Warrington & Halton Hospitals NHS Foundation Trust
Operational Plan Narrative

Status: Final
Date of Submission – 23rd December 2016
## Contents

<table>
<thead>
<tr>
<th>Title/Section</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activity Planning</strong></td>
<td>3</td>
</tr>
<tr>
<td><strong>Quality Planning</strong></td>
<td>4</td>
</tr>
<tr>
<td>Section 1</td>
<td>4</td>
</tr>
<tr>
<td>Approach to Quality Governance</td>
<td></td>
</tr>
<tr>
<td>Section 2</td>
<td>5</td>
</tr>
<tr>
<td>Summary of the quality improvement plan</td>
<td></td>
</tr>
<tr>
<td>Section 3</td>
<td>7</td>
</tr>
<tr>
<td>Summary of quality impact assessment (QIA) process</td>
<td></td>
</tr>
<tr>
<td>Section 4</td>
<td>7</td>
</tr>
<tr>
<td>Summary of triangulation of quality with workforce and finance</td>
<td></td>
</tr>
<tr>
<td><strong>Workforce Planning</strong></td>
<td>9</td>
</tr>
<tr>
<td><strong>Financial Planning</strong></td>
<td>11</td>
</tr>
<tr>
<td>Section 1</td>
<td>11</td>
</tr>
<tr>
<td>Financial Forecasts and Modeling</td>
<td></td>
</tr>
<tr>
<td>Section 2</td>
<td>12</td>
</tr>
<tr>
<td>Efficiency Savings for 2017/18 – 2018/19</td>
<td></td>
</tr>
<tr>
<td>Section 3</td>
<td>14</td>
</tr>
<tr>
<td>Capital Planning</td>
<td></td>
</tr>
<tr>
<td><strong>Link to the Local Sustainability and Transformation Plan</strong></td>
<td>16</td>
</tr>
<tr>
<td><strong>Membership and elections</strong></td>
<td>18</td>
</tr>
</tbody>
</table>
Activity Planning

The Trust’s activity and income assumptions underpinning the 2017/18 and 2018/19 plan are based on the 2016/17 forecast outturn, adjusted for tariff deflation, demand changes, and service changes. The demand and capacity modelling is being undertaken and the plans will be shared to make sure that they are aligned with the Commissioners planning assumptions. This will ensure the activity plans are sufficient to deliver key operational standards, in particular accident and emergency (A&E), referral to treatment (RTT), incomplete, cancer, and diagnostics.

Current plans set a proposed A&E trajectory for 2017/18 as follows:

<table>
<thead>
<tr>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
</tr>
</thead>
<tbody>
<tr>
<td>91%</td>
<td>92%</td>
<td>92%</td>
<td>92%</td>
<td>92%</td>
<td>91%</td>
<td>91%</td>
<td>91%</td>
<td>91%</td>
<td>91%</td>
<td>91%</td>
<td>91%</td>
</tr>
</tbody>
</table>

The contract discussions with Commissioners are on-going. Currently there is circa £5.6m difference with the main Commissioners. There are a couple of areas under discussion including Ambulatory Care and counting and coding, however the main area still unresolved is the application of QIPP to the baseline.

The Lead Commissioners have identified the need to save £2.7m QIPP (and £1.3m Halton CCG) and believe this will be achieved. The schemes to deliver QIPP have not been shared and therefore the operational plan does not reflect a change to activity linked to this. The Trust and Commissioners have a common understanding that whilst facilitating change, we must not destabilise care.

On discussion with service leads, we are unable to see how the QIPP schemes will be delivered. This detail has been requested from the CCG on several occasions. In addition it has been recognised that attempts to change the current service model will place the financial risk solely with the Trust. Therefore the Trust has proposed the following approach to QIPP schemes:

- QIPP remains outside of the baseline in 2017/18.
- A system to monitor QIPP is implemented and understood by all, with clear baselines and metrics.
- A task force from provider and commissioner is established to review monthly delivery of the QIPP schemes.
- Corrective action is taken jointly with any underperformance against expectation.
- A financial risk share approach is taken so the risk to delivery doesn’t sit wholly with the provider, for example, agreed stepped levels where cost can be taken out, or 3 year phasing approach.

The Trusts CIP will continue to focus on productivity in theatres and outpatient clinics; this will be linked to demand and capacity modelling and shared with the Commissioners. Ambulatory Care has been the subject of much discussion with Commissioners since the service commenced in March 2016. Whilst both parties are in agreement that the service provides the most appropriate care to those using it, discussions are on-going around tariff and activity.

Another area of potential dispute within the contract is the counting and coding of the activity undertaken by the Trust. The Trust informed the Commissioners in September 2015 that there would be improvements to coding and counting due to the implementation of Lorenzo. The Trust has historically been undertaking activity it has not been repaid and has requested reimbursement going forward. The CCG is in agreement that this should be paid however negotiations are on-going as to when the payment will commence. This will enable the income to correctly reflect the costs associated with the work that is currently being undertaken.
Quality Planning

Section 1: Approach to Quality Governance
Kimberley Salmon-Jamieson (Chief Nurse) - named executive lead for quality improvement

The Quality Strategy (2014) sets out the Trust’s approach to quality and defines the priorities for quality improvement and sets realistic, measurable goals. This included measurable reductions in pressure ulcers; catheter acquired urinary tract infections; falls; mortality ratios and hospital acquired infections. It specifies improvements in compliance with risk assessments; advancing quality measures; complaints responses and always events. It identifies risks to quality and the steps needed to mitigate these risks; and sets out the vision for quality in a way that engages staff, patients and the local community. The Quality Account describes the programme of quality and safety improvement for 2016/2017.

The Trust has recently introduced Bilateral Quality/Governance monthly meetings which are central to the process of challenging the two Divisions and Pharmacy and monitoring quality governance data. This new Clinical Business Unit (CBU) structure includes the appointment of specialty medical quality/governance leads, with dedicated programmed activity (PA) allocation. This role leads on the promotion of quality improvement and learning from incidents, claims and complaints. The Trust has introduced a new medical leadership structure, with the formation of a Medical Cabinet and appointment of an Associate Medical Director for Quality/Governance. This key role works alongside the Associate Director Quality/Governance embedding the changes required to develop quality improvement capacity and capability in the organisation and lessons learned. The chart below sets out the quality governance assurance structure.

The new process of Quality Governance is aligned to the CQC Fundamental Standards which is integral to the development of a Quality Performance Assessment Framework. The introduction of Bilateral Quality/Governance monthly meetings supports the challenge and assurance oversight process of the two Divisions and Pharmacy on their quality governance data which is also communicated to the following Sub Committees:

- Patient Safety & Clinical Effectiveness
- Patient Experience
- Health & Safety
- Infection Control

The Sub Committees are held bi-monthly following assurance from the bilateral meetings and include the reporting exceptions and monitoring of areas of challenge. The Sub Committees escalate key issues via high level briefing papers to the Quality Committee which has delegated authority from the Board to provide assurance on the quality agenda.

The Trust is soon to appoint a Deputy Director of Governance and Quality, (new post) reporting to the Chief Nurse and working closely with the Medical Director/Deputy Chief Executive to drive strategic quality governance issues.
and lead the development of a new Quality Academy to align quality with organisational development and transformation.

The Trust is committed to fostering a culture of continuous quality improvement, by ensuring staff are skilled in quality improvement methodologies. Staff will be supported to have the confidence to highlight areas for improvement and attaining the skills, knowledge and support to be able to implement improvements in line with the Trust’s Vision, Values and Transformation agenda. Detail of this is documented within the Trusts Peoples Strategy This work has already commenced with the training of ward and departmental Quality Champions and the Clinical Business Units leadership and development programme. The programme includes:

- **Solutioning** – Problem sharing, utilising expert resources in the room to push projects on or solve the issue.
- **The Innovation Breakfast** - A power start to the day driven at realising learning, sharing and networking in bite-size chunks.
- **Open MIC** – A ‘floor is yours’ short session.
- **Master classes** – Providing core knowledge, information and a toolkit in the principles and practices of Leadership.
- **Springboard Development Calendar** – Access to dates of learning and development opportunities.
- **Essential Managers Training** – Aimed at middle managers in supporting their learning and development in core management and leadership skills in line with our Trust behaviours.

The Trust is currently involved in a collaborative patient safety project with Stanford University (US). This is using design theory as a vehicle for quality improvement in medicines management. A learning lessons framework is to be introduced.

The current ‘Ward to Board’ quality reporting occurs via the Quality Dashboard, Divisional Dashboard (COB) and the Trust Board Integrated Dashboard. Concurrent risk escalation processes will be further developed to progress the collation of intelligent information and ensure safe and effective care for patients.

**Section 2: Summary of the quality improvement plan**

Over the next two years the Trust will further strengthen quality improvement in line with the Trust’s Quality Strategy, supporting an effective sustainable transformation plan.

**National clinical audits** - The Trust has robust processes in place for managing National Audits and NCEPODS which are included in the work plan for the Patient Safety and Clinical Effectiveness Sub Committees. Following participation in national clinical audits a review of action plans was implemented to improve the quality of healthcare provided. The Trust is currently registered for 20 National Audits with planned completion dates from November 2016 – October 2017. The Trust complies with the mandatory reporting of this within the Quality Account.

**The four priority standards for seven-day services** - The Trust actively participate in the national audit of 7 day services and compliance with the standards. The Medical Director is the executive lead. The Trust takes a continuous improvement approach to the four main priorities identified as having the most impact on reducing weekend mortality – time to consultant review, on-going review, access to diagnostics and access to consultant-delivered interventions. All WHH clinical teams are asked to define their internal professional standards with reference to these priorities. It is recognised there is a need to consolidate existing improvements in provision through projects including rota redesign, the expansion of consultant shift working and the appointment of more substantive consultant physicians.

Working within the Cheshire and Merseyside STP, the three acute providers within the Alliance LDS are developing the vehicle for further improvements in quality and reducing variation through service redesign which includes further increase to the provision of seven day acute services. This is being led by the three Medical Directors.
Safe staffing - The Trust is developing a Recruitment and Retention Strategy. Patient safety is maintained at all times by senior nursing teams monitoring staffing levels daily. The staffing reports are shared with NHS Improvement (NHSI) and published online. There is an active “Speak out Safely” Campaign within the Trust which offers further reassurance around staffing.

Care hours per patient day - In line with Lord Carter’s recommendations the Trust has since April 2016 collected Care Hours per Patient Day (CHPPD). From April 2017 onwards the Trust is to implement an electronic acuity tool (Allocate) which will further support safe staffing and record CHPPD, further helping improve systems and processes.

Better Births Review - The Trust has reviewed the report and undertaken a gap analysis to identify priorities and benchmark current performance against the recommendations. This response which identified continuity of care in the community as a key action was submitted to the Clinical Commissioning Group (CCG) in June 2016.

Improving the quality of mortality review and Serious Incident investigation and subsequent learning and action - The Trust has appointed a lead consultant with PA allocation for mortality review. The Mortality Review Group (MRG) which includes multidisciplinary representation from across the Trust and the CCG, ensure all deaths are reviewed and lessons learned are disseminated and lead to change/quality improvement in patient care. Appropriate action plans are developed identifying areas for improvement which are reviewed by the MRG and reported to the Patient Safety and Clinical Effectiveness Sub-Committee. This learning will be communicated to pertinent staff to ensure the appropriate level of care is provided in the future. Consultants involved in the peer-review process will provide feedback to the quality of their reviews ensuring the learning loop is closed.

The Trust uses the Healthcare Evaluation Data (HED) System to assess mortality data. We then compare our position nationally with regards to SHMI (Summary Hospital Mortality Indicator) and HMSR (Hospital Standardised Mortality Ratio). We evaluate areas for concern or trends which point us towards focused reviews in these particular areas.

Sign up to Safety - Within the Sign up to Safety Improvement Plan the Trust agreed to focus upon three key areas namely:

- Reducing avoidable mortality by 20% by 2017
- 30% reduction in moderate falls by 2017
- 30% reduction in all grades of pressure ulcers by 2017.

The Trust can report that it was successful in achieving a 39.83% reduction in all pressure ulcers in the first year 2014/2015 and in 2015/2016 it achieved a 40% reduction in moderate falls. The Trust has self-assessed against NHS England’s Mortality Good Governance Guide (December 2015), and is confident we are aligned to their approach and timescales and will continue to work towards the phase 2 improvement aim of reducing avoidable mortality by 20%.

Antimicrobial resistance - The Trust is committed to supporting this programme of work by increasing funding to provide additional hours to the role of Antibiotics Pharmacist. Work is progressing to meet the national CQUIN in terms of timely empirical treatment reviews and overall consumption reduction. The Trust has a proactive Antimicrobial Stewardship Group, undertakes quarterly point prevalence audits and conducts eight Antimicrobial Ward Rounds each week. The Trust participates in national awareness raising events e.g. Antibiotic Awareness Week. Changes to the Antibiotic Formulary will be made according to local microorganism resistance patterns.

Infection prevention and control - An overarching strategy has been developed which brings together assessment of compliance with the Code of Practice on prevention of HCAIs and more recently antimicrobial resistance. The strategy includes driving further quality improvements by implementing surgical site infection surveillance and compliance with NICE quality standards. Our robust system ensures compliance with mandatory surveillance. Infection Control is embedded across the organisation and the Trust participates in national/global awareness raising events to keep this on the agenda.
Pressure Ulcers - The Trust is represented on the recently formed Pressure Ulcer Steering Group which assists the Cheshire and Merseyside Quality and Safety Forum in developing a consistent approach to pressure ulcer reduction across the region. The aim is to align practice across Cheshire and Merseyside, share best practice and reduce the number of grade 3 and 4 pressure ulcers by 2017. Actions include implementing a standard RCA document to use across Cheshire and Merseyside, standardising pressure ulcer reporting and implementing the React to Red initiative. Root cause analysis investigations are performed for grade 2, 3 and 4 hospital acquired pressure ulcers.

End of life care - The Palliative Care Team participates in national audits e.g. The Royal College of Physicians End of Life Care Audit – Dying in Hospital and will be participating in the 2017 audit. National Audit results evidenced WHH are not an outlier within our region and that we performed within the expected range.

The team is involved in regional audits within the Cheshire and Mersey Strategic Clinical Network which are presented to audit meetings and Grand Rounds. The Trust participates in a Warrington-wide Integrated Multidisciplinary Team Meeting where patients with complex palliative care needs across the hospital, hospice and community are discussed. A local Advance Care Planning Document is in development to further support patient care in their location of choice. The use of the Individual Plan of Care continues and the Trust provides training including an Intermediate Skills Course for staff to support the needs of individuals and those close to them who are dying within the hospital. Palliative Care now features on induction training for new nursing staff and it is likely that the mandatory annual updates for senior medical personnel will reflect this. The End of Life Steering Group continues to meet bimonthly and the team continues to provide a 7 day face to face service.

Patient Experience - Patient experience is an improvement priority for the Trust. An Experience of Care Strategy has been developed through involvement with patients, relatives, carers and the public to ensure high quality services are delivered to our patients. This Strategy is structured into work streams with the Patient Experience Sub Committee monitoring progress. Identified work streams include effective management of high risk complaints by introducing 72 hour review and production of a Friends and Family scorecard which indicates a positive performance by the Trust against the national average.

National CQUINs - The Trust is required to respond to a range of national and local CQUINs. For 2016/17, the Trust is committed to three national CQUIN goals which focus on NHS Staff Health and Wellbeing (three parts), Antimicrobial Resistance and Stewardship (two parts) and Sepsis (two parts). The Trust is also signed up to five local CQUINs and five specialist commissioning CQUINs.

Section 3: Summary of quality impact assessment (QIA) process
The Trust has an effective QIA process for service developments and efficiency plans and the governance structure surrounding scheme creation, acceptance and monitoring of implementation. The Transformation team works with staff to support the generation of new savings and improvement. Risks are captured via the Project Initiation Document process, and sign off is required by 2 of the 3 Divisional Triumvirate (Associate Director of Operations, Chief of Service and Associate Director of Nursing) or the Corporate Lead for the corporate directorates. The QIA document forms part of the PID documentation and each scheme against three core domains of quality; people and sustainability:

- Schemes are assessed against their qualitative impact on staff, compliance with review bodies & regulator and the impact on local and national targets

All Senior Responsible Officers (SRO) are required to identify measurable key performance indicators (KPIs) to ensure delivery of the scheme without a detrimental impact on safety or quality. Performance against KPIs is managed through a weekly Grip and Control meeting. Risks are identified and high risk schemes are reported to the Quality Committee. A monthly overview of all schemes is provided to the Finance and Sustainability Committee (F&SC). Schemes that impact outside of the divisions or corporate areas are reviewed at Innovative Cost Improvement Committee (ICIC) who reports to the F&SC.

Section 4: Summary of triangulation of quality with workforce and finance
Three dashboards relating to quality, finance and workforce have been integrated into a key metrics high level Integrated Dashboard. This dashboard includes metrics for quality, access and performance, workforce and finance and is reviewed by the Trust Board. The quality metrics focus on high risk issues including HCAI; fall and pressure ulcers; CQUINs including SEPSIS and Antimicrobial Resistance in addition to key patient experience metrics namely complaints and friends and family.

Integrated monitoring of performance is undertaken at CBU and divisional level via monthly review meetings, and with the Executive Team and Division at a monthly Clinical Operational Board. The performance dashboards in the Trust have been reviewed to ensure compliance and alignment with the standards expected within the Single Oversight Framework which went live in October 2016.
Workforce Planning

The Workforce Plan has been developed to enable Warrington and Halton Hospitals to meet current and future challenges, whilst contributing to its sustainability. The focus of our Workforce Strategy, known as the People Strategy is based around four inter-related strategic aims to support our strategic priorities; attracting, retaining, developing and rewarding our staff. This methodology seeks to ensure the right people, are in the right place, with the right skill mix when our patients require them.

Our People Strategy is derived from the Trusts Strategic Plan - Creating Tomorrows Health Care today. This sets out a clear forward-looking people agenda. It aims to underpin the delivery of High Quality Safe Healthcare and uphold its central role in the implementation of the Quality, People and Sustainability framework. To develop our People Strategy we have consulted with staff at all levels as the Trust continues to develop the ethos that ‘Our people are central to our success’.

It is recognised that effective governance, leadership and management of people issues is required across the Trust to deliver this Workforce Plan. A successful Workforce Plan will see the reduction in the following key performance indicators (KPIs). Vacancy rate 7% as at 1st December 2016, Turnover (11.9%) and Temporary Staffing Spend (£9 million between April 2016 to October 2016) whilst seeking to improve the stability of our workforce, increasing it from 82.6%. Performance against both the Workforce Plans and People Strategy will be assessed against a set of performance categories or “segmentation classification”. They are as follows; maximum autonomy, targeted support, mandated support for significant concerns and special measures.

Workforce Transformation

Aligned with the service activity plans the Trust will be engaging with the Calderdale Framework to deliver improved competencies, workforce development and transformation to ensure the right people and correct skill mix result in efficient and safe care to patients.

The workforce reconfiguration plans address bed escalation and improve patient flow without impacting on access standards for AED and NWAS waiting times. This work is integral to the approach to frailty and designing new services to manage the patient’s journey with appropriately skilled staff, who are available through substantive recruitment thereby reducing the Temporary Staffing reliance.

A focus on non-medically led units developed through the vanguard approach will remodel units with staff who do not concentrate on a single profession but cross the boundaries of Nursing and Therapy, mirroring our success with the Forget Me Not Ward. Further reviews of skill sets and workforce resourcing will aim to reduce reliance on Consultant led wards. A clinical leadership review and recruitment of non-consultant staff i.e. GP or advanced clinically registered staff will assist this.

Transforming our Workforce from the traditional clinical roles is key focus. The Trust aims to improve the efficiency, quality and continuity of patient care. The approach will reduce the number of clinical vacancies in both Nursing and Medical staff groups, reducing the reliance on temporary staffing. This focus will result in affordable, better value and sustainable patient care, restoring the balance between workforce supply and demand.

Following on from the development of Clinical Business Units (CBUs - a structure based around patient pathways) the Trust aims to utilize new posts that include the following:

- Nursing Associates (10 trainees appointed) and other Band 4 clinical roles (38 Assistant Practitioners in post).
- Physician Associates (5 in post from USA, 10 UK trainees appointed); replacing Consultant general clinic input.

Develop the Acute Care team to actively support our early discharge approach for acutely unwell patients.
Following national guidelines we will develop the traditional Nursing roles to make a greater contribution to patient care, e.g. up-skilling Nurse Endoscopists to assist with matching capacity to demand.

**Alliance/STP**

WHH aims to further collaborate with our STP/Alliance partner organisations removing barriers to working together, reduce duplication and therefore increased workforce productivity.

STP/Alliance partner organisations will continue to explore the provision of single services across two / three sites taking into account the impact on quality, safety and access for both our patients and workforce. Working groups will continue to manage/overcome any adverse outcomes, as they strive to standardise protocols and policies.

Further information is necessary to determine if investment, either within the Trust or across the STP and LDS footprint, will be required to deliver this approach to workforce resourcing.

Across the Alliance agency usage and spend continues to be reviewed and challenged. The impact of technology on effective staff utilisation is recognised and therefore we plan to standardise the systems across the Alliance. As part of this strategy the Trust has recently introduced a locum management system thus enabling the possibility of developing a regional locum bank, improving workforce flexibility whilst strengthening bank arrangements. Recent investment in an Equity Tool will improve the efficiency of clinical staff through effective rota management, as per the Carter recommendations. Medical E-Rostering alongside the E-Job Planning will enhance Medical productivity.

**Seven Day Services**

Progress has been made to seven days services delivery and this will continue to drive forward. Reducing the high number of Consultant vacancies through transformation and recruitment is a key priority and the Trust are working with Gatenby Sanderson to support the Recruitment process. This will assist in ensuring the four priority standards (timely consultant review, improved access to diagnostics, Consultant directed interventions, on-going review in high dependency areas) for seven day hospital services will be implemented.

The Trust continues to mitigate the risks by undertaking ward rounds at weekends; however the planned appointment of additional Consultants will enable this to be factored into routine job plans within 4 months. In conjunction with this, the Trust will roll out the Junior Doctor Contract and awaits the revised Consultant contract.

The implementation of seven day services are also associated with the development of the ACT approach which incorporates our workforce over seven days to deliver an early supported discharge approach.

**Safer Staffing**

Due to the level of Nurse vacancies a specific Nursing Recruitment and Retention Strategy has been developed in line with the overall People Strategy; attracting, retaining, developing and rewarding our Nursing staff. Key to delivering this strategy is to continue to develop our links with the higher education facilities to not only monitor the impact of the bursary changes to the Nursing and Allied Health but to also attract and develop their students.

**Apprentices**

The Trust will continue to recruit to and develop its apprentice programme, acknowledging the Apprentice levy. Managers will be encouraged to continue to review all roles differently, considering that with both education and training we could develop the star of tomorrow.

**Cost Improvement Plans**

Subsequent Cost Improvement Plans will be developed from a number of workforce initiatives. Change is accompanied by opportunity and the workforce will change during the next two years. The Trust will continue to deliver High Quality, Safe Healthcare in a sustainable approach, one that offers better value for money due to the reduced reliance on temporary staff and improved productivity through transformation and collaboration.
Financial Planning

Section 1: Financial Forecasts and Modelling

The financial forecast for 2017/18 and 2018/19 has been developed across the organisation with input from Executive Directors, CBU Managers and the Contract and Commissioning Team. The budget setting process has been brought forward to identify anticipated cost pressures and the Trust has been working with the Commissioners to finalise contract income. The financial plan reflects changes in national pay and non-pay inflationary pressures, operational pressures and investments necessary to ensure compliance with quality standards and performance targets.

The Trust has been through a process to understand the financial forecast for 2017/18 and 2018/19, cost pressures of £19.5m were initially identified and a number of sessions have taken place with services and executive team to seek solutions. This updated plan reflects pressures of £6.5m on top of national pay and prices inflation (£4.5m). Pressures unfunded include locums, waiting list initiatives and items which require further review. These have been excluded and a piece of work will be undertaken to resolve these pressures.

The 2017/18 revised control total is a target deficit of £3.657m. The Trust based on guidance from NHSI has revised the 2018/19 control total from deficit £0.916m to £3.553m deficit representing a continuation of the national and local financial challenges and demands experienced in recent years. The 2016/17 forecast deficit at month 7 is £7.9m (excluding £0.2m donated assets but including £8m of Sustainability and Transformation funding). Following a detailed review of the financial situation the Trust is able to accept the control total in 2017/18 and plan for an improvement in 2018/19.

The 2017/18 revised control total of £3.7m deficit will present a significant challenge to deliver. The main areas of risk are the recurrent achievement of the 2016/17 control total, the resolution of the contract negotiations, the ability to switch off unfunded pressures and the ability to achieve a £10.5m CIP. The Trust is determined to do all that it can to achieve the control total in 2017/18 and is of the level of risk within the plan. The plan assumes access to Sustainability and Transformational Funding (STF) in both years as the 2018/19 position is an improvement on 2017/18 in line with recent guidance.

The Trust faces a significant financial challenge in 2017/18 and 2018/19. The plan represents a realistic assessment of anticipated performance whilst accepting the need to meet patient demand and expectation, commissioner changes, efficiency requirements and maintain and enhance patient quality and safety.

Risk

The forecast position outlined in the table above includes the following key assumptions:-

- The Trust delivers the control total in 2016/17
- The 2016/17 control total is delivered with only £1.1m non recurrent resource
- The Trust receives all income relating to activity forecast in 2017/18 (contracting gap with Commissioners is currently £5.6m)
- The unfunded cost pressures facing the Trust can be managed (circa £8.5m)
- The Trust can deliver £10.5m CIP schemes
- The Trust receives STF Funding in 2017/18 or 2018/19

Commissioning
The Trust works in collaboration with Commissioners from across the Health and Social Care Sectors ensuring that our medium to long term strategy is aligned with Commissioning intentions, both locally and across the wider Northwest footprint. The Trust meets regularly with its main Commissioners, Warrington CCG and Halton CCG and has regular contact with Specialist Commissioner and NHS England. Initial Contract offers were received from the main Commissioners on 4th November 2016 and responses made on 11th November 2016 with revised letters and further meetings in December the gap has reduced from £10.5m to £5.6m. The Trust is actively trying to resolve this with Commissioners and is monitoring progress through the weekly tracker.

Trust colleagues are participating in the local Cheshire & Merseyside Women’s and Children’s Partnership Vanguard, with leadership provided from the Trust’s Chief Executive in shaping the future model and delivery of Maternity Services across Cheshire and Merseyside. The Vanguard dovetails with a wider piece of work that the Trust is supporting around the Sustainability and Transformation Programme that encompasses collaborative Paediatric Services, Neo Natal Cot provision and Gynaecology.

Outside of these areas the Trust continually strives to work with partner Provider organisations focusing on the redesign and future sustainability of services - as an example the Trust works with St Helens and Knowsley Hospitals NHS Trust around the provision of Stroke services and Alder Hey Children’s NHS Foundation Trust around a number of Paediatric services through its Excellence in Partnerships programme.

The Trust recognises the need for financial balance across the local health economy, but must ensure that activity purchased by Commissioners for the local population truly reflects demographic and non-demographic changes to include growth of population.

**Liquidity**

In 2016/17 the Trust is forecasting delivery of the £7.9m deficit control total with a closing cash balance of £1.2m. Assuming this is delivered the Trust will owe £22.1m in revenue loans (£14.2m borrowed 2015/16 and £7.9m borrowed 2016/17). Current BPPC performance is circa 29%. Debtors are currently £3.9m and creditors £10.0m. The Trust has therefore very restricted flexibility for the management of cash or for making any improvement to the cash position.

The plan shows that with delivery of stretching CIPs, receipt of all income due from all Commissioners and successful management of underlying cost pressures the Trust will be able to achieve the control total in 2017/18 and show an improvement in 2018/19. Therefore an assumption of achieving STF has been made for both 2017/18 and 2018/19.

Based on the assumptions being delivered, the Trust will require an additional working capital loan of £3.7m in 2017/18 and £3.6m in 2018/19 to support the cash impact of the planned deficit. This assumes STF in 2017/18 and 2018/19. This plan including loans from 2015/16 and 2016/17 along with the deficit plans for 2017/18 and 2018/19 equates to borrowing of £29m. A system solution will be required to address this level of borrowing.

**Section 2: Efficiency Savings for 2017/18 – 2018/19**

**Productivity and Efficiency Programme**

The CIP themes are structured around tactical and transformational schemes and have been allocated across categories as follows:

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Target 17/18</th>
<th>Target 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical Income</td>
<td>£0.5m</td>
<td>£0.5m</td>
</tr>
<tr>
<td>Non clinical Income</td>
<td>£0.5m</td>
<td>£0.5m</td>
</tr>
<tr>
<td></td>
<td>Pay</td>
<td>Non Pay</td>
</tr>
<tr>
<td>----------------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>Pay</td>
<td>£6.5m</td>
<td>£6.0m</td>
</tr>
<tr>
<td>Non Pay</td>
<td>£3.0m</td>
<td>£2.5m</td>
</tr>
<tr>
<td>Total</td>
<td>£10.5m</td>
<td>£9.5m</td>
</tr>
</tbody>
</table>

**Tactical**

The Trust is planning to deliver an element of savings this financial year through tighter cost control and cost reduction measures by focusing on procurement (reduced prices, product rationalisation and standardisation, collaboration and partnership working), drugs (reduced usage and prices, increased use of bio-similars), reduction in premium rates for additional clinical sessions, reduction in agency usage (to contain the spending within the ceiling and ultimately reduce it further) and income generation opportunities. 125 schemes for 2017/18 have been identified to date and progress in validating, costing and delivery planning for these schemes is being tracked on our CIP tracker.

**Transformational**

The Trust has established a series of transformational programmes, with the objective of delivering sustainable quality care over the next 1-5 years. These programmes are aligned to the Sustainability and Transformation Plan (STP), to our Healthy New Town programme (supported by NHSE) and to Lord Carter’s priorities. Our key transformational programmes are summarised in the table below.

<table>
<thead>
<tr>
<th>Transformational programme</th>
<th>Key objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical services reconfiguration across the Local Delivery System</td>
<td>Systematic in depth specialty level reviews to enable consistency of services across local health economy and deliver efficiencies across patient pathways. Prioritised services include acute medicine, orthopaedics and surgical specialties.</td>
</tr>
<tr>
<td>Halton Healthy New Town</td>
<td>Develop a health and well-being hub on the Halton site, helping to ensure patients receive the right level of care at the right time and enabling the optimisation of the Halton site.</td>
</tr>
<tr>
<td>Excellence in partnership – Joint programme with Alder Hey.</td>
<td>Repatriation of DGH activity to WHH, with appropriate benefit and risk sharing arrangements.</td>
</tr>
<tr>
<td>Acute Medical Model, Small Hospitals</td>
<td>NHSE supported programme to test solutions to the fragility of the current acute medical model in small hospitals, which is also expensive due to reliance on agency staff. Currently trialling diagnostic discharge facilitators and exploring use of pharmacists in AMU.</td>
</tr>
<tr>
<td>Frailty</td>
<td>Redesign of frailty pathways to improve patients’ outcomes and reduce admissions to hospital.</td>
</tr>
<tr>
<td>Back and mid office efficiencies at LDS and STP level.</td>
<td>Benchmarking of existing services to identify and deliver efficiencies through alignment of services.</td>
</tr>
</tbody>
</table>

The Trust is also planning to deliver savings by focusing on workforce reviews, increased medical productivity, theatre efficiency and utilisation, outpatient efficiency, length of stay reductions, increased use of best practice tariffs and expansion of market share. Outpatients efficiency is part of 2016/17 CIP programme and is forecast to deliver £351k in year, through increased activity in existing capacity to deliver RTT requirements at specialty level. This has been delivered predominately through optimising booking. There is further opportunity for outpatient efficiencies in 2017/18 through DNA rate reduction (current DNA rate 10.1% against national average 8.5%), template standardisation and improved session uptake; this will enable the same level of activity to be delivered in less capacity, releasing premium costs.
Theatres productivity is also part of 2016/17 CIP programme and is forecast to deliver £149k in year, through increased activity in existing capacity to deliver RTT requirements at specialty level. This has been delivered through a reduction in cancellation rates of 1% and improved in session utilisation by 2%. There is further opportunity for theatre productivity improvements in 2017/18 through improved session uptake (currently 71%), increased throughput and improved start times; enabling the same levels of activity to be delivered in less capacity, releasing premium costs.

Plans are being developed to deliver the CIP programme which is facilitated by our Transformation Team. There is clear organisation awareness of the need to achieve efficiency savings whilst maintaining and / or improving quality. CIP and transformation governance has been refreshed and a detailed document covering all elements of governance has been approved by the Trust’s Finance and Sustainability and Quality Committees. The document includes the key elements summarised below.

- Target setting and allocation.
- Arrangements for managing and monitoring delivery of the CIP and associated programmes i.e. generating ideas, converting ideas into schemes and ensuring delivery of those schemes.
- Removing CIP for delivered schemes from budget.
- Project documentation.
- Reporting & assurance.
- Roles and responsibilities of everyone involved in the process.

**Section 3: Capital Planning**

The capital programme comprises site maintenance, facilities improvement, new medical equipment and technology development. Together these enable and support the delivery of the operational services. Capital resources are constrained and require prioritisation, so only schemes that are essential to the provision of safe, sustainable services are affordable and offer value for money. The process to prioritise the schemes is led initially by the Clinical Business Units informed by assessment of risk. The case for funds is then assessed by a multi-professional team before consideration at the Finance and Sustainability Committee and approval at the Trust Board. The capital programme is funded by £5.9m planned internally generated depreciation and will support estates, IM&T and Medical Equipment.

**Transforming Care through Our Estate**

The Trusts Estate Strategy has been paused and is under review pending the outcome of the multi-year Sustainability and Transformation Planning exercise presently underway across the Cheshire & Merseyside region. Working in conjunction with our local health and social care partners will allow the Trust to deliver more cost effective services, and create a sustainable local health economy. Once finalised the Trust will review its strategic position, and refine its strategy in line with the clinical strategy.

Therefore the capital programme for the next two years will prioritise the limited funds and will focus on upgrades to:

- Electrical infrastructure and emergency back-up generators.
- Fire precaution systems, including fire dampers and emergency lighting upgrades.
- Ward sanitary facilities and clinical wash hand basins
- Flooring and ceilings replacement programmes.
- Road and footpath repairs
Theatre refurbishment.

The Halton Healthier Towns project, based around the Halton Lea area continues to be discussed across the patch with a view to making the best use of Halton for the local population. As Halton Hospital is located at the heart of that area, the Trust is very much part of on-going discussions.

Transforming Care through Facilities and Equipment

Our challenge is to become more agile as we seek to move to 7-day services. More weekend working will mean we need to change our approach to how we prioritise our workload and manage length of stay to provide a more responsive service. Changes to theatres scheduling and the level of activity within theatres also brings with it changes to decontamination rotas and the way in which we look to provide our decontamination services. This means revisiting working hours and may mean moving to different shift patterns.

In addition, to keep pace with advances in medical equipment and technology and to ensure our continued competitiveness we will need to continue investing in our equipment with the significant schemes in this financial year focusing on our diagnostic capability through MRI and CT.

Transforming Care through Technology

There are two main areas of focus over the next two years for technology, these relate to working toward the 2020 paperless office target and the various associated projects and the E-Prescribing project.

The benefits of ‘paperlite’ working and digital technology are many as the transmission of information is much faster, and the tracking and management of appointments, diagnostics and results, much easier. Our eventual goal is to provide patient access to the patient record so patients can contribute to their own information and care plans. Work has begun through the Warrington Care Record project which, in the medium term, aims for a portal across the Warrington Community involving ourselves, Bridgewater, the Five Boroughs Partnership, Warrington CCG and Warrington Council and, in the long term, a single patient record. In addition we will complete our procurement for digitisation of the paper case-note. This provides the Trust with increased availability of patient notes, allowing clinical teams’ immediate access to historic clinical information and removing the need to store physical notes across our sites.

In 2018 we are aiming to implement electronic prescribing which will further improve safety as we start to utilise medicine formulary, identify allergies and alert prescribers to patient risks. We are working towards an e-Prescribing plan in addition to the exploration of options on the use of bar code and electronic observation technologies.

Investment will continue to ensure that the IM&T infrastructure stays fit for purpose across desktop, network, server and storage and we will continue to enhance the Trust’s capability to manage its performance through the development of information reporting and analytical tools to meet national and locally agreed targets.

Summary

At this stage the Trust is able to accept the control total for 2017/18 and achieve an improved position for 2018/19. As previously noted there is a significant amount of risk within the plan and further work is required to finalise the contracts with Commissioners, cost pressures and QIPP / CIP development. This plan assumes the delivery of the 2016/17 position which is a challenge at the time of writing. Current assumptions forecast borrowing of circa £29m by the end of 2018/19.
**Link to the Local Sustainability and Transformation Plan**

Warrington & Halton Hospitals NHS Foundation Trust (WHHFT) is a member organisation of the Cheshire and Merseyside Sustainability and Transformation Plan (STP). It is one of three acute trusts (including St Helens & Knowsley Teaching Hospitals NHS Trust and Southport & Ormskirk Hospitals NHS Trust) within the Mid-Mersey Alliance Local Delivery System (LDS) alongside four CCGs and two other NHS providers. The Alliance LDS ambition is to make the Five Year Forward View (FYFV) a reality locally and to achieve long term sustainability for services. This ‘plan’ represents options and models of transformation for the local health system that have been developed by the member organisations and are still subject to wider engagement and, where necessary, formal consultation with stakeholders.

The high level proposals for change reflect the strategic themes at STP level, namely:

a) demand management/prevention at scale/out-of-hospital care  
b) improving quality & reducing variation supporting hospital reconfiguration  
c) collaborative productivity through clinical support services and ‘back office’ functions.

The overall ambition of the Alliance LDS is to stabilise the acute hospital-based activity and cost base at 2016/17 levels, so that it can be delivered more efficiently, to maximise the use of alternative care settings to meet urgent care needs, care for older people and people living with long term conditions and to help the population to stay well for longer.

WHHFT is involved in all three strategic work streams in the above context. However, the major focus of work is around the acute care design built around reducing variation and improving quality. The three acute providers (governed through a board-level Joint Oversight Group and Joint Clinical Advisory Group) are working together to develop a new model of working, including:

- More streaming of patients depending on their acuity and complexity (to the site/service appropriate to their need),  
- The highest acuity care can be delivered on potentially fewer sites with the appropriate facilities,  
- Site specialisation to suit that patient cohort with the appropriate resources and facilities.

A clinical model, led by the three acute-trust medical directors, supported by specialists and a joint clinical advisory group, is being designed where the hospitals will work together to provide secondary care and highest acuity/complexity care as a single service, ensuring the balance between patient access, quality and complexity. The 7-day hospital agenda is pivotal.

Alongside ‘back office’ collaboration, the four major clinical areas of focus for WHHFT working with the other two acute trusts are:

**a) Urgent and Emergency Care**  
The urgent care programme adopts the single-service theme and includes five key drivers for change, namely:

i) to provide better support for self-care,  
ii) to help people with urgent care needs get the right advice in the right place, first time  
iii) to provide highly responsive urgent care services outside of hospital, so people no longer choose to queue in the Emergency Department  
iv) to ensure that those people with serious or life-threatening emergency care needs receive treatment in centres with the right facilities and expertise, to maximise chances of survival and a good recovery (the very best outcomes)
v) to connect all urgent and emergency care services together, so the overall system becomes more than just the sum of its parts. This workstream will connect with STP-level Urgent and Emergency Care.

b) **Women’s and Children’s Services**

This work stream will be heavily influenced by the Cheshire and Merseyside Women’s and Children’s Services Vanguard which is informing the STP cross-cutting theme which aims to create future service models that are high quality, safe, accessible and sustainable with resources, facilities and the care delivered at each site is tailored to the patient cohort treated.

c) **Elective Care**

The focus is to develop an elective care offer to be more efficient and effective through bringing together resources, utilising all available capacity and developing dedicated centres of excellence, aligned to the needs of the local population and commissioners’ intentions. This approach could be facilitated by some rationalisation of estate, an improved environment in which patients receive their care and improved use of community settings. Outpatients would be modernised to include the assessment of patients in a one stop outpatient clinic and providing virtual follow up for patients without complications. The diagnostic offering would be enhanced across the acute sites and in the community to improve access. The re-profiling of higher acuity non-elective work will facilitate the delivery of higher volumes of standard elective work into “factory” models resulting in greater productivity, reduced variation in practice, better outcomes including lower length of stay.

d) **Clinical Support Services**

This will build on existing relationships for pathology, pharmacy and imaging services. We aim to achieve the greatest system benefits by creating a framework that enables local providers to work together to improve pathways recognising the need to work beyond traditional boundaries. Although there is a commitment to a 4% year on year efficiency goal, this will not be at the expense of effectiveness or improved quality.

The above clinical redesigns are enabled by work-streams for

   a) workforce
   b) estates
   c) IM&T.

e) **Pharmacy**

In line with The Carter review the Trust is developing a plan to be approved by NHSI and NHSE by April 2017. This seeks to ensure the delivery of Carter metrics and hospital pharmacy benchmarks such as:

   a) increasing pharmacist prescribers,
   b) e-prescribing and medicines administration,
   c) accurate cost coding of medicines and
   d) consolidation of stock holding through the implementation of the ward automation systems.

This will result in delivery of a local Hospital Pharmacy Transformation Programme in line with STP and LDS and align with the Trust vision, values and strategic objectives.
Membership and Elections

The Trust became an NHS Foundation Trust on 1st December 2008 and is accountable to its members through a Council of Governors (CoG). The CoG is responsible for representing the interests and views of the Trust members and the local population. The Trust has the following constituencies:

- **16 Public constituencies** (5 in the Borough of Halton, 9 in the Borough of Warrington and 2 in surrounding areas of ‘North Mersey’ and ‘Rest of England and Wales’)
- **Five Staff constituencies** (Medical and Dental, Nursing and Midwifery, Support, Clinical Scientist or Allied Health Professional and Estates, Administrative and Managerial)

Governor elections were most recently held in November/December 2016 where eight Governors were sought across public and staff constituencies. We expect to hold elections in the spring of 2018 for 11 public constituencies and 1 staff constituency.

Governor recruitment is encouraged through a number of initiatives which typically include:

- Focus on Governors in the Trust’s quarterly ‘Your Hospitals’ newspaper which is distributed using email to staff and members, placed on our website for download and through a relationship with Newsquest Northwest reaches 80K homes across mid-Mersey in print form.
- Direct mailing to the Trust’s 12K public membership during election periods as well as personal letter from Chair and Chief Executive inviting members to consider becoming a public governor
- Open days where existing governors host an information and ‘drop in’ session on the role of a governor

Governor training and development is carried out through the Trust’s standard induction and mandatory training process as well as specific governor induction ‘Governor Core Skills Training Workshop’. New governors are offered the opportunity to attend ‘GovernWell’ regional development sessions as well as the national conference hosted by NHS Providers. Local training and development takes place through themed workshops as well as Trust Board observations.

Engagement between governors, members and the public is by both formal and informal methods. There is a formal Annual Members Meeting each September where the Annual Report and Accounts is presented to members and public. A more informal Annual Open Day is held in the summer at either Halton or Warrington sites where patients, public and members are welcomed to visit wards and departments and the event is supported and hosted by Governors. The work programme of the CoG is led through two sub-groups, ‘Quality in Care’ (QiC) and ‘Governors Engagement Group’ where projects and initiatives requiring interaction with patients and public is governor-driven. Such projects include: Development of the Trust’s Carers’ Strategy, Improvements to Public Car Parking arrangements, an Out-Patients Survey and review of the Trust’s Quality Accounts. In additions, the QiC group undertakes unannounced ward observation visits with patient feedback reported through the Patient Experience Committee.

The Trust’s membership strategy ‘Making Membership Work’ describes the way a diverse range of potential members within the constituencies served are engaged. Nice Guidance NGO44 states that the Trust has a responsibility through community engagement to work to improve health and wellbeing and reducing health inequalities across the populations served. The most popular public health engagement is the series of ‘Your Health’ events scheduled across the year. Members, patients and wider public are welcomed to attend sessions such as *Stroke Awareness, Diabetes Care, A Closer Look at Ophthalmology* and *Audiology: Can You Hear Me?*. At March 2016 the Trust held circa 16K total members and expects this to remain fairly static in the coming years, however key engagement efforts will focus on increasing engagement with groups that are under-represented: the 17-21 age group, males of any age and those from minority ethnic groups.