communities will be fundamental to delivering this change. Strong clinical and professional leadership will need to convey a strong patient and service user focus to support implementable solutions that will provide high quality care. Front line clinicians and other professional staff are well placed to work with community leaders to lead the changes and will be key to explaining the need for change to the public and communities. Equally, there is a clear need for local people to understand the role that they themselves have in this transformation, through self-care and peer support.

The key themes which comprise the case for change in Somerset include:

- Somerset faces an increasing demand for health and social care from a growing, less healthy, ageing population, many with co-morbidities;
- Unprecedented budgetary constraints in the public sector mean that doing the same thing in a more efficient way will not be sufficient to make budgets balance. The use of resources must be optimised. The scale of the financial pressure means that the way in which care is provided, and the levels of care provided, need to be fundamentally rethought in order to remain within the level of funding available;
- There are increasing expectations relating to the quality of clinical outcomes and people's experience of using services. Improved quality and patient safety are of paramount importance in service transformation;
- Some services currently provided in Somerset could become unsustainable in future. The health and social care community must agree the scope of the services to be provided and must work collaboratively to ensure robust sustainable delivery that meets the needs of the local population;

- The health and social care workforce is key to the delivery of cost effective, high quality, responsive care. They are instrumental in making the changes to transform services for the future and for conveying the messages to the public regarding the necessity of change and how the public can participate in and support that change;
- Health care estate tends to be inflexible and can become outdated as needs change. There is a need for a community-wide approach to ensure the most imaginative and constructive use of physical capacity and settings for delivering care;
- The way forward is through effective collaboration in transformative change. The Transformation Group will ensure that changes across the system are co-ordinated.

The Transformation Group, and other associated multi-organisation forums, including the Health and Wellbeing Board Executive Group, have served to reinforce the ethos of partnership working in Somerset, and have given rise to focused, discrete work streams which draw together expertise from across the county to address particular issues, an example of which is the recent financial sustainability workshop, attended by all key partner organisations, to consider the financial challenge facing the local health and social care economy over the coming five year period.

Somerset Partnership is an active member of the Symphony project, a multi-organisation initiative involving commissioners and health and social care providers, with the purpose of developing person centred, co-ordinated, and integrated care services for people in the South Somerset area. The aims of the Symphony project are to:

- Ensure people remain independent and healthy for as long as possible;
- Make advice or support easy to obtain;
- Make it as easy as possible for people to access the services they need and to provide individualised care to meet their needs;
- Ensure that staff across all organisations work to do the right thing for the people they care for at the right time, in the right place, regardless the organisation for which they work;
- Make it easier and more rewarding for staff to do their jobs.

Somerset Partnership is an active member of a wide range of local forums, and plays a key role in helping to drive improvements to quality, efficiency and innovation, whilst working collaboratively to ensure that patients receive the best care possible. Additional multi-organisation forums of which Somerset Partnership is a member include:

- the Somerset Palliative Care Steering Group;
- the Somerset Frail Elderly Steering Group;
- the Children and Young People's Improvement Board;
- the Urgent and Emergency Care Steering Group and Working Group;
- the Somerset Stroke Group
- the Safeguarding Adults Board
- the Local Safeguarding Children's Board;
- the NHS 111 Steering Group;
- the Somerset Pressure Ulcer Collaborative;
- the Somerset Infection Control and Prevention Group;
- the Symphony Board and Symphony Design Board, and subgroups;
- the Independent Living Team Working Group
- the Frail Older Persons' Assessment Service Group – Yeovil District Hospital.

The Trust also holds monthly clinical interface meetings with both local acute Trusts, and attends

regular Local Medical Group meetings, and meetings of GP Federations.

In addition to the arrangements outlined above, Somerset Partnership has played an active role in the development of other key local plans, ensuring that there is a consistency of local understanding regarding the most significant issues to be addressed, and the approaches for taking those issues forward. Examples of plans in which Somerset Partnership has been integrally involved include:

- Somerset Clinical Commissioning Group's emerging five year commissioning strategy, and the associated actions relating to health and wellbeing, person-centred care, urgent and acute care, and sustainable and high quality services;
- The Somerset Joint Strategy for Mental Health and Emotional Wellbeing, which sets out recommendations relating to:
 - addressing discrimination and stigma;
 - prevention and early intervention;
 - access to Talking Therapies;
 - Co-morbid Mental Health and Substance Misuse;
 - Engagement and Participation;
 - Mental Health and Physical Health;
 - Acute Mental Health Liaison;
 - Primary Care Mental Health Liaison;
 - Children and Young People;
 - Families and Carers;
 - Equality of access;
 - Integrated Working;
 - Investment in Mental Health Services;
- The Health and Wellbeing Strategy for Somerset, which sets out the local shared vision for health and wellbeing, the three principal priorities of which are:
 - People, families and communities take responsibility for their own health and wellbeing;
 - Families and communities are thriving and resilient;
 - Somerset people are able to live independently for as long as possible.

A fundamental priority for Somerset Partnership in 2014/15 and beyond is to seek to deliver the strategic objectives of Somerset Clinical Commissioning Group and also NHS England, through changing the way in which services are configured and delivered, in partnership with others across the Somerset health and social care community. The Trust recognises that it is essential to engage closely with the nine GP federations, local authorities and local people, to ensure that our services are appropriately adapted to meet the needs of local communities

The document 'Everyone Counts: Planning for Patients 2014/15 to 2018/19' makes clear that there needs to be a significant shift in activity and resource from the hospital sector to the community. The funding and implementation of the Better Care Fund has the potential to improve sustainability and raise quality, including by reducing emergency admissions; hospital emergency activity will have to reduce by around 15 per cent, and that significant progress needs to be made towards this during 2014/15.

The principal areas agreed for the use of the Better Care Fund in Somerset are to:

- help people self-manage and provide peer support working, in partnership with the voluntary and community sectors;
- continue to invest in developing personalised health and care budgets, working with

customers and frontline practitioners to empower people to make informed decisions around their care;

- continue to invest in Reablement through Independent Living Teams, reducing hospital admissions and social care costs, reducing delayed transfers of care and providing seven day health and social care provision;
- invest in facilitating and enabling projects to promote integrated working.

In producing this operational plan, Somerset Partnership has taken full account of the issues set out by Monitor, in respect of the accuracy of planning findings and efficiency assumptions, and is confident that its own planning assumptions and financial projections are reasonable and robust.

During 2013/14, Somerset Partnership continued to develop its working relationships with other partner organisations, including the mental health charity Rethink, Yarlington Housing Group, a registered provider of affordable housing, and Somerset Care, a provider of care home placements, community support and extra care housing. The Trust also undertook work, in partnership with Somerset Social Care Services, to develop an independent living service, aimed at supporting the delivery of ambulatory care for patients, enabling as many people as possible to live independently at home, and facilitating timely discharge from hospital. The development of this service exemplifies the significant level of service redesign that the Trust has undertaken, to move the setting of care away from a hospital environment and towards community-based services, delivering care as close as possible to the patient's home, and identifying an increased range of services that can be provided on an ambulatory care or day care basis within our community hospitals. This realignment of care provision and a reduced reliance on inpatient beds has resulted in spare capacity existing within the Trust's community hospitals, which typically have around 40 unoccupied beds at any time. The Trust always seeks to ensure that its community hospital facilities are utilised as efficiently as possible, as is evidenced by the Trust's development of ambulatory care services as the model of preference at Williton Community Hospital. Somerset Partnership has developed a future model for community hospital service provision, which was approved by the Trust Board in November 2012, and which has been shared with commissioners, in support of the Clinical Commissioning Group-led review, 'Making the most of Community Services in Somerset'.

Amongst Somerset Partnership's other key strengths is its track record of major service redesign, from bed-based to community-based services, as well as its integrated approach to care delivery across community and mental health services. The Trust's operational services are structured around four integrated Divisions, providing community health and mental health services, based upon geographical localities, and two Divisions based around the grouping together of mental health inpatient & assessment services, and services for children and young people. This reconfiguration supports the scope for further integration of services across the Trust and facilitates the delivery of high quality, holistic care to patients. The Trust recognised that up to 20% of patients at any time on its caseload were receiving both mental health services and community health services, and that a real opportunity existed, to improve the quality of care provision, and to deliver care more efficiently. The Trust has a national reputation for innovation, efficiency and the delivery of high quality services, and has demonstrated its flexibility and responsiveness through its implementation of service reconfiguration and integration in order to deliver ever-more effective services and higher quality care. Somerset Partnership is also a high performing Trust, as is evidenced from its participation in national benchmarking exercises, which have demonstrated that its performance generally compares favourably against peer organisations.

Somerset Partnership aims to be innovative in its service delivery, seeking opportunities to enhance the quality of service provision and to share good practice across the organisation. The

Trust has recently finalised its second Compendium of Good Practice, which sets out clearly examples of innovations and excellent practice which have been successfully implemented within the Trust, with a view to their adoption and replication in other areas. The Trust has developed and copyrighted a system of signage for people with learning disabilities, and has also developed and copyrighted fact files for integrated paediatric therapies, which are actively marketed to other organisations. The Trust's Clinical Assessment Team has also designed and copyrighted assessment tools for the RiO information system, as well as elements of its Personality Disorder formulation.

Another key strength lies in the Trust's inclusive planning and quality improvement cycle, which encompasses the views of all key stakeholders, including:

- carer and patient groups
- the Council of Governors;
- service and team managers;
- Heads of Profession and professional groups;
- Community Hospital Leagues of Friends;
- the voluntary sector and other partner organisations;
- the Trust Board.

During 2013/14, the Trust made progress in implementing service transformation plans, of which 147 were received from teams from across the organisation, with the aim of improving quality and efficiency, in line with the 'Nicholson Challenge'. The principal risks associated with Integration, along with the actions which have been undertaken to manage the risks identified, and the related sources of assurance, are published within the Trust's Assurance Framework. These risks and the actions to be undertaken to close identified gaps in assurance are as follows:

- **Risk:** Failure to realise effective integration of services within the planned timescales.
- **Actions:**
 - pilot areas for operational integration at service level have been identified and project plans developed;
 - service level Business Plans developed;
 - each operational division has established Human Resources, Finance and Recruitment support;
 - co-location of mental health and community health services for Bridgwater Bay Federation has now been agreed and implemented;
 - each division is developing a co-location plan.

B. Quality Plans

Patient safety and quality is at the heart of everything that Somerset Partnership NHS Foundation Trust does. In recent years, the Trust has sought to ensure that the lessons learned from key national inquiries and reviews, including those undertaken by Robert Francis QC, Professor Sir Bruce Keogh and Professor Don Berwick are disseminated throughout the Trust and implemented effectively.

The Trust developed an action plan, to take account of the publication of 'Patients First and Foremost', the initial government response to the Francis report. Actions taken by the Trust include:

- commissioning a small number of short life working groups to consider specific issues, (for example, to review the Trust's recruitment process to ensure that the process was as

efficient as possible). This Group completed its work and the recruitment process improved as a result;

- reviewing bank and agency expenditure – the Trust recognises that, in some situations, it is necessary to use temporary staff but the aim should be to use bank staff, and it is important to ensure that a robust bank system is in place. Good progress has been made in carrying out this review and a process has been developed to improve the bank system;
- reviewing staffing levels, including the ratio of qualified to unqualified nurses; The Trust board has received two papers setting out the required staffing levels for inpatient services in community hospitals and District Nursing;
- implementing the ‘See Something Say Something’ campaign, to empower front line staff to speak out if they see something that does not fit with the Trust’s values. This work was developed and led by front line staff;
- recruiting for compassion – the new recruitment model had been tested with front line staff and has been well received;
- reviewing the professional nursing leadership and the appointment of three Heads of Nursing. A similar review will also be carried out for Allied Health Professionals;
- developing pilot arrangements to reduce bureaucracy in inpatient units and community teams;
- developing a Nursing and Allied Health Professionals strategy for Compassion in Practice;
- extending the implementation of the Quality Effectiveness and Safety Trigger Tool, to strengthen arrangements for ward to Board reporting;
- the development of a Leadership strategy for the Trust;
- reviewing the Trust’s complaints process, in conjunction with the Patients Association;
- reviewing the Trust’s induction programme;
- reviewing Board level assurance, its vision and mission.

The work subsequently undertaken by the Trust in response to the findings from Keogh and Berwick complements, and builds upon, the work already undertaken by the Trust in response to the key findings from Francis, and earlier national reports and enquiries.

The Trust’s active approach to improving the quality of services for patients, service users and carers is reflected in its Strategic Theme, **Quality and Safety**, and its four underpinning goals, and also the Strategic Theme **Culture and People**, and its five underpinning goals. Other Strategic Themes and goals of the Trust which particularly support this work are **Integration** (Goal Int4), **Service Delivery** (Goals SD1 and SD2), and **Viability and Growth** (Goal VG1).

As a provider of mental health services, the Trust is fully supportive of the approach outlined in the Department of Health’s recent publication, ‘Closing the gap: priorities for essential change in mental health’, which states that mental health must have equal priority with physical health, that discrimination associated with mental health problems must end and that everyone who needs mental health care should get the right support, at the right time. The Trust is also fully supportive of the focus upon raising quality standards for mental health care, eradicating inequalities, and integrating mental and physical health care, in respect of which the Trust has already made significant progress. The plans to extend the principle of choice in mental health services is also welcomed, although the Trust also recognises that this initiative could impact significantly upon levels of presenting demand, from patients from outside of the county opting to receive their care in Somerset and through Somerset patients choosing to receive treatment elsewhere. The Trust is also committed to implementing the recommendations arising from the Department of Health document ‘Hard Truths – The Journey to Putting Patients First’, and the governance arrangements of the Trust are geared towards ensuring that the principles of the documents are embedded in the Trust’s practice.

As an integral element of its arrangements for quality assurance, Somerset Partnership closely monitored its Care Quality Commission Quality and Risk Profile throughout 2013/14. The Trust remained assessed as low risk against all areas, with no significant changes in performance during the year.

The Trust's approach to Quality and Patient Safety and managing Clinical Risk includes robust arrangements, falling into three broad areas, outlined below. The principal assurance mechanisms which the Trust has established in respect of each of these areas are as follows:

1. Prevention and Early Detection

- monthly Quality Effectiveness and Safety Trigger Tool reports;
- monthly reviews of complaints and PALS, to identify any themes;
- reviews of near misses;
- reviews of staffing establishments and staffing levels in practice;
- Patient Safety Walkrounds;
- ongoing monitoring of compliance rates across 18 separate areas of mandatory training, with overall compliance in excess of 90%;
- Recruiting for Compassion;
- staff engagement;
- the 'See Something Say Something' campaign;
- measuring patient experience, using the Friends and Family test and arrangements outlined in the Trust's Patient and Public Involvement strategy;
- Leadership programmes and supervisory arrangements;
- a comprehensive programme of clinical audit;
- Divisional-level dashboards, incorporating quality and safety indicators.

2. Learning from Incidents

- identification of high risk clinical areas, resulting in a detailed quarterly review of incidents by location and by theme for each high risk area. These risk areas are reviewed on an annual basis by the Trust's Clinical Governance group in order to determine the most significant risks, based upon incidents, complaints, near misses and other factors. Currently these high risk areas are: falls, pressure ulcers, infections, medication, ligatures, venous thromboembolism, absence without leave, safeguarding, and blood transfusions;
- quarterly reviews of all Datix reporting, encouraging high levels of reporting for all levels of harm. This is followed up with a robust investigation process and identification and monitoring of key actions in order to prevent reoccurrence for all Serious Incidents Requiring Investigations and Never Events;
- key risks are recorded on divisional risk registers and, where appropriate, the Trust's corporate risk register, leading to the Assurance Framework, which is regularly reviewed at the Trust's Integrated Governance Committee, including a review of all actions taken to mitigate the risk;
- quarterly reviews of harm by location. This process overlays the incident rates for all high risk areas by location in order to understand harm by location as well as by theme. This is cross referenced with the monthly findings from the Patient Safety Thermometer;
- where there are clusters of incidents, either by theme or by location, a thematic review is commissioned. Thematic Reviews initiated in 2013/14 included: falls, venous thromboembolism, palliative care, inappropriate admissions to community hospitals and unexpected deaths;

- the Monthly Quality Report to the Trust Board, details of which are outlined below.

3. Creating a Culture of Continuous Improvement

- ongoing monitoring and reporting for all aspects of the standards contained in the framework for Commissioning for Quality and Innovation (CQUIN);
- Quality Accounts
- Nursing and Allied Healthcare Professions Strategy for Compassion in Practice;
- the Trust's Leadership Strategy;
- Best Practice Groups;
- Implementation and monitoring of compliance in respect of NICE guidance and Quality Standards;
- Local Service Improvement Plans;
- Research Steering Group;
- Recognition Awards.

The Trust has developed and employs an integrated approach to quality and patient safety and performance management, which is evidenced through its monthly quality report and its performance exception report, presented to the Trust Board. The reports incorporate metrics which span key national and local frameworks, including the Monitor Risk Assessment Framework, the framework for Commissioning for Quality and Innovation (CQUIN), 'Everyone Counts: Planning for Patients 2014/15 to 2018/19' and local commissioning intentions, with an emphasis on monitoring key aspects of quality improvement, harm reduction and patient safety.

The Trust measures its performance against national and local benchmarking data, where this is available. Where such benchmarks do not exist, the Trust monitors trends in respect of the numbers of reported incidents and levels of harm, and tracks progress against internal improvement targets. Due to the paucity of comparable national data relating to patient safety measures, the Trust proposed successfully, to the NHS Benchmarking Network, that in response to the recommendations of the Francis inquiry, a national data collection exercise be undertaken in relation to the metrics contained within the Somerset Partnership quality report, with a view to facilitating comparison against peer organisations. The Trust has analysed this comparative information, in relation to quality metrics for mental health services, including ligature point incidents, use of restraint, and incidents of physical violence towards staff. The key findings have been shared with staff, and the Trust is currently working with the NHS Benchmarking Network, to develop a broader range of measures to be included in the next iteration of the national data collection exercise. The Trust has also participated in national benchmarking exercises relating to community health services and child & adolescent mental health services, and the key findings have been shared with staff. The Trust is also actively involved in the scoping exercise for the national benchmarking exercise on learning disability services.

A key priority for the Trust remains its commitment to ensuring transparency in all areas of its work, supporting and encouraging all staff to report all incidents and near misses, in order to maintain our strong platform of high reporting and low harm incidents. Where incidents do occur, the Trust retains a clear focus on listening and learning, with effective and transparent patient and staff engagement in the process actively encouraged, as is consistent with the duty of candour. As a provider of mental health services, a level of unavoidable self-harm and unexpected deaths will remain, although the Trust will continue to strive to ensure that such incidents are minimised. Where serious untoward incidents occur, these are fully investigated and all lessons learned are identified and shared across the organisation, in order to minimise the risk of reoccurrence. All wards clearly advertise the staffing levels for each shift and, from June

2014, the variance between expected staffing levels and actual staffing levels will be shared on the Trust's public website.

The quality report to the Trust Board also focuses upon the delivery of high quality care from a patient and carer perspective, through regular reporting of patient experience data, patient engagement activity and issues raised through complaints and concerns. The quality report is published monthly on the Trust's website and provides the Trust Board with regular information, across a broad range of quality and safety measures including slips, trips and falls, medication incidents, pressure ulcers, incidents involving ligatures and ligature points and Patient and Public Involvement.

The monthly quality report to the Trust Board sets out ward-level data and commentary, using a range of tools including the Quality Effectiveness and Safety Trigger Tool, with a view to ensuring that assurance is provided from Ward-to-Board. The Trigger Tool is employed across all of the Trust's community hospitals and mental health inpatient wards. Front line staff use a series of validated triggers to measure, from their perspective, the key issues challenging the delivery of safe, effective care. The ward-level report outlines the principal issues for each ward in each month, and the Trust sets out information which depicts the trends relating to the severity of different areas of pressure affecting the organisation. The comments of ward-based staff, which accompany the Trigger Tool reports, are provided verbatim to the Board and published on the Trust's website.

All members of the Trust Board participate in regular Patient Safety Walkarounds. These are based on the 'Safety First' campaign approach and provide a further opportunity for the Executive Team and Trust Board members to meet front line staff, patients and carers, in order to listen proactively to their stories and identify areas of good practice, as well as areas for service improvement. Themes arising from the Walkarounds are also reported to the Trust Board on a quarterly basis. From April 2014, Walkarounds will also include Trust governors.

The Trust's clinician-led best practice groups, established at the level of individual services or pathways, further embed national guidance, such as NICE guidance, and learning from national and local audits and research, as well as cultivating a stronger emphasis on quality improvement. These are reported at the Trust's Clinical and Social Care Effectiveness Group, and through the Trust's Clinical Governance group, Integrated Governance Committee, and to the Trust Board. Additionally, the quality report includes a more detailed quarterly report on patient experience, which is reviewed in detail by the Trust's Patient and Public Involvement Group, which draws its membership from Trust management, operational staff, patient representatives and Governors.

Trust staff and Governors also sit on and attend each of the nine Local Health Forums established across Somerset which bring together commissioners, providers, local patient representatives (including Patient Participation Groups and Leagues of Friends), local voluntary sector organisations, the local authority and, in some instances, local councillors to discuss and share information about health and social care services in their area.

In April 2013, the Trust introduced the national 'Friends and Family' test, to all of its community hospital inpatient departments and subsequently extended the test to all of its Minor Injury Units, in advance of the national programme, and uses the resultant information to improve further the services it offers to patients. The Trust also acted as a pilot site for the national Staff 'Friends and Family' test, on behalf of NHS Employers. In line with the national CQUIN programme, the Trust will extend 'Friends and Family' to mental health wards in 2014/15.

By means of these and other mechanisms, Somerset Partnership NHS Foundation Trust is able

to monitor performance and outcomes closely, across a broad range of quality and safety indicators, to develop action plans for the resolution of any significant issues arising, and also to provide a robust basis to enable the Trust Board to challenge the adequacy of existing arrangements and seek clarification regarding actions being undertaken to improve quality. The Trust also has a range of mechanisms in place to gauge patient experience and public perception of the quality of the services it provides, including participation in national surveys and also undertaking regular local surveys of patients' views. Somerset Partnership NHS Foundation Trust has a robust integrated governance structure in place, with a range of expert clinical reference sub groups established to focus on key clinical areas. The Trust's Clinical Governance group receives quarterly reports from expert clinical reference sub groups including medicines management, resuscitation, infection prevention and control, medical devices, and safeguarding adults and children. The Clinical Governance group also receives quarterly progress reports in respect of high risk areas of clinical practice, including a review of current practice, performance, incidents, lessons learned, and progress against compliance with local contract requirements and national best practice. The Clinical Governance group reports to the Trust's Integrated Governance Committee, which reports in turn to the Trust Board. Any key areas of clinical concern are also addressed within the framework of the Trust's Risk Strategy.

The Trust is in advanced discussions with commissioners, with regard to the agreement of CQUIN measures for 2014/15. These are expected to focus upon the following key themes:

- further extension of the 'Friends and Family' test;
- prevention of pressure ulcers;
- dementia - building upon work around clinical leadership, identifying people as potentially having dementia who are appropriately assessed, and referral on to specialist services and supporting carers of people with Dementia;
- demonstrating full implementation of appropriate processes for assessing, documenting and acting on cardio metabolic risk factors in patients with schizophrenia;
- Care Programme Approach: demonstrating by Quarter 4 that, for 90% of patients audited, an up-to-date care plan has been shared with the GP, including ICD codes for all primary and secondary mental and physical health diagnoses, medications prescribed and monitoring requirements, physical health condition and ongoing monitoring and treatment needs;
- consultant review of young people presenting with an Eating Disorder (ED) according to the ED Pathway, ensuring that young people diagnosed with Anorexia nervosa and /or Bulimia are seen by a Consultant Psychiatrist within six weeks;
- improving discharge planning and discharge information for the frail elderly, in collaboration with local Acute Trusts.

The Trust's Council of Governors and Board have discussed the proposals for priority areas for the Trust's quality account, as part of a wider consultation process, involving with staff, governors and patient representative groups, based on a 'long list' of issues and priorities drawn from the Trust's own review of its quality performance and the identification of areas for improvement. The priorities agreed for the Trust's 2014/15 Quality Account are:

- delivering harm free care, including prevention and management of falls, pressure ulcers, venous thromboembolism and catheter acquired infections;
- improving patient and carer involvement in their own care planning;
- improving the assessment for patients with dementia and support for their carers;
- improving discharge planning and discharge information, particularly for the frail elderly;
- improving medicines administration;
- developing our culture of compassion and commitment to care.

The priorities for the Quality Account, the delivery of the Cost Improvement Plans and the organisational change necessary to deliver the Trust's six strategic themes, all have implications for workforce development. The Trust's 3,800 employees account for 75% of the Trust's costs, which is expected of a service oriented organisation. The workforce development necessary to implement the plans to deliver the initiatives outlined above rely heavily on the motivation and competence of the workforce. The 2013 Staff Survey provides good assurance that staff engagement at Somerset Partnership is above average, compared to other Trusts; that levels of staff motivation are above average; that the proportion of staff recommending the Trust as a place to work or receive treatment is above average; and that staff receiving job relevant training is in the best 20% of all Trusts.

The Trust has a robust workforce planning system in place, which is integrated into the governance structure. The monthly Workforce Group considers, agrees and plans for all workforce development activity necessary to deliver the Trust's plans and, in turn, provides assurance to the Workforce Governance Group that the Trust is complying with all relevant Care Quality Commission workforce outcomes.

The Trust works in partnership with staff side to develop and deliver its Staff Engagement action plan and provides leadership development opportunities to leaders at all levels of the organisation, to make continuous improvements to the quality of leadership across the Trust.

The Trust benefits from a stable annual staff turnover rate of 11% and a stable workforce of approximately 3,800 staff, equating to 2,900 whole time equivalents. This enables a healthy balance of newly qualified staff and experienced staff, to ensure a consistently high quality skill mix in the Trust's multi-disciplinary teams.

The principal aims of the Trust's Workforce Development Strategy are to:

- develop current capacity and capability in the workforce to provide assurance that the Trust has a competent workforce to deliver quality and safe patient care;
- identify workforce skills gaps and to plan to mitigate those risks;
- anticipate future skills needed to deliver the business strategy;
- improve opportunities for flexible work.

The Trust's overall staffing levels remain stable but, similarly to other providers, the Trust is experiencing recruitment pressures in relation to registered nurses. During 2013 the Trust embarked on a successful recruitment campaign in Scotland for registered nurses and will consider further campaigns during 2014. Examples include the recruitment campaign for the opening of the new Bridgwater Community Hospital and the planned recruitment campaign for the reopening of Wessex House. The Trust will continue to build strong relationships with partner organisations to attract and retain the best staff, and in 2013, the Trust was delighted to have been awarded 'Employer of the Year' by our local partner, Bridgwater College.

In line with the recommendations of the Francis report, during 2013/14 the Trust successfully implemented its 'Recruiting for Compassion' strategy. This highly regarded approach to selecting the best staff to deliver the best patient experience has become embedded practice throughout the organisation. The evaluation of its success, and how appointing staff with the desired values and behaviours contributes to a positive organisational culture, will be linked to the work planned for 2014/15 in defining and measuring organisational culture. The Trust has adopted the six values of the NHS Constitution and during 2014/15 will use these to define the desired culture or 'way of working' at Somerset Partnership. This strategy will dovetail with the national roll out of

the staff 'Friends and Family' test from April 2014 and will be critical to providing a real time cultural diagnostic that complements the annual Staff Survey.

In recognising the importance of leadership in managing the Trust's significant cost pressures, whilst driving a values-based organisational culture, a Leadership Development strategy was approved by the Trust in 2013/14, for implementation during 2014/15. This inclusive strategy will benefit all leaders at all levels of the organisation and will be critical to the successful implementation of the nationally agreed changes to pay progression within Agenda for Change, planned for 2015/16. The Trust has positive assurance for medical leadership and has been recognised, by its local Deanery partner, as a leader in the quality of medical appraisal and revalidation. However, the Trust recognises the need to improve the quality of appraisal and supervision further for its staff, as reflected in the findings of the Staff Survey.

The overall numbers and composition of the Trust's workforce are projected to remain stable for the period 2014 to 2016. However, this is subject to considerable change, dependent upon key strategies outlined in this operational plan. These include the work, including the analysis of benchmarking data from the NHS Benchmarking Network and the Nursing Safer Staffing Review, and also a number of work streams involving external partners such as the Symphony Project, the Better Care Fund and the commissioner-led review, 'Making the Most of Community Services'.

Towards the end of 2012/13, the Trust encountered an increasing number of challenges in relation to Wessex House, a 12-bedded inpatient facility, providing assessment, care and treatment for young people with a range of complex mental health needs, whose treatment cannot be delivered safely or effectively in a community setting. These issues included significant vacancies arising within the leadership team on the ward, high levels of sickness absence, difficulty in recruiting experienced staff, and increasing numbers of service users with highly complex needs. An agreement was made with the former specialist commissioning team (now NHS England) and with NHS Somerset/Somerset Clinical Commissioning Group, to close the ward temporarily to inpatients, in order to agree a redevelopment plan. Following discussions with partner organisations, a business case was developed, with a proposal for both an Intensive Outreach Service and a twelve bedded inpatient facility. This Business Case is currently being considered by NHS England Specialised Commissioning Group. Oxford Health NHS Foundation Trust has agreed to provide the Trust with support and advice during both the mobilisation phase in preparation for opening the Unit and establishing the new service.

As outlined earlier, the Trust undertook work to restructure its operational directorate into six operational Divisions. The appointment by the Trust of a new Chief Operating Officer in January 2014 provides the opportunity to review and evaluate the success of the new Divisions, and to build upon the changes by nurturing effective patient focused team working throughout the organisation.

The principal risks associated with Quality, along with the actions which have been undertaken to manage the risks identified, and the related sources of assurance, are published within the Trust's Assurance Framework. These risks and the actions to be undertaken to close identified gaps in assurance are as follows:

- **Risk:** Failure to maintain the minimum care standards in line with the requirements of the Health and Social Care Act, leading to intervention by the Care Quality Commission and Monitor.
- **Actions:**
 - implementation of a 360 degree service assessment which triangulates a range of

information sources and enables service managers to assess compliance more accurately;

- awareness meetings across the county to cover both Risk Management and Care Quality Commission implementation / updates, including a review of the current Care Quality Commission evidence maps. All services have Care Quality Commission evidence maps, which have been populated;
- risk profiles are to be developed by divisions and then by service. This will be based on the Care Quality Commission's '5 question' system, using a range of evidence to form a risk profile of services which are at risk and which may be the focus of the Care Quality Commission.

- **Risk:** Implementation of the Trust's cost improvement programmes and service redesign impact negatively on the quality of services and clinical engagement.

- **Actions:**

- implementation plans for each scheme under development include impact assessment by the Trust's Medical Director, and Director of Nursing and Patient Safety, including the impact on the wider health community;
- discussions held with Somerset Clinical Commissioning Group;
- draft risk matrix for 2014/15 schemes considered by Executive Team and to be reviewed further;
- ongoing review of Cost Improvement Plans.

- **Risk:** The Trust fails to maintain appropriate levels of staffing to maintain safe service levels and deliver high quality services to patients and for commissioners.

- **Actions:**

- actively recruiting from the wider United Kingdom health market, including attending a Recruitment Fair in Scotland and working with other local Trusts on joint recruitment initiatives;
- the Trust's Bank and Agency Group is developing a Bank Staff strategy and an options paper.

- **Risk:** The Trust is unable to invest sufficiently in professional development and leadership resource.

- **Actions:**

- over 50 staff will benefit from four different leadership programmes funded by the NHS Leadership Academy to the value of £213,000;
- development of a Trust leadership strategy, supported by funding of £100,000.

C. Operational requirements and capacity

The Trust's work to review operational requirements and capacity, and the sustainability of capacity going forward is reflected in its Strategic Theme **Service Delivery**, and its three underpinning goals. The other Strategic Theme and goal which particularly supports this work is **Innovation** (Goal Inn2).

Somerset Partnership undertook considerable work during 2013/14, to develop and implement a business planning process for its operational divisions, in order to map out clearly the likely levels of presenting demand for its services, and to ensure that the Trust has the flexibility to ensure that sufficient capacity exists to meet these demands. As outlined earlier, The Trust has reviewed the growth in levels of demands which have occurred in recent years, and has projected these forward, taking account of forecast changes to demography.

The levels of available capacity and demand for community health services, including the configuration and adequacy of provision of community hospital beds, is subject to an ongoing review, led by Somerset Clinical Commissioning Group, in which the Trust is integrally involved as an active participant. Similarly, the Trust is also a key participant in the review of urgent care services in Somerset. Close partnership working with other organisations across the local health economy, including active participation in countywide service reviews and the key forums outlined above, and the regular discussion and sharing of planning assumptions have ensured that there is a commonality of understanding of local issues between organisations and other stakeholders, and a consequent congruence of plans.

National benchmarking data indicates that Somerset has relatively few adult acute mental health inpatient beds, when compared to other areas, but also shows that the Trust manages its resources efficiently, with comparatively low lengths of stay, and low levels of unplanned readmission. In 2011/12, the Trust's community hospital and mental health wards recorded activity levels of 149,811 bed days. This number rose to 150,153 in 2012/13, an increase of 0.2%, and then increased to a projected outturn of 151,946 bed days in 2013/14, an increase of 1.2%. By contrast, the projected number of community contacts delivered by the Trust in 2013/14 was 1,037,548: an increase of 8.4% on the 2012/13 level of 957,292, which itself was an increase of 8.1% on the total of 885,553 recorded in 2011/12. This change to the pattern of activity delivered by the Trust is reflective of the Trust's strategic direction, focusing increasingly on the delivery of care away from an inpatient setting, and closer to the patient's own home.

Between 2011/12 and 2012/13 Somerset Partnership NHS Foundation Trust saw the total annual number of referrals received for mental health services rise from 15,724 to 16,582, an increase of 5.5%. The projected outturn activity level for 2013/14 is 17,308, an increase of 4.4% on the previous year. Between 2011/12 and the projected outturn for 2013/14, the annual number of referrals to community hospital and outpatient clinics at the Trust rose from 15,458 to 16,692, an increase of 8%. The increasing emphasis on the treatment of patients closer to home and the avoidance, where clinically appropriate, of admissions to inpatient facilities is likely to give rise to a further increase in the level of community appointments and contacts delivered by the Trust over the coming years. A summary of the Trust's projections for its activity levels is included in the table below. The Trust has taken a prudent approach to its projected activity levels, in recognition of the scope to undertake additional activity, within agreed funding levels.

	13/14 FOT	14/15	15/16	% Increase	
				13/14 to 14/15	14/15 to 15/16
Community Contacts	1,037,548	1,044,818	1,064,772	0.7%	1.9%
Inpatient bed days	151,946	154,715	157,498	1.8%	1.8%
Total referrals	185,442	186,816	190,617	0.7%	2.0%

Following improvements to its data collection processes and arrangements for information analysis, arising from the migration of community health services onto the RiO information system, the Trust is better equipped than ever to assess levels of demand presenting to individual services and to assess the pattern of presenting demand at the level of individual team in geographical areas of the county. This will enable the Trust will to extend its internal benchmarking arrangements, to identify potential areas where scope exists for efficiency gains, and to assess the adequacy of resources available to those services to manage shifts and

increases in demand.

In 2013, both the Francis Report and the Keogh Report raised concerns relating to the adequacy of staffing levels and the effect this had on patient safety. The Francis Report referred specifically to a decline in standards associated with inadequate staffing levels, and highlighted that the Mid Staffordshire NHS Foundation Trust did not have reliable figures for its nursing establishment. A range of recommendations from the inquiry related to the numbers of nursing staff caring for patients. The Government response to Francis highlighted the need for evidence based tools to be used to determine safe staffing levels. Furthermore, the new Chief Inspector of Hospitals has been specifically tasked to inspect staffing levels and report insufficiencies.

A number of organisations have developed tools to help identify core staffing levels, including the review of the evidence base and recommendations made by the Safe Staffing Alliance. The Alliance has recommended that, if numbers fall below one registered nurse to every eight patients on a general acute ward (including those specialising in care for older people), this should be reported and recorded because the risk of harm to patients is substantially increased at these staffing levels. National benchmarking exercises, in which the Trust has participated, indicate that the Trust has comparatively fewer nurses than peer organisations across the country, and that the skill mix of those nursing staff is generally less rich.

Whilst awaiting the development of national tools for community hospitals and mental health inpatient units, in line with the recommendations of the National Quality Board the Trust has initiated a process of review of the Trust's nursing establishment, with the aim of:

- setting out the current establishment position within Somerset Partnership;
- recommending Safe Staffing levels, to include the ratio of registered to unregistered staff;
- identifying options to be taken forward to address any shortfall identified.

The conclusions and recommendations arising from these reviews of nursing establishments in the Trust's community hospitals and district nursing teams have been presented to the Trust Board and published on the Trust's website. These include:

- The funded establishments for all community hospital wards to be individually reviewed in line with the recommendations of the Trust's Safer Staffing Review. Where appropriate, the funded establishment will be increased. In the interim, Somerset Partnership NHS Foundation Trust had an average of 60 beds either empty or closed each day across all community hospitals. It would therefore seem appropriate to investigate the closure of these beds to enable realignment of an element of the current staffing establishments to make the best use of the available nurses within the current resources;
- that the registered/unregistered ratio throughout the daytime hours should be 50/50 as an absolute minimum. Should the acuity of patients increase, this ratio will change to reflect assessed need;
- that to enable Ward Sisters and Charge Nurses to undertake the role as detailed in the Royal College of Nursing document 'Breaking Down Barriers, Driving up Standards', all need to be funded to act in a supervisory capacity;
- that the role of the band 3 Health Care Assistant is reviewed, in order to assure consistency across the Trust;
- that handover and shift times need to be reviewed to ensure best use of nurses' available time;
- that e-rostering should be rolled out across the Community inpatient areas;
- that the Clinical Commissioning Group facilitate the District Nursing service specification to

be applied, by ensuring that services and patient groups that fall outside the specification have their needs met through other commissioned services

- that a phlebotomy service proposal be supported, to enable the transfer of routine blood sampling for housebound patients and the point of care testing for INR to separate this function from standard District Nursing interventions, enabling a more streamlined, cost effective approach;
- that there should be further investment to provide a Free Nursing Care/Continuing Health Care assessment team in each District Nursing Federation, to enable District Nurses to provide high quality assessments, in line with the National Framework;
- that further investment should be considered, to provide safe staffing levels for the District Nursing Service that reflect increasing caseloads and complexity of care provided in the home environment;
- that shift patterns should be standardised across all District Nursing Teams in order to provide a sustained consistent staffing level with a consistent skill set over the 08.00 – 22.00 period;
- that the District Nursing Service employs band 4 assistant practitioners who would be able to deliver a greater range of care, thereby supporting the band 5s to deliver the more complex care and the band 6s to manage the team and provide clinical leadership.

The findings of the review of nursing establishments in the Trust's mental health wards are due to be presented to the Trust Board in Spring 2014.

The principal risks associated with Operational Requirements and Capacity, along with the actions which have been undertaken to manage the risks identified, and the related sources of assurance, are published within the Trust's Assurance Framework. These risks and the actions to be undertaken to close identified gaps in assurance are as follows:

- **Risk:** Failure to meet the needs and challenges of an increasing elderly population in Somerset, leading to deterioration in quality, safety and patient experience.
- **Actions:**
 - ongoing monitoring and discussion with commissioners;
 - Symphony design team appointed and will commence work with initial group of patients with dementia and diabetes;
 - CQUIN planning for 2014/15 is at an advanced stage and will focus on frail elderly;
 - a draft Frail Elderly Pathway has been developed.

D. Productivity, efficiency and CIPs

Somerset Partnership recognises that significant systemic change is required, in order to meet the challenges of preserving and raising quality standards within available financial resources. The Trust has taken active steps towards transformational change, with the overall aim of improving levels of quality, productivity and efficiency. Examples of actions initiated and implemented by the Trust include:

- the development and implementation of a model of GP Federation-based district nursing;
- the automation, wherever possible, of data collection processes, in order to eliminate duplication, reduce paperwork and free up clinical time. This work has also included the roll out of mobile working facilities to community based staff, reducing the need for staff to travel to and from base in order to update information systems;
- the development of Independent Living Teams.

The Trust's arrangements for productivity, efficiency and Cost Improvement Plans are linked

closely to its Strategic Theme, **Innovation**, and its three strategic goals.

The Trust is required to achieve a significant level of cost improvements, in order to meet the efficiency savings requirement and to manage local cost pressures in 2014/15 and 2015/16. As an integral part of the process of formulating its Cost Improvement Plans, the Trust has looked critically at its performance in respect of key indicators including rates of delayed transfers of care, emergency readmissions, and average lengths of stay. National benchmarking data, produced by the NHS Benchmarking Network, indicates that the Trust compares favourably against peer organisations across a broad range of indicators. Notwithstanding this, the Trust continues iteratively to seek to improve efficiency and to share examples of good practice, through its internal performance management arrangements, which include benchmarking of performance between its own services. An area of particular focus for the Trust has been the scope to make improvements to the utilisation levels of bank and agency staffing. Additionally, the Trust has identified opportunities for delivering savings from the integration of physical and mental health services, through administrative and management savings, estate rationalisation and operational synergy over the next three years.

The Trust has a strong track record of delivering challenging cost improvement targets and is confident that it can meet the challenges outlined above, although it is recognised that this becomes more challenging with each year, particularly considering the comparatively low levels of funding for mental health services in Somerset, and the delivery of year-on-year cost improvements over a nine year period. Over the last three years, achievement against cost improvement targets (including those relating to the former Somerset Community Health) was as follows:

- 2011/12 - achievement of £6.6 million against a target of £6.2 million (106%)
- 2012/13 – achievement of £6.4 million against a target of £6.9 million (93%)
- 2013/14 - achievement of £7.2 million against a target of £7.2 million (100%)

Any shortfall in specific Cost Improvement Programmes and unforeseen pressures has been managed through the delivery of additional cost improvements in-year, which has ensured that the Trust has consistently achieved its financial plans.

The Trust recognises the potential that exists to deliver savings through integrating physical and mental health services. These arise from management and administration savings, particularly in back office functions, through economies of scale, through estate rationalisation, through the co-location of services, and from operational synergy through reducing duplication in care management, joint care pathways and operational management costs. Initial savings focused on central office functions, some of which have already been achieved by bringing together headquarters functions and through co-locating headquarters staff. During 2013/14, the integration of operational services into a single management structure created the basis for savings from estate rationalisation, management costs and the potential for greater integration of patient services.

Savings within community health services reflect the Trust's strategy of moving from an inpatient-based model of service delivery to the provision of more services within a community setting. The Trust has already delivered savings by critically reviewing the care delivered in community hospitals and community settings, including the development of ambulatory care services, and the provision of care as close as possible to patients' homes, within the Somerset Coast area. During the life of the plan, further savings are expected, through the Clinical Commissioning Group-led 'Making the most of Community Services in Somerset' review. It is anticipated that this will enable the Trust to deliver a wide range of services which do not require inpatient

admission, such as the further extension of ambulatory care services, reablement and telehealth. The development of district nursing teams, aligned with the nine GP Federation areas within Somerset, will enhance the quality of services for patients, provide improved levels of cover within teams, and enable cost improvements to be made through economies of scale. Community health services teams have historically been very successful in working with managers and budget holders, to support them in managing generic pressures such as pay increases and incremental drift, through turnover and changes to skill mix. This approach will continue, both in terms of operational staff and back office functions, and will be rolled out within mental health service teams.

The majority of savings will be against pay budgets, this being the greatest area of spend, accounting for 75% of the Trust's costs. The Trust is taking this forward through service redesign, integration, working ever more closely in partnership with other organisations across the local health economy, and a critical review of posts and skill mix. The Trust will also continue to seek to make reductions to its expenditure on non pay costs, and savings will therefore also be made in other areas including the procurement of office equipment and services.

In previous years, the Trust's strategy for mental health services has been to move from an inpatient-based model of care to a community-based model. This has significantly improved services for patients and has also allowed the Trust to deliver significant cost improvements. Commissioners of the Trust's services are clear that the Trust does not have the capacity to reduce mental health bed numbers any further, other than any small reductions which may be necessary to support the privacy and dignity agenda. The Trust's own work had also confirmed that a further reduction in mental health beds would be extremely difficult to manage, and this was underlined by the findings of the NHS Benchmarking Network's analysis of mental health bed provision per head of population, which demonstrated that Somerset's provision was low compared to other areas. As stated above, benchmarking against other organisations nationally has demonstrated that the Trust is operating efficiently, in terms of its average length of stay and rates of delayed transfers of care, signifying that there is little scope for reducing bed usage. The Clinical Commissioning Group recognises the historically low level of expenditure per head of population on mental health services in Somerset compared to other areas, and has identified this as a priority for investment.

The Trust therefore needs principally to focus on community-based mental health services, in order to deliver savings going forward. This includes reviewing the number of care co-ordinators and support workers and reducing the use of specialist services, with more services provided through generic teams. The principal focus of the Trust, however, will be on exploring the scope for greater levels of integration, both within and outside of the Trust, and also optimising opportunities for collaborative working with other organisations across the local health and social care economy.

The Trust has also identified opportunities to make savings within medical services. It is recognised that the medical workforce is a valuable, but high-cost resource, which needs to be focused on those areas which require medical input. New ways of working, which enable other professions to undertake work previously undertaken by medical staff, create this opportunity. Additionally, a number of consultant staff are approaching retirement age and have indicated an intention to retire. This will enable the Trust to manage the required reduction in medical staffing and to reprofile its medical workforce.

The Trust's Cost Improvement Plans for 2014/15 and 2015/16 are as follows:

Inpatient reconfiguration: £4.3 million – from its ongoing analysis of bed occupancy levels, the

Trust has identified a surplus of around 40 community beds across the organisation. From the Trust's participation in national benchmarking exercises, it is also recognised that Somerset has a relatively high number of community hospitals per head of population, compared to other areas, and maintains a comparatively low average length of stay. Savings have already been delivered through a review of community beds in West Somerset. Further transformational savings will be achieved through the Trust contributing to the Clinical Commissioning Group-led review, 'Making the most of Community Services in Somerset', which will consider the future configuration and provision of community hospitals and community-based services.

Skill mix changes: £1.8 million - the Trust will review skill mix across both mental health and physical health services.

Central service savings: £0.3 million - These will be achieved through savings across central departments, through integration and reduced costs of headquarters arising from co-location.

Medical services: £0.4 million - savings will be achieved through reducing medical staffing costs by taking opportunities, where staff retire, to reconfigure staffing, and through the review of the delivery of medical services to community hospitals.

Income generation: £0.4 million - the Trust is continuing to review the services that it delivers to other commissioners, including the private market. A range of new services will be developed that will generate additional income through relatively low costs being incurred.

Non-pay initiatives: £0.9 million – these include a range of non-pay savings, including procurement and lease car initiatives.

Operational synergy savings: £3.3 million – transformational savings will be achieved through integrating operational services, leading to reduced duplication of care management, operational management savings from economies and scale and more efficient care pathways.

Management of the tariff deflator: £2.1 million – the Trust has negotiated a 'flat cash' contract with Somerset Clinical Commissioning Group for 2014/15. The tariff deflator funding will be used to invest in services where there are pressures from increased capacity, and the balance will be used to support the cost improvement programme. The Trust has also assumed that the deflator funding will be returned in 2015/16.

Additional Clinical Commissioning Group funding: £2.1 million – The clinical commissioning group is continuing to support the Trust in delivering the cost improvement requirement, but this funding is non recurring.

All of the Trust's cost improvements are discussed and approved by the Trust's Executive Team and the Trust Board. As part of this process, the Trust's Medical Director and Director of Nursing and Patient Safety are required to assess the impact of the programmes on the quality of services and on patient safety, and to report their conclusions to the Trust Board. The Trust has also shared its plans with commissioners, and with other local Foundation Trusts locally, in order that there is a commonality of understanding of the Trust's plans, and to allow other organisations to undertake a full impact assessment of the plans.

In preparation for the reduction in public expenditure resulting from the economic downturn, the Trust developed a forward plan to deliver the anticipated level of required savings, with an emphasis on integration. This involved the development of a future model of service, at a reduced level of resource. These plans have been reviewed over the last year, in discussion with

Somerset Clinical Commissioning Group.

The forward plan covers all aspects of the Trust's operations, including inpatient and community services, specialist services, medical staffing and central services. The initial plans were developed and discussed by the Trust's Executive Team and the Trust Board, including the Medical Director and Director of Nursing and Patient Safety. These plans were then discussed with senior managerial and clinical staff, and have since been refined by the relevant directors, working with other senior managers and clinicians within the Trust.

The financial framework and Cost Improvement Plans have been shared with, and discussed at, Senior Managers' Operational Group meetings, Service and Team Managers' Away Days, the Senior Medical Staff Advisory Group, and other professional meetings, as part of the Trust's planning process. Plans have also been discussed with senior medical staff and other clinical colleagues, and also staff side representatives. The Chief Executive has also written to all staff, setting out the financial challenges for 2014/15, together with details of the 2014/15 Cost Improvement Programme. Staff are encouraged, on an ongoing basis, to contribute ideas as to how the Trust might deliver savings, and these suggestions are discussed at Executive Team meetings. Plans have also been shared with, and considered by, the Trust's Council of Governors, with opportunity to ask questions and to provide challenge. Plans are also discussed by sub-committees of the Trust, including the Finance and Performance Committee. A matrix has previously been developed to assess the impact of each plan on service quality. This assesses the impact on patients, carers, staff and other organisations, as well as the potential impact on activity.

The Trust has robust management processes in place to ensure the continued delivery of Cost Improvement Programmes. The Trust Board is ultimately responsible for the delivery of Cost Improvement Programmes, and monitors achievement against plans, on a line-by-line basis throughout the financial year, via the Trust's monthly finance report. The phasing of the cost improvements is assessed at the beginning of the year and the actual performance against the phased plan to date is reported on a monthly basis. This enables the Trust to assess whether it remains on course for delivery or if further action is required. The Trust Board discusses progress against plans, provides challenge, particularly regarding reasons for any underachievement on specific schemes, and seeks assurance that mitigation/recovery plans are in place.

The Finance and Performance Committee also reviews the Cost Improvement Programme in detail, and monitoring is also undertaken on a regular basis at the Trust's Executive Team meeting. Operational accountability for the delivery of individual schemes rests with Executive Directors. The majority of Cost Improvement Plans relate to operational services, and accountability at Director level lies with the Chief Operating Officer.

Each Director responsible for cost improvement schemes is required to identify the risks associated with delivering them, liaising as appropriate with other relevant directors, including the Medical Director, the Director of Nursing and Patient Safety, the Director of Finance and Business Development and the Director of Human Resources and Workforce Development. Risks to the achievement of plans are mitigated by actions relating to each particular scheme, where possible. Risks are discussed by the Trust Board and the Executive Team. Should it not be possible to mitigate against non-delivery within specific schemes, then actions may be formulated on a directorate or Trust-wide basis to manage the risk. For example, the risk of slippage may be mitigated by holding posts to achieve the savings in the short term, where this does not affect patient safety and quality. Where appropriate, the Trust Board may approve additional cost improvement schemes to ensure overall achievement of the plans and/or to

ensure achievement of overall financial targets.

The Trust believes firmly in maximising savings on a recurring basis. Therefore, each year, the Trust aims for all savings plans to be recurrent. Non-recurring savings are used only on a marginal basis, to meet non-recurring pressures, or as a temporary mitigating measure until recurring savings can take effect.

The delivery of the significant level of cost improvements required in 2015/16 will be particularly challenging for the Trust, and further detailed work is required, in partnership with other local organisations, to identify the specific initiatives which will result in their achievement. The Trust's comparatively low level of historic funding, and the delivery of successive annual cost improvements, leaves limited scope for the Trust to achieve further cost improvements of the magnitude required, without the implementation of major systemic change, within the organisation and across the whole of the local health economy.

The principal risks associated with the Trust's productivity, efficiency and Cost Improvement Programme, along with the actions which have been undertaken to manage the risks identified, and the related sources of assurance, are published within the Trust's Assurance Framework. These risks and the actions to be undertaken to close identified gaps in assurance are as follows:

- **Risk:** The required efficiency savings and cost improvement programmes impact on the level of service the Trust is able to offer to commissioners and reduces the Trust's competitiveness in the healthcare market.
 - **Actions:**
 - Shortfall in delivery of Cost Improvement Plans for 2014/15 to be reviewed but not currently considered to impact significantly on delivery of overall financial position.
- **Risk:** The Trust fails to develop its information and technology systems to meet the changing demands of clinical and healthcare delivery which creates barriers to effective working and potential patient safety concerns.
 - **Actions:**
 - development of the Trust's Information Management and Technology Strategy;
 - implementation of RiO for community hospitals and Minor Injury Units;
 - development of mobile working solutions for community and hospital-based teams (£1.1m funding received from Safer Technology Fund);
 - Information Governance Summit held to agree information sharing principles across health and social care services in Somerset.

E. Financial plan

The Trust's plan for 2014/15 is to reduce its underlying surplus from £1.0 million to £0.5 million, whilst maintaining a continuity of services rating of 4. There are a number of exceptional items within the plan that impact on the financial result. The table below reconciles the underlying financial performance to the surplus in the plan.

Somerset Partnership NHS Foundation Trust has a total operating income of £147 million and maintained a Level 4 Continuity of Service rating in 2013/14 and plans that this will continue in 2014/15 to 2015/16. The Trust recognises the difficult financial climate in which the NHS is currently operating and, in line with other NHS organisations, the Trust is required to deliver a significant level of savings, in terms of improved productivity and efficiency.

	2014/15 Plan £m	2015/16 Plan £m
Recurrent surplus	0.5	0.5
Funding for loan repayments	0.2	0.2
Additional loan interest	(0.1)	(0.1)
Impairment of Endoscopy Unit at Bridgwater Community Hospital	(0.6)	-
Plan surplus/(deficit)	0.0	0.6

The Trust's financial plans are linked closely to its Strategic Theme **Viability and Growth**, and its five strategic goals, and also the Strategic Theme **Innovation**, and its three underpinning goals.

The Trust's financial strategy is to deliver savings to manage reductions in tariff and cost pressures, to enable the Trust to continue to deliver surpluses for reinvestment in its services and facilities.

The Trust's key aims within this strategy are to:

- maintain a surplus in both 2014/15 and 2015/16;
- continue to maintain strong cash balances;
- continue to invest in the Trust's estate and infrastructure;
- support the delivery of the Trust's strategic themes and goals;
- continue to deliver integration / operational synergy savings through the integration of physical and mental health services;
- invest in the further development and improvement of the Trust's Information Technology systems, in order to support the delivery of productivity improvements.

In preparing the Trust's financial plans for 2014/15 to 2015/16 the following assumptions have been adopted:

- there will be a tariff reduction of 1.8% in 2014/15 and 1.1% in 2015/16;
- pay costs will increase by 1.5% in 2014/15 and 2.2% in 2015/16 due to the increase in the pension contributions;
- non-pay costs will increase by 2.1% in 2014/15 and 2.1% in 2015/16.

It is assumed that £2.7 million of the £3.1 million available from the main service contracts for CQUIN will be achieved. This is a prudent assumption, which means that the Trust is not reliant on achieving all of its CQUIN targets. Somerset Clinical Commissioning Group has confirmed that the 1.8% tariff reduction (£2.2 million) will be reinvested to meet cost pressures in 2014/15. It has also been assumed that no growth funding will be made available by Somerset County Council, and the County Council has confirmed that this is the case. There will also be no inflation uplift on County Council funding.

The Trust acknowledges that there are potential pressures from demographic changes and the potential for further increases in activity and demand, but the Trust is clear that it cannot provide additional activity without a commensurate increase in funding. This has been stated clearly by the Trust in contract negotiations with commissioners. The Trust is proactively managing demand, through ensuring that activity which it undertakes is commissioned and appropriate. This includes ensuring that only those referrals which are appropriate for the services provided are accepted. The Trust is also working closely with other agencies, including Social Care and

Housing, to ensure that individuals who no longer need services provided by the Trust are discharged in a timely manner.

The Trust anticipates that cost savings will arise from the Clinical Commissioning Group-led review, 'Making the most of Community Services in Somerset'. As stated above, from its ongoing analysis of bed occupancy levels, the Trust has identified a surplus of around 40 community beds across the organisation. Whilst the Trust has identified planned bed reductions in its Cost Improvement Programme, it is anticipated that this will not impact upon the total number of inpatient days, as it is anticipated that occupancy levels relating to the remaining beds will increase. The Trust has also identified that further bed reductions could be achieved through investment of growth funding in community-based services, and will be working with the Clinical Commissioning Group, to determine how this can be progressed.

A number of key actions are required, to support the delivery of the financial strategy. Firstly, the Trust will need to ensure that the planned Cost Improvement Programmes are delivered. The Trust also recognises that it will be necessary to deliver services differently, through innovation, closer integration and partnership working, in order to achieve this level of saving. The Trust's Cost Improvement Programme has been designed to ensure that patient safety is maintained. Whilst patient safety will not be compromised, it is recognised that the delivery of Cost Improvement Plans may impact upon patient experience and some aspects of the quality of services.

The Trust will also need to ensure that it continues to remain the provider of choice for commissioners in Somerset and that it continues to market its services effectively, both to maintain its core income base and also to increase its income from other opportunities.

The majority of the Trust's funding is contained within operational budgets. It is therefore critical that managers across the Trust continue to operate within budget limits. The Trust's Finance function continues to work closely with budget holders to ensure that this is achieved. The Trust has identified a number of key risks to the delivery of the strategy. Firstly, the delivery of the Cost Improvement Programme presents a significant challenge. The Trust will manage this risk through close monitoring of the programme, on a line-by-line basis. The Trust has taken a prudent approach to budgeting for CQUIN income, which provides the Trust with some scope for increasing income above planned levels.

The Trust also faces risk in terms of its income base. The Trust continues to monitor activity levels, particularly for low secure services. Issues in recruiting and retaining adequate numbers of specialist child and adolescent mental health service staff led to a temporary closure of the CAMHS Tier 4 inpatient facility in March 2013, as outlined above.

Income

The majority of the Trust's income is from its block contract with Somerset Clinical Commissioning Group. This represents £127 million of the Trust's £147 million clinical income in 2014/15, or approximately 85% of the total clinical revenue. This contract, which is an integrated contract for community health services and mental health services, was approved by the Trust Board on 25 March 2014 and signed on 31 March 2014. Somerset County Council is an associate to this contract for the Public Health activities (£1.8 million).

The block contract includes £8.0 million identified as non-recurrent. This is in respect of the Integrated Paediatric Therapy Service (£2.5 million) and the Improving Access to Psychological Therapy Service (£3.4 million), both of which were subject to competitive tender processes in 2009, and also £2.1 million non-recurrent support towards the Trust's cost improvement

programme. The financial assumptions included within the plan are in accordance of the contract that has been agreed with Somerset Clinical Commissioning Group.

Heads of Terms have also been agreed for a contract (estimated income £12.6 million) with NHS England, which will also incorporate the health visiting and screening programmes and primary care dental services. There is also a rolling contract with Somerset County Council for £2.7 million, for the social care activity historically commissioned by the Council. This means that agreed contracts are in place for approximately 97% of the Trust's income. The remainder of the Trust's income relates predominantly to small cost and volume arrangements, out of area treatments, Road Traffic Act income and non-clinical income.

Clinical Commissioning Group income has reduced by the national tariff deflator of 1.8%, representing a reduction for the Trust of approximately £2.2 million. It is assumed that the tariff reduction will be 1.1% in 2015/16. In 2014/15, the Clinical Commissioning Group has reinvested this money in supporting the services provided by the Trust. The prime sources of income generation are as follows:

- low secure income;
- child and adolescent mental health services Tier 4 income;
- learning disability income;
- income from Psychiatric Intensive Care Unit beds.

There is some additional risk in respect of child and adolescent mental health Tier 4 services, following the temporary closure of Wessex House, the Tier 4 inpatient facility in Bridgwater. Discussions with NHS England Specialist Commissioning have confirmed that the unit will re-open during 2014/15 and that the contract during that year will be a combination of block and cost and volume to ensure that the Trust has a stable income base.

Costs

The inflation assumptions used in the financial plan are as follows:

	2014/15	2015/16
Pay	1.5%	2.2%
Non-pay	2.1%	2.1%
Drugs	7.2%	7.2%

The pay increase for 2014/15 is 1.5%, in accordance with the Monitor guidance. Due to the late announcement regarding the pay award, 1% is still included for all staff. Initial calculations indicate that the reduction will be £0.3 million and this will be added as a pay contingency budget. Non-pay inflation is based on the current Consumer Price Index for all goods. Drug inflation is in line with historic and forecast price increases. Depreciation costs are set to rise over the duration of the plan, due to the new Bridgwater Hospital but also the increase in the index factors used to value the estate.

The majority of workforce-related changes relate to service developments and cost improvements. In addition to the formal Cost Improvement Programme, the Trust will take action to reduce reliance on agency staff and thus reduce costs. The Trust has strong budget management controls in place to identify emerging cost pressures and to manage the achievement of the cost improvement programme.

In addition, a new contract has been entered into by the Trust, to provide procurement advice

and support, which will enable the closer management of non-pay costs. The major downside risks within the plan relate to the delivery of the cost improvement plan. As outlined earlier, this is given significant focus within the Trust and steps will be taken to manage deviations from plan and take corrective action.

The contingency that has been built into the plan is as follows:

Contingency	2014/15 £m	2015/16 £m
Pay Award	0.30	0.30
CQUIN	0.40	0.40
Pay	-	0.35
Non pay	0.14	0.14
Total	0.84	1.19

There are no material areas of non-recurrent revenue expenditure identified in the plan.

Included within the modelling for the planning period is a downside assumption of reduced income through non achievement of CQUIN schemes and also non achievement of cost improvement plans. The mitigation for these is that the organisation would review any vacancies with the intention of holding posts where it was safe to do so and also where agency cost would not be incurred.

Capital Expenditure

The Trust has developed an Estates Strategy, covering the period from 1 April 2013 to 31 March 2018, which was approved by the Board in June 2013.

The main areas of expenditure, set out in the Trust's Capital Programme for 2014/15 and 2015/16 are:

	<u>2014/15</u>	<u>2015/16</u>
• The implementation of the Trust's Information Technology Strategy	£2.7 million	£1.4 million
• The redevelopment of Chard Community Hospital:	£1.2 million	£0.8 million
• Work to enhance standards of Privacy and Dignity at Rowan and Magnolia wards:	£0.7 million	-
• Backlog maintenance	£0.6 million	£0.4 million

The Trust does not have significant backlog maintenance issues within its historically owned estate. The Trust will continue to focus its minor capital programme on health and safety and on improving the patient environment. Health and safety schemes include main kitchen/pantry upgrades, car parking/pedestrian improvements and fire alarm upgrades. Improved patient environment schemes Patient-led Assessments of the Care Environment (PLACE) improvements.

As part of its review of integration of services, the Trust identified the opportunity presented by the acquisition of Chard Community Hospital, together with its mental health unit (Bracken House), which are located on the same site. A full business case was approved by the Trust

Board in January 2014, to redevelop the site over the next three years (at a cost of £5.1 million), to optimise the site's potential for the benefit of patients (in terms of access and privacy and dignity) and services (in terms of improving integrated working). This is being funded from depreciation and retained surplus. The business case was approved on the basis that the cost improvement programme for 2014/15 was approved and that the project fits with the outcome of the Somerset Clinical Commissioning Group's review of community services.

The Trust's other main priority for capital expenditure is the development of an integrated patient record system. The organisation was the first mental health trust to implement a fully functioning electronic patient record, having developed RiO in partnership with CSE Servelec (now CSE Global). This has generated significant benefits for the Trust, including improved access to records and improved performance and clinical information.

The Trust was successful in bidding for the Safer Hospital Technology fund and was awarded £1.1 million, which requires match funding in 2014/15. The main work streams for the funding are enabling mobile working, continuing to roll RiO out into the remaining ten community hospitals and enabling the e-prescribing module.

This scheme is being funded from the Safer Hospital Technology fund, a loan from the Foundation Trust Financing Facility, depreciation and surplus. Work commenced in 2013/14 and will continue through the life of this plan with a total planned investment of £7.5 million.

Liquidity

The liquidity position is forecast at the end of 2013/14 with a £8.9 million cash balance. The planned cash balance for 2014/15 is £4.1 million, and for 2015/16 £5.3 million. The reduction in cash in 2014/15 is due to the completion of capital programmes funded through previous years' surpluses.

The principal risks associated with finance, viability and growth, along with the actions which have been undertaken to manage the risks identified, and the related sources of assurance, are published within the Trust's Assurance Framework. These risks and the actions to be undertaken to close identified gaps in assurance are as follows:

- **Risk:** The Trust fails to achieve its planned financial surplus leading to Monitor intervention and inability to invest.
- **Actions:**
 - recovery plan for financial position.
- **Risk:** The lack of a coherent and deliverable corporate business strategy leaves the Trust unable to respond effectively to changing commissioning and market demands for services and unable to grow its business to remain sustainable.
- **Actions:**
 - an Organisational Development Plan is to be developed, to ensure a fit for purpose organisation. Expertise from an Organisational Development practitioner will be considered as part of the Trust's work to review its Vision, Mission and Values;
 - seeking to continue to grow the business through service expansion and strategic partnerships, by responding to opportunities arising;
 - levels of expertise and roles for business development to be considered by the Executive Team;
 - a proposal is being reviewed to implement a central core Bid Team for any new

business opportunities.

- **Risk:** The changing landscape in the NHS and wider economy, including commissioning reform, national policy and the development of local commissioning impacts adversely for the Trust in sustaining and developing its business.
 - **Actions:**
 - Corporate Strategy and Organisational Development Plans are to be developed to ensure a fit for purpose organisation;
 - discussions are underway with the Health and Wellbeing Board Executive Group about locality contacts/links to District Council strategic groups.

Developments

Bridgwater Hospital

During 2014/15 the new Bridgwater Hospital will become operational. Due to the hospital being larger than the current building and the capital costs associated with a new building an additional £1.7 million development funding has been received from Somerset Clinical Commissioning Group.

Wessex House

The tier 4 CAHMS unit is programmed to reopen in October 2014 following the period of closure. The income that the Trust receives from NHS England will increase in quarters three and four, by £0.3 million, with the corresponding increase in staffing costs.

Regard to the views of Trust Governors

The Trust works with all of its Foundation Trust Governors to identify ways in which they and the wider Membership can develop as valued partners, in determining the strategic direction of the Trust, and in providing the Trust Board with information about the views of patients, carers, staff and the wider community.

Governors are invited to attend the public part of Trust Board meetings, Away Days and Trust Board seminars, which are routinely held after formal Trust Board meetings. The Chairman and Chief Executive also meet with the Lead Governor of the Council of Governors after each Trust Board meeting.

Somerset Partnership NHS Foundation Trust aims to ensure that its business planning process is as inclusive as possible, and seeks the views of a broad range of stakeholders. As part of the planning process, the views of Governors are sought through the Strategy and Planning Group, whose members are invited to contribute towards the development of the Trust's Strategic Themes & Goals and supporting Service Development priorities. The Strategy and Planning Group also receives regular reports on the Trust's financial position, and detailed reports on progress against the key priority areas contained within the Trust's Business Action Plan. The Trust also holds Away Days, focused on the planning process, bringing together Governors, Trust Board members and other key stakeholders, in order to share ideas and viewpoints regarding the Trust's priority areas, and to agree upon key aspects and issues to be taken forward. The Trust held a Trust Board and Council of Governors Away Day, on 10 December 2013, to ensure the active engagement and input of Governors into the Trust's planning process. The outputs of the day, including conclusions drawn from group discussions aimed at identifying the key priorities for the Trust, aligned to its Strategic Themes, were shared with all participants

and are reflected in the priorities set out in this plan.

Governors are also members of the Trust's Patient and Public Involvement Group, which gathers information from complaints, PALS, patient surveys, media and other feedback, to inform Trust planning, service delivery and service redesign. The Patient and Public Involvement Group reports quarterly to the Council of Governors and to the Trust Board, as part of the quality report. Reports to the Patient and Public Involvement Group and Council of Governors include direct feedback from governors.

Members of the Foundation Trust Board regularly attend all meetings of the Council of Governors. Governors also undertake a programme of visits throughout the year, to community hospitals and mental health inpatient wards across the Trust, including Patient Safety Walkrounds and PLACE inspections, providing feedback to the Trust which helps inform service development and improvement. Meetings of the Council of Governors have also received briefings and held discussions on the financial framework and cost improvement programmes which shape this plan.

During 2013/14, as part of the ongoing Governor development programme, Governors have received presentations and briefings from Somerset Clinical Commissioning Group on their commissioning priorities and intentions, in order to provide context for their contribution to the Trust's plans. Governors have also attended, with Trust management, local Health Forums across the county to gain insight into public perceptions and demands of the Trust. Feedback from these forums is provided direct to the Executive Management Team. In September 2013 the Council of Governors was asked to make a decision on the acquisition of the new Bridgwater Community Hospital as a 'significant transaction' under the provisions of the Health and Social Care Act 2012 and the revised Trust Constitution.