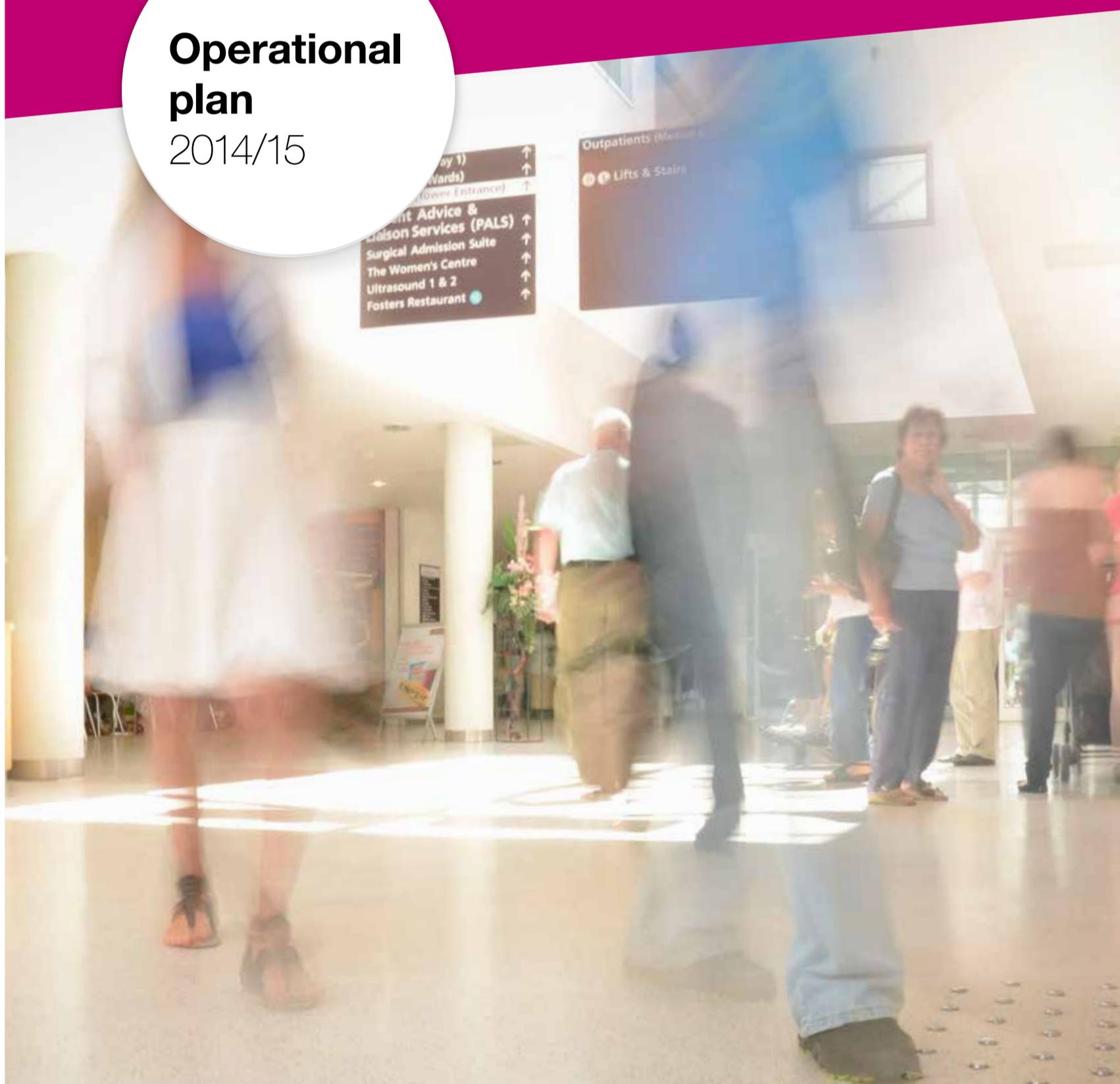


**Operational
plan**
2014/15



What is an operational plan?

Operational Plans are a requirement of NHS England's report 'Everyone Counts: Planning for Patients 2014/15 to 2018/19' which sets out a bold framework within which providers develop strong, robust and ambitious plans to secure the continuity of sustainable high quality care for all.

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1

Introduction and background



Introduction

This Operational Plan builds on our 5 year Strategic Plan published in June 2014.

It sets out how we are going to respond to changes in our context, both national and local, to enable us to have the flexibility and capacity to overcome short term difficulties (resilience) and make progress towards our 5 year strategy (sustainability).

Background

Gloucestershire Hospitals NHS Foundation Trust is one of the largest hospital trusts in the country and provides high quality acute elective and specialist health care for a population of more than 612,000 people.

Our hospitals are district general hospitals with a great tradition of providing high quality hospital services; some specialist departments are concentrated at either Cheltenham General or Gloucestershire Royal hospitals, so that we can make the best use of the expertise and specialist equipment needed.

Our Framework for the Future is made up of:

- **Our Mission:** Improving health by putting patients at the centre of excellent specialist health care
- **Our Vision:** Safe effective and personalised care –every patient, every time, all the time

Our Goals

Our goals are described in 4 core areas:

- **Our Services:** to improve year on year the safety of our organisation for patients, visitors and staff and the outcomes for our patients
- **Our Patients:** to improve year on year the experience of our patients
- **Our Staff:** to develop further a highly skilled and motivated and engaged workforce which continually strives to improve patient care and trust performance
- **Our Business:** to ensure our organisation is stable and viable with the resources to deliver its vision

Our Values

Our Values underpin everything we do and describe, in single words, the way we expect our staff to behave towards our patients and their families and carers, and colleagues. After listening to patients and staff the Trust has identified six core values, described here in the words of patients. These are:

- **Listening**
Patients said: "Please acknowledge me, even if you can't help me right now. Show me that you know that I'm here."
- **Helping**
Patients said: "Please ask me if everything is alright and if it isn't, be willing to help me."
- **Excelling**
Patients said: "Don't just do what you have to, take the next step and go the extra mile."
- **Improving**
Patients said: "I expect you to know what you're doing and be good at it."
- **Uniting**
Patients said: "Be proud of each other and the care you all provide."
- **Caring**
Patients said: "Show me that you care about me as an individual. Talk to me, not about me. Look at me when you talk to me."

Our Services

Goal: To improve year on year the safety of our organisation for patients, visitors and staff and the outcomes for our patients

Strategic Objectives:

- To continue to improve the quality of care we deliver to our patients and reduce variation
- To continue to align our services between our sites
- To future proof our services through clinical collaboration

Our Patients

Goal: To improve year on year the experience of our patients

Strategic Objectives:

- To continue to treat our patients with care and compassion
- To provide care closer to home where safe and appropriate

Our Staff

Goal: To ensure our organisation is stable and viable with the resources to deliver its vision

Strategic Objectives:

- To improve our internal efficiency
- To continue to align our services between our sites
- To improve our clinical estate
- Harnessing the benefits of information technology
- Exploiting the opportunities for new markets

Our Business

Goal: To further develop a highly skilled, motivated and engaged workforce which continually strives to improve patient care and Trust performance

Strategic Objectives:

- To develop leadership both within our organisation and across the health and social care system
- To continue to align our services between our sites
- To redesign our workforce

Next part:
Reviewing our strategic plan



2

Reviewing our strategic plan



The following section considers whether our plan is still relevant given changes in the national and local context, including our own performance.

The National Context

The Five Year Forward View published on 23 October 2014, set out a shared strategic vision for the future of the NHS, supported by NHS England, Public Health England, Monitor, Health Education England, the Care Quality Commission and the NHS Trust Development Authority.

The document identified three pressing “gaps” and the response required.

- the health and wellbeing gap, requiring a radical upgrade in prevention
- the funding gap, requiring efficiency coupled with investment
- the care and quality gap requiring major system changes and new models of care

The Dalton Review, published in December 2014, offers a further resource for those providers who are considering which new organisational model might be appropriate for them.

In December 2014 NHS England, Monitor, the NHS Trust Development Authority, Care Quality Commission, Public Health England and Health Education England jointly published *The Forward View into Action: Planning for 2015/16*.

This guidance set out the first steps for implementing the Five Year Forward View as well as maintaining operational delivery to meet the standards within the NHS Constitution for 2015/16. The guidance requires leaders of local and national health and care services to take action on five fronts. It:

- sets out seven approaches to a radical upgrade in prevention of illness with England becoming the first country to implement a national evidence-based diabetes prevention programme;
- explains how £480 million of the £1.98 billion additional investment will be used to support transformation in primary care, mental health and local health economies;
- makes clear the local NHS must work together to ensure patients receive the standards guaranteed by the NHS Constitution;
- underlines the NHS’s commitment to giving doctors, nurses and carers access to all the data, information and knowledge they need to deliver the best possible care;
- details how the NHS will accelerate innovation to become a world-leader in genomic and genetic testing, medicine optimisation and testing and evaluating new ideas and techniques

Due to a combination of internal factors within organisations and wider pressures across the health system, nationally there has been a marked deterioration in operational and financial performance over the past 12 months with the foundation trust sector forecasting a 2014/15 year end net deficit for the first time since the inception of foundation trusts.

Foundation trusts continue to underperform against a number of key operational targets, including accident and emergency waiting times, cancer waiting times and referral to treatment standards. The introduction of the Better Care Fund, pension reforms and uncertainty about changes in spending and health policy that may follow the 2015 general election, all add pressure to the resources available.

The Local Context

The size of the population we serve is continuing to grow and is ageing. The risk of all major causes of early death and serious illness increases with age.

This means that the number of people living longer with a long-term illness will rise much more quickly than the growth in the population. Care for people with multiple long term conditions is often very complex. During 2014/15 we have seen an increase in the number of frail elderly people admitted, who need to stay with us for longer periods of time.

The vision for Gloucestershire, agreed across the health and social care system is: “to improve health and wellbeing, we believe that by all working better together – in a more joined up way – and using the strengths of individuals, carers and local communities, we will transform the quality of care and support we provide to all local people”.

The 2015/16 Commissioning Intentions for Gloucestershire Clinical Commissioning Group, our main commissioners, reaffirm the core principles set out in *Joining Up Your Care* and reinforced in the Five Year View. They are looking for their providers to:

- engage with and demonstrate active support for the Health and Wellbeing agenda
- engage with localities and the development of locality profiles
- engage with the clinical programme approach
- deliver a range of transformed care pathways for elective care, reducing demand for outpatients, with a greater emphasis on self care and prevention
- prioritise the shift of care out of hospitals and into the community
- share with them our learning from patient engagement and improving patient experience
- develop a capacity plan to deliver constitution compliant performance

- continue to implement action plans in line with recommendations from the Francis, Keogh and Berwick Reports and other national quality priorities
- develop a record sharing solution for the community

Our market share within the health economy is stable. As the only major provider of NHS acute care in Gloucestershire we have little competition for our non-elective services. Whilst the independent and third sector provision in Gloucestershire is growing it remains a small proportion of commissioning spend. Strategic initiatives in neighbouring trusts have not had significant impact on the flow of patients.

Specialised Commissioning

During 2014/15 the new specialised commissioning arrangements became more established. We have made good progress and completed actions to address service gaps identified against specialised service specifications as part of a comprehensive derogation process.

For 2015/16 the strategic intent for specialised commissioning reflects the Five Year Forward View. In addition there is a strengthening of the standardised and national approach to coding and counting changes, standard template reporting and an extension to the number of national clinical specifications.

Our level of activity and income from specialised services is likely to remain constant for 2015/16 with income of around £74 million, which is 19% of overall clinical services income.

Our Performance in 2014/15

Table one shows the comparison between our planned activity and our actual activity during 2014/15.

Our performance against key performance measures and targets is reported to our Board monthly. Our performance remains generally strong with the exception of the 4 hour waiting time target in Accident & Emergency.

The reasons for this are complex, including an increased demand for unscheduled care across the health and social care system resulting in a rise in attendances at the emergency department, the complexity of care required by many of the patients who are admitted, leading to increased lengths of stay and pressure on the available beds and continuing difficulties recruiting middle grade doctors in both the emergency department and our acute care units.

The pressure on our inpatient beds from patients with emergency medical conditions has impacted on our ability to undertake elective surgical activity and outpatient activity with theatre lists being cancelled as a result of no available beds for patients post operation and outpatient

Table one

Planned and actual activity during 2014/15

Activity category	2014/15 Plan	2014/15 Outturn
Elective spells	60,000	58,039
Non-elective spells	50,078	48,557
A&E Attendances	120,971	122,305
Out-patients	584,263	575,463

Table two

Planned and actual financial position during 2014/15

	2014/15 plan (£m)	2014/15 actual (£m)
Income	463.3	477.9
Expenditure	432.5	449.5
Non operating expenses	26.8	28.0
Operational surplus	4.0	0.5
Capital expenditure	19.6	17.9
Year end cash position	13.0	8.0

clinics being cancelled to release staff to support the response to those unscheduled care demands.

We recognise that the development of the workforce is critical to our continued ability to deliver excellent care to patients. We continue to invest in the ongoing recruitment, retention and support of an appropriately skilled, qualified and experienced range of staff to meet the challenging demands with which we are faced.

We have worked especially hard on meeting our Trust objectives in terms of appraisal compliance and mandatory training, and are very pleased that efforts in these areas have generated good results which set us apart from many other Trusts.

Additionally, our sickness absence levels remain below the national average as we continue to focus energies on tackling this complex issue. Looking beyond these measures, we have developed further our priority of engaging with staff at all levels, with a dedicated project group seeking to ensure a harmonised approach to delivering our cultural change agenda.

This year has seen significant additional investment in nursing, in line with the safer staffing initiative, and we have welcomed the renewed national focus on the importance

of ensuring high quality nursing provision. Recruitment in this area has been a priority, with extensive UK-based and overseas campaigns, the combined result of which has been the employment of over 200 new nurses, who are making a valuable contribution to the work of the Trust.

Table two shows the comparison between our planned financial position and the position at the end of 2014/15.

The operational surplus for 2014/15 was below the planned level due to the operational pressures faced during the year. Both income and expenditure were above plan due to several factors including the impact of operational pressures which were partly funded by additional resilience monies, the continued reliance on temporary staffing to cover additional bed capacity and an increase in income received for services the Trust hosts.

Cost Improvements of £17.0m were delivered in year, but a significant element of these were non recurrent which will provide a further challenge going into 2015/16.

Next part:
Progressing our strategic plan



3

Progressing our strategic plan



We believe that our Strategic Plan is broadly consistent with the Five Year Forward View. Set out below is our response to each of the three gaps.

The Health and Well Being Gap

We will amend our 5 year plan to strengthen our commitment to the health and wellbeing agenda. We will embrace a further strategic objective "to improve the health and wellbeing of our staff, patients and the wider community". We will take forward our Health and Wellbeing Strategy, endorsed by our Board in January 2015, with 3 separate plans addressing the health and wellbeing of staff, of patients and our contribution to the wider community.

Links to the overarching Strategy and the Staff Health and Wellbeing Strategy are below. The strategies for patients and the community are still to be developed.

Leadership for this agenda will come from a newly formed Health and Wellbeing Committee as a formal sub committee of our Board. As part of this work we will actively promote our engagement in the delivery of the national diabetes prevention programme.

As recommended by the South West Clinical Senate, we will seek to incorporate clear prevention and public health principles into new models of care developed in partnership with others, and we will focus on our responsibility for 'making every contact count' including within referral pathways principles of behaviour change and where appropriate, referral to prevention services.

We will ensure our screening programmes are meeting all standards to maximise their ability to detect preventable illness early.

The Care and Quality Gap

Delivering high quality healthcare is at the heart of our mission and vision. Our Quality Committee will continue to lead our quality agenda. Our quality priorities for 2015/16 reflect the national priorities and the input from staff, governors, commissioners, and patient representatives, including Healthwatch and our Health Overview and Scrutiny Committee. These are set out in detail in our Quality Account.

Our quality priorities are aimed at improving the safety and clinical effectiveness of our services and the patient experience. This year we will be particularly focussing on the range of ways in which patient feedback can inform how we improve.

We will work with partners across the health and social care system to redesign the unscheduled care pathway to ensure we can continue to provide safe and effective care and meet the nationally agreed targets, as the demand for these services increases.

The Five Year Forward View called for a drive towards an equal response to mental and physical health and towards the two being treated together, a concept termed "parity of esteem". This is an area that we have prioritised in previous years. Going forward we will continue to develop, with partners, our mental health liaison services, particularly for young people and adolescents, people with alcohol problems and people with unexplained symptoms. We have signed up to the Mental Health Crisis Concordat and will be working to implement the action plan arising from this and the implications of the Mental Capacity Act.

Our Smartcare Programme will deliver an information system which is innovative, efficient, effective, safe, accessible and reliable, helping us improve patient care and save money. It will enable our staff to be able to access the information they need about a patient, when they need it, wherever they are. We now have a partner, Intersystems, to help us radically transform how we deliver healthcare for future generations. At its core will be an Electronic Patient Record that:

- Is kept constantly up to date and available to key staff involved in each patient's care
- Improves patient safety by, for example, highlighting special needs, allergies and past medication doses
- Supports clinicians in taking decisions on treatment, with prompts to take action or to carry out tests
- Speeds up the ordering and turnaround of tests, such as blood and tissue analysis
- Puts an end to the difficulties posed by missing notes
- Reduces medication errors
- Means patients shouldn't need to repeat the same information to different staff
- Reduces or eliminates the use of paper

We will work with partners across the health community to improve information sharing across organisations to improve patient care.

Looking to the future, we have a number of Workforce initiatives in place to address the workforce redesign and transformation elements of our Trust objectives.

Through our 2014 workforce planning exercise the key concern raised by many stakeholders was that the ongoing challenges in medical workforce supply, combined with expected shortages at Junior and Middle grade Doctor level and the national imperative to deliver 7 day services, would combine to create an unsustainable fragility in our medical workforce, and clinical services.

In response to this, a Trust-wide project was initiated to scope this issue, and recommend possible solutions. The focus for 2015 and beyond will be on delivering the identified solutions, which are creative and wide-ranging, impacting on numerous different parts of the workforce, including:

- The expansion of the Advanced Nurse Practitioner role to complement, and in some cases replace, Medical staff.
- The exploration of the Physician’s Associate role, to understand its possible value to, and compatibility with, our current ways of working.
- The development of the Pharmacy Prescriber role, exploring ways in which prescribers could work in teams with non-prescribing clinical colleagues so as to release clinical time.
- The continued development of the Therapy services within the Trust to ensure that all opportunities for the provision of these services are maximized.

Leadership development will be a priority for us, recognising the importance placed on high quality leadership in the 5 Year Forward View. We will continue to support staff at all levels both internally (through coaching and development programmes) and externally (through the provision of opportunities to participate in the Leadership Academy’s range of Development programmes).

A strategic approach to Talent Management and Succession planning will be developed and embedded to ensure we have a resilient and secure Leadership infrastructure in the future.

The development and promotion of the “Wider workforce” (Bands 1–4, including Apprentices) has been a significant growth area for the Trust in recent years and this will continue with widespread support and investment dedicated to developing this cadre of staff, and extending our already significant number of Apprentices.

Through our existing channels and forums for staff engagement, we will seek to understand, and respond to, our staff survey results. Our intention will be to build on the many identified areas of strong performance for the Trust, and address directly and swiftly those few areas which were a cause for concern.

Within nursing, recognising the national landscape and issues around workforce supply, we are implementing a comprehensive Nurse Recruitment strategy which has been designed to ensure we have the right number of appropriately trained and qualified nurses within the Trust.

We plan to attract nurses from a wide variety of pipelines, including UK, EU and non-EU sources, as well as ongoing engagement with Universities both locally and nationally to provide newly-qualified nurses. We are also exploring more innovative routes and have developed our own “return to acute practice” scheme for nurses working in community settings.

With workforce costs representing approximately 60% of the Trust’s total expenditure, the delivery of workforce-related

efficiencies remains a high priority. We recognise the value that well-crafted schemes can bring, not only in reducing spend but also in driving innovation and transformation among the workforce, generating greater productivity and efficiency which in turn improves our service to patients.

The approach to planning for this year has been to give Clinical and non-Clinical Divisions the autonomy to develop plans which are meaningful and achievable, with support given on a Trust-wide basis through an overarching infrastructure.

The Funding Gap

In developing our financial plan the following assumptions in Table X have been used, in line with Monitor guidance.

Table three

2015/16 High level assumptions on uplifts and pressures	Percentage
Healthcare income tariff adjustment	(1.6)
Operating and other income increases	2.0
Cost increases	
Employee expenses	2.0
Non-employee expenses	2.5
Efficiency requirement – Clinical	4.0
Efficiency requirement – Corporate	4.5

Our financial plan for 2015/16

In establishing the financial plan for 2015/16 we have adopted the following principles:

- We plan to achieve a £4m operational surplus.
- We plan to maintain a Continuity of Service rating of 3 under the risk assessment framework.
- In agreeing contracts with our main commissioners the contracted levels of activity must be both affordable and deliverable for the Trust.
- The savings programme will be managed and delivered at Service Line level supported centrally through both an operational Delivery Board and Efficiency and Service Improvement Board.

Applying the key financial assumptions (above) to the Trust's financial plan provides the summary financial position:

Table four

	2014/15 Actual (£m)	2015/16 Original Plan (£m)	2015/16 Revised Plan (£m)
Income	480.1	471.4	482.7
Expenditure	449.3	437.3	454.7
Non operating expenses	29.0	28.1	24.0
Operational surplus	1.8	6.0	4.0
Capital expenditure	19.4	24.0	16.5
Year end cash position	10.6	14.5	10.0

The 2015/16 plan has moved from the original plan submitted as part of the operational plan last year from a £6m to a £4m surplus due to a number of factors. The income figures have moved due to the increased volumes for the services we host and an increase in the healthcare contract income that has been either agreed with or proposed to commissioners. Within the contract income the impact of tariff deflation has been offset by both growth and investment in services from commissioners.

These include initiatives to manage demand for unscheduled care and improve patient flow through our services. We have agreed with our commissioners Quality, Innovation and Productivity and Prevention (QIPP) schemes aimed at reducing demand and increasing efficiency across the health community.

The cost improvement target set for 2015/16 is deliverable but the plan recognises there will be pressures associated with the expenditure position, particularly given the high level of non-recurrent savings delivered in 2014/15.

Recruitment initiatives will continue but in the short term there are still likely to be gaps in the workforce that need to be addressed with temporary staffing. Also investment in staffing is required to deliver the investments made by commissioners in new and existing services. Non pay pressures will be managed through the cost improvement programme but the impact of NICE guidance, CNST premium increases and increased activity will lead to planned expenditure increases in 2015/16.

Next part:
Our plan for short term resilience

4

Our plan for short term resilience



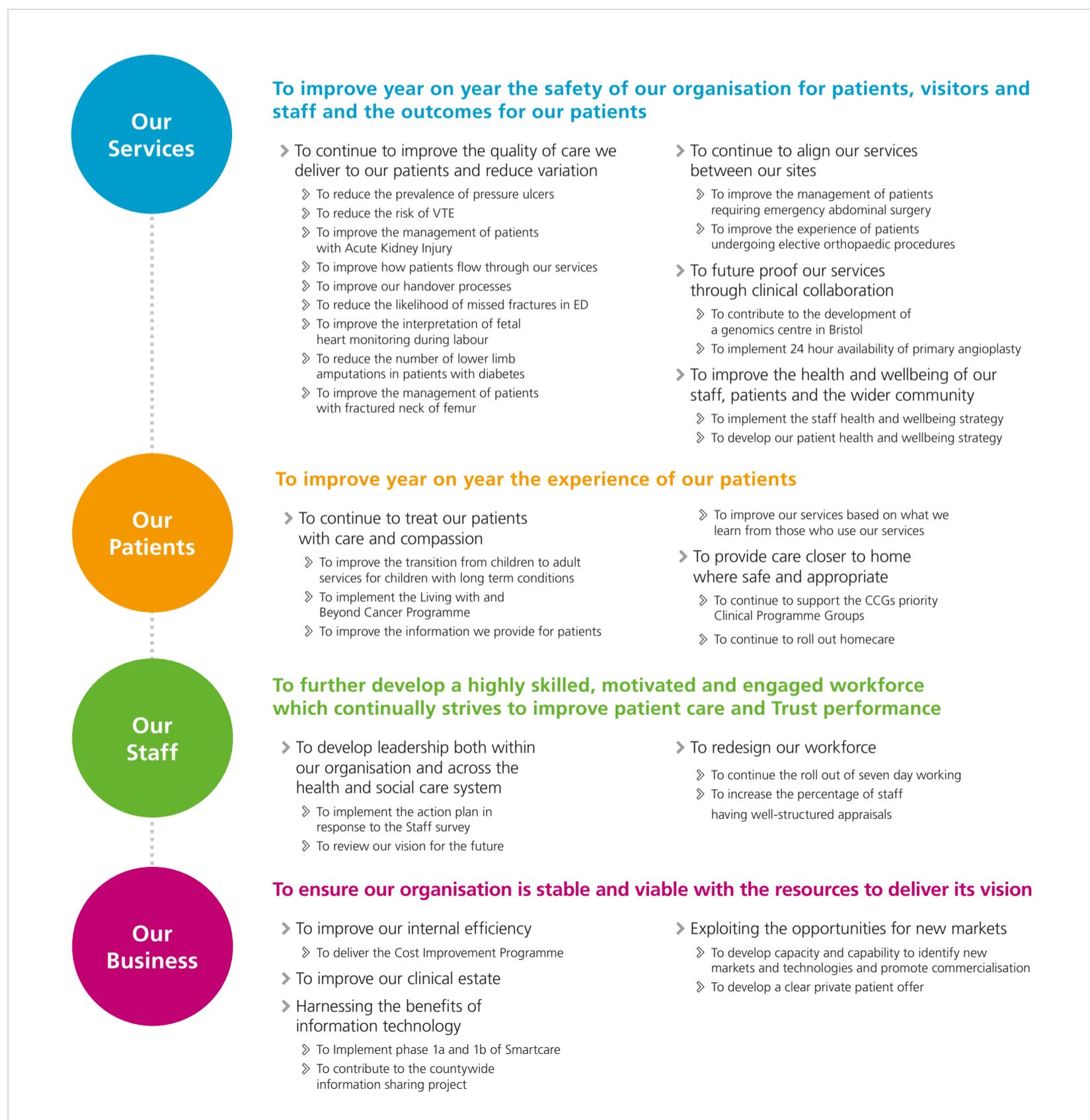
In determining our priorities for next year we have taken into account:

- › Feedback from a wide range of stakeholders
- › The need to make progress towards our strategic objectives to be sustainable into the future
- › The need to ensure we are operationally and financially resilient

Our priorities for 2015/16 are detailed in the table below, aligned to our strategic objectives.

Graphic one

Our framework for the future



Our activity in 2015/16

The 2015/16 activity plans have used the 2014/15 outturn as a start point. This has then been supplemented by our commissioners assessment of likely growth in demand over the coming year and then reduced by the commissioners Quality, Innovation, Productivity and Prevention (QIPP) Programme which has made assumptions on the level of activity that can be removed/deflected away from the Trust during 2015/16.

Table five

Activity category	2014/15 outturn	2015/16 plan	2015/16 revised plan
Elective spells	58,039	61,398	60,083
Non-elective spells	48,557	53,053	49,003
A&E Attendances	122,305	122,321	127,845
Out-patients	575,463	593,989	584,386

Our Workforce

The largest single area of expenditure for the Trust is on its workforce. This increased significantly during 2014/15 due to an increase in the numbers of permanent staff employed and an increase in the use of temporary staff to ensure we could continue to deliver safe services as demand for our beds increase and we opened up areas of additional capacity.

Temporary staffing costs will need to be reduced through recruitment initiatives, rostering systems and management of sickness. We will continue with both local and overseas recruitment campaigns to address the challenges faced in recruiting both Nursing and Medical staff throughout the year, but particularly during the winter period in order to minimise temporary staffing expenditure.

The impact of our planned expenditure on whole time equivalent (WTE) staff by staff group in 2015/16 is set out in the table below. It is anticipated there will be material movements in these staff groups during the year due to investments in service provision and the impact of cost improvement plans.

Table six

Staff Group	Funded WTE
Senior Medical	336.39
Other Medical	449.51
Nursing	2,686.19
Admin & Clerical	1,050.90
Management	88.99
Professions Allied to Medicine (PAMS)	417.77
Professional & Technical	675.18
Scientific & Professional	142.99
Ancillary	333.20
Building & Engineering	49.05
Other Staff	7.84
TOTAL	6,238.01

Cost Improvement Programme

Cost Improvement Programme will support our ability to maintain and improve the quality of services we deliver within an increasingly constrained financial envelope. The key workstreams of our Cost Improvement Plan include:

- Demand-based bed allocation
 - Reduced patient length of stay and greater flexibility in the provision of ward capacity
 - Remodelling capacity across sites
- Operational effectiveness within surgery, outpatients and diagnostics
 - Improved efficiency in theatres
 - Careful targeting of community-based services to balance outcomes with resources
 - Reduction in unnecessary scans and tests
 - Consolidation and improved operational efficiency of administration of out-patient clinics
 - Consolidation of diagnostic and support services across hospital sites
 - Consolidation of asset management and maintenance of specialist equipment both within divisions and across hospital sites
- Workforce utilisation and efficiency
 - Increased efficiency across Trust support functions
 - Reduction in temporary staffing levels in medical, nursing and other staff categories
 - Improved workforce efficiency in senior level staffing and across supervisory grades
 - Promotion of evidence-based workforce savings across corporate departments and medical divisions
- Supplier engagement in procurement and supply chain effectiveness
 - Savings in drugs procurement and Gain Share through joint-working arrangements with local health economy stakeholders and specialist commissioners

- Further development of procurement catalogues to most items purchased, then develop a category management platform approach to procurement and supply chain
- Increased savings through better buying efficiency
- Development of innovative and cash-saving approaches to procurement of expensive equipment and specialist services
- Development of more effective patient food provision arrangements at Cheltenham. Generally improve and retarget food offerings across site operations
- Business Development
 - Develop a range of services tailored to private patients and commercially leverage the new dedicated facilities at Cheltenham General Hospital
 - Develop new mailing systems to patients which maintain quality of service delivery whilst generating workforce and logistical savings
 - Seek savings in PFI financing at the Gloucester site

The table below shows how our cost improvement programme aligns with our strategic objectives. Quality impact assessments will ensure that as we progress these transformational programmes we continue to make progress towards our strategic goals.

Table seven, Summary 2015/16 Cost Improvement Plan by themes

CIP theme	£k
Demand-based bed allocation	800
Operational effectiveness	3,890
Workforce efficiency	6,454
Procurement & supply chain	3,050
Business development	1,150
Total:	15,344

Table eight, 2015/16 Cost improvement programme alignment with our strategic objectives

	Demand based bed allocation	Operational effectiveness	Workforce	Procurement and supply chain	Business development
Improving quality			✓	✓	✓
Aligning services	✓	✓	✓	✓	
Clinical collaboration	✓	✓	✓	✓	✓
Harnessing technology		✓		✓	✓
Improving health	✓		✓	✓	
Care and compassion	✓		✓		
Care closer to home		✓	✓		✓
Workforce redesign	✓	✓	✓	✓	✓
System leadership	✓	✓		✓	✓
Improving the estate		✓			✓
New markets		✓		✓	✓

Our Investment Programme

The financial plan for 2015/16 includes several investments in service provision for both existing developments and new developments agreed by the Trust.

The table below highlights some of key areas of recurrent investment included in the 2015/16 financial plan.

Investment	Proposed value(£m)
Acute Care Response team	0.1
Bowel Screening Programme	0.4
Older Peoples Advice and Liaison (OPAL)	0.4
Medical and Nursing staff in ED	0.9
Short stay unit	1.1
Ambulatory Emergency Care (AEC)	1.3
Nutritional support team	0.2
Acute oncology service	0.6
Integrated Discharge Team (IDT)	0.2
TOTAL	5.2

There are several other developments due to come on line during the year including the Primary PCI service in Cardiology and Intermediate Dermatology service which are both within the Medicine Division.

Key transformational schemes that include the Ambulatory Emergency Care (AEC), Older People Advice and Liaison (OPAL) and the short stay unit will ensure patients are treated in the appropriate setting and reduce admissions. Also the Integrated Discharge Team (IDT) will work on ensuring there is a community wide approach to discharge so patients do remain in the acute setting for any longer than they need to be. The transformational schemes are key to ensuring the financial viability of the Trust going forward and will contribute towards the delivery of the efficiency programme across the organisation.

Our Capital Programme

The capital programme has been reduced from the original plan due to a number of factors including the movements of a potential capital receipt into a later year, the reduced planned surplus position and the need to improve the working capital position. The capital plan addresses the key Trust strategic initiative of implementation of the Smartcare clinical information system and also the significant priorities within the estate that will help support service reconfiguration and enable greater efficiency in Trust services.

A summary of our capital programme allocations is shown below:

	2015/16, £m
Building and Infrastructure schemes	7.0
Medical Equipment Fund	3.0
Information Management & Technology	6.5
Total planned spend	16.5

Key elements within the capital plan include:

- **Building and Infrastructure:** This includes theatre and environment improvement programmes combined with essential infrastructure upgrades to ensure future viability of the estate is maintained, significant schemes to improve the quality of our Unscheduled Care pathway and the quality and capacity of our Ophthalmology Services, schemes to replace CT and MRI scanners and further investment in interventional radiology.
- **Medical Equipment Fund:** This budget has been established on the basis it will be jointly managed by the Chiefs of Service and the Director of Delivery ensuring shared priorities are agreed and managed based on priorities across the Trust.
- **Information Management & Technology:** the most significant investment in the programme for 2015/16 is the Smartcare project and will ensure that operational requirements and technical configuration of the system are met. The project will also ensure operational change processes are robust and the clinical pathways design changes required are implemented as the project is rolled out. The Smartcare system will change the way the Trust works and provide significant benefits to the patient experience as well as efficiencies. The Trust has received Treasury funding for the revenue costs of the first four years of the project but the implementation costs need to be met through the Trusts capital programme.

What are the risks in this plan?

Each year when we have agreed our priorities we consider the risk to achieving our plan. The most significant risks are then reflected in our Controls Assurance Framework and are regularly reviewed by the Main Board.

The key risks to delivery in each area of our framework are set out below. Our Board has identified the inability of the local health and social care system to manage demand within current capacity, and a failure to match our workforce profile with the clinical needs of the organisation as our highest risks:

> **Our Services**

- > Inability of the local health and social care system to manage demand within the current capacity
- > Inability to meet quality standards across all of our services
- > Inability to meet national access standards across all of our services

> **Our Patients**

- > Failure to meet the expectations of patients for personalised compassionate care
- > Failure to discharge patients in a way, which meets their, and our partners, expectations

> **Our Staff**

- > Failure to match the workforce profile with the clinical / service needs of the organisation
- > Failure to engage appropriately with staff, leading to poor alignment of services and a demotivation of the workforce

> **Our Business**

- > Failure to maintain our physical estate to meet the requirements for high quality health care
- > Failure to deliver financial plans
- > Failure to maintain the positive reputation of our organisation

Next part:
Declarations



5

Declarations



Declaration of Sustainability

Our Board has considered the strategic context in which this plan has been developed and believes that it does demonstrate meaningful progress against delivery of our overarching strategy and that we will be sustainable according to regulatory standards over the remaining 4 years of our strategic plan. The previously identified clinical, operational and financial challenges to our sustainability remain. Whilst delivering our strategic objectives are designed to mitigate these there is a level of risk associated with their delivery.

Declarations of Resilience

Operational

Operational resilience considers the extent to which the Trust has the necessary organisational structure, operating model, governance, risk management procedures and operational processes in place to deliver its immediate corporate objectives.

To inform our conclusions on operational sustainability, the Trust has reviewed:

- Current performance, having cross referenced this with the trust's strategy and how the Trust is delivering its short, medium and long term objectives. Performance management from executive reviews of divisions, usually held monthly and the important role of the Trust Management Team which is effective in bringing together Directors with Chiefs of Service in ensuring risks are identified managed and there are cohesive plans in place to improve performance.
- Alignment of the Trust's governance and operations with the Trust strategy; this also includes the Trust's approach to governance and how effective it is.
- The people, processes and systems in place, this includes the capability, organisational development and training resources that the Trust has to support operational sustainability. This also includes the effectiveness of the Divisional structures, the challenges in recruitment into the most challenging of roles and the continued importance of developing our clinical leaders and service line management.
- The expertise and critical mass of our workforce, together with the flexibility we have demonstrated to meet year-on-year increases in demand and a drive to continually improve the care we provide throughout all of our services. As part of this we fully recognise the challenges of recruiting substantive nursing staff and appointing to hard-to-fill middle grade doctor posts in some specialities. Where necessary we have recruited from overseas and will continue to do so to ensure we reduce the level of expenditure on agency and locum costs in these areas.
- The reputation of the Trust enables us to recruit a high standard of consultants and senior clinicians to deliver high quality care.

- The impact of system wide pressures on clinical performance is a risk which the Trust continues to manage, fully cognisant of the important role our hospitals play in not only responding to system wide pressures but increasingly important as a central part of the health and care system.
- The Trust also has clear ambitions to improve the health and well-being of our staff in addition to our patients, supporting staff to lead healthier life styles with benefits for the Trust as an employer and the wider community.
- We recognise the importance of staff motivation and engagement as a key part of our plans to be sustainable now and in the future.

The Trust has implemented strategic and tactical change over the past 12 months. These improvements have been driven by greater alignment between the Trust's strategy, its organisational design and enabling functions. Examples include:

- The engagement of clinical staff through further development of clinical directorates and service lines. The Trust 'I lead Programme, 100 leaders' events and Chiefs of Service involvement in the international IHI conference.
- The development, implementation and embedding of risk management processes which is well used and understood by staff.
- The committee structures (including the Finance and Performance Committee) are well developed and functioning well. The Trust has arranged an external review of its governance processes, due to commence in the autumn of this year. This review is in accordance with Monitor guidance.
- Delivery of 18 week target in overall terms was delivered 2014/15, this is a notable achievement mindful of the system wide pressures and year on year increases in GP referrals.
- The development of financial support including a move to finance business partners supporting divisions and the wider development of the finance team.

Clinical

We believe our quality priorities, as set out in our corporate objectives and quality account, address internal, local and national priorities with regard to quality.

In reviewing Clinical resilience we have considered whether the Trust is currently delivering acceptable levels of clinical performance, and whether this level of performance is likely to be maintained.

There is a clear overlap between the assessment of clinical resilience and operational resilience, therefore the primary focus of the plan is the assessment of longer-term viability of services. However we have also to consider current performance from a clinical perspective to determine if there are any immediate issues and our view is:

- We are aware of the areas where targets have not been achieved on a consistent basis throughout last financial year and plans have been agreed to address these areas, particularly the A&E 4 hour target and the 62 day cancer target.
- There are areas where current clinical performance is of an acceptable standard or better when compared with standard performance metrics, these include infection control and the 18 week access target.
- The Trust is serving a catchment population which is of sufficient size to be considered viable.
- The Trust has currently has reasonable levels of medical and nursing staffing established across all services and is making progress on moving towards a seven day service in some specialties
- We are able to recruit and retain appropriate clinical staff to meet established consultant levels.

The Trust has implemented strategic and tactical change over the past 12 months. These improvements have been driven by greater alignment between the Trust's strategy, its organisational design and enabling functions. Examples include:

- Robotic surgery for urological procedures,
- Opening of the satellite cancer centre in Hereford and;
- The development of the Smartcare clinical information system which will reduce clinical variation, improve efficiency and reduce costs.
- Improvements in infection control have continued with 36 cases compared with a target of 55 for the financial year 2014/15.

Financial

We have taken account of the need to address the scale of the financial challenge for the Trust and also across the health and social care economy.

An important part of financial resilience is the requirement

for all stakeholders in the health and care economy to drive through the required transformation changes at pace and addressing the workforce transformation required. We have taken into account the following::

- The financial record of the Trust has demonstrated delivery of surpluses over the past three years we are mindful of the challenges faced particularly by the acute provider sector.
- The Trust's understanding of its cost base together with good delivery on cost improvement plans.
- Plans for transformational change to be developed with the CCG and our other partners.
- We have set aside contingency above the 0.5% of turnover to manage risk each year
- The level of cost improvement will remain challenging, the Trust has reduced the level of savings required each year to ensure realistic targets are set supported by the CIP programme management office. The level of cost improvement schemes was at a higher level in the 2014/15 financial year, and our plans will be supported during 2015/16 with external expertise providing greater assurance on the delivery of plans.
- Our financial plans ensure that we achieve a Continuity of Service Risk Rating of 3 across the period of the plan
- The level of capital expenditure provided supports the development of Smartcare and investment in our estate aligned with our plans. Capital plans also allow for routine and backlog maintenance and this is consistent with the level of depreciation in income and expenditure plans
- Further potential opportunities to develop low risk supporting activities enabling the Trust to continue to invest in services whilst withstanding downside modelling.
- Additional expertise on CIPS and planned changes within corporate finance and information directors will further improve systems and processes ensuring data analytical and predictive modelling tools are easily and routinely used to support clinical and business decisions throughout the Trust. The improvements that Smartcare will bring will help support understanding of why there is clinical variation and support standardisation across pathways which continues to improve the economy, effectiveness and efficiency of the services we provide.

The requirement to respond to sustained expectations and to deliver efficiency continues and is reflected in our plans that are consistent with Monitor's planning requirements. The cost improvement programme is supported by good governance and savings are not at the expense of safe services. Cost improvement programmes are quality impact assessed by Nurse and Medical Directors, Chiefs of Service and their Divisional Boards.

As part of our contract with Gloucestershire CCG we have agreed to continue to develop the AEC (Ambulatory Emergency Care Scheme) and the OPAL (Older Persons Advice and Liaison) service. Both schemes were introduced last financial year and are supported from 1 April this year on a recurring basis by our main commissioner. These are two examples of opportunities for developing a different service offer and in

conjunction with our Commissioner, provide a greater choice for patients. We are striving to have the flexibility to develop such arrangements including a framework that develops implementation and development of new models of care that meets the needs of the population.

The Trust has also agreed other initiatives with partner organisations with the recruitment of additional Enhanced Nurse Practitioners and increased senior clinical presence at Gloucester Royal Hospital. In addition additional support for weekend discharges and investment in the Integrated Discharge Scheme. All of these schemes are designed to complement other system wide schemes led by our partners with the objective of improving financial resilience across the NHS in Gloucestershire.

The Trust has continued to strengthen its operational sustainability over the past twelve months by agreeing plans which improves unscheduled care services mindful of the increases in the numbers of medically patients, increases in demand and also acuity over the past year. Following the impact that these substantial pressures had across the whole system, one of the key elements of our strategy is the priority to support our partners in delivering a whole health system model of urgent care. The growth in emergency activity must be demand managed going forward to minimise disruption whilst ensuring patients are seen and treated in the most appropriate setting.

The NHS acute provider environment is unlikely to become less risky or less complex, hence the importance of preparing for risk and disruptive trends and also to capitalise on opportunities when they arise. Our plans recognise that we need to do more than deliver relatively small levels of surplus as we also need plans that increase our cost effectiveness, and are resourceful and responsive. We also need to recognise that behaviours and risk management strategies are all essential enablers of financial resilience.

Our plans are based on operational requirements and building on the lessons from last financial year. This includes agreed developments to support system resilience agreed with Gloucestershire CCG. The Trusts 5 year capital programme reflects investment in Smartcare; this innovative use of technology will improve operational efficiency with improved access to patient level information for clinicians and significantly improved access to data across the organisation providing greater business intelligence.

