

2 Year Operating Plan 2017 – 2019 Summary



December 2016

Living our values *everyday*



Introduction

This document presents a summary of the Kingston Hospital NHS Foundation Trust's 2 year Operating Plan for 2017/19 which was submitted to NHS Improvement in December 2016. The plan was developed within the context of the South West London Five Year Forward Plan¹.

Section 1 outlines the Trust's activity plans and delivery of key operational targets in 2017/19. Section 2 presents the Trust's approach to quality planning and quality improvement plans. Section 3 focuses on workforce planning and the underpinning strategy supporting it. Section 4 summarises the financial plans. Finally section 5 links the 2 year operating plan with the South West London Five Year Forward Plan and how delivery will be taken forward including details of key sub-regional transformation programmes.

1. Activity & capacity planning and delivering operational standards

Activity and capacity planning

The Trust has worked with Commissioners to develop activity plans for 2017/19. These reflect growth assumptions (South West London Five Year Forward Plan 2%) and the impact of commissioner Quality, Innovation, Productivity and Prevention (QIPP) schemes where sufficient detail has been provided. Forecasts include a small increase in emergency and planned admissions and outpatients over the next 3 years with a 5% reduction in A&E attendances. However these forecasts reflect a significant element of commissioner QIPP which still needs to be worked through. In the event that commissioner QIPP is not delivered in full more significant increases in activity are forecast, with an impact on capacity requirements particularly in relation to A&E and emergency beds.

A&E physical capacity is already very tight and the Trust is working up plans to address this and support potential increase in demand over the next 2 years, if the QIPP schemes don't materialise. These will be considered in Q4 of 2016/17 and reflected in the Trusts capital programme as necessary.

Without QIPP delivery, there would be a requirement for a further 25 emergency beds in the Trust in 2017/18 based on the South West London Five Year Forward Plan forecasts. It is planned to mitigate this requirements if necessary through increased efficiency internally and work with partners to reduce Delayed Transfers of Care (DTCs) towards the London average of 4.5%.

Operational standards

A&E

The four hour waiting time standard has not been delivered consistently during 2016/17. This is largely due to activity increasing by 5.6% against contracted levels and the increased acuity of the patients attending. Staffing issues including the national shortage of middle grade doctors and delays to timely discharge have also contributed to the failure to meet the target. In the light of the significant increase in activity the Trust has been allowed to revise its trajectory for 2016/17 and it is a key objective for the Trust to achieve a run rate of 95% by the end of March 2017. It will remain a key objective for the Trust to consistently meet the 95% standard in 2017/18.

Key assumptions underpinning forecast delivery of the standard include that growth is broadly in line with the activity predictions in this plan, that sufficient activity is contracted for by commissioners and external delays to discharge are reduced through delivery of the partnership projects which are overseen by the local A&E Delivery Board. In addition the Trust plans to develop and implement an alternative manpower model and strengthen clinical pathways focusing on the ambulatory emergency care model and the urgent care stream within A&E. The Trust's Emergency Care Programme Board will continue to drive improvement.

18 Weeks Referral to Treatment

The Trust has consistently achieved the 18 Week Referral to Treatment standard of 92% during 2016/17 and it is forecast that this position will be maintained throughout the rest of 2016/17 and into 2017/19.

¹ Formerly referred to as the South West London Sustainability and Transformation Plan (STP)

Cancer

The Trust has consistently achieved the cancer access standards during 2016/17 and it is forecast that this position will be maintained throughout the rest of 2016/17 and into 2017/19. However, there are some factors which are outside of the Trust's control including patient choice and those parts of the pathway which take place in tertiary centres.

2. Quality planning

Quality Priorities

The Trust has a quality strategy and structures in place to support quality governance. The Trust has placed quality as the primary Trust strategic objective and all staff have this as a key personal objective so that patients receive safe and high quality care. The Trust has defined quality goals within the three domains of quality; safety, experience and effectiveness which reflect national and local priorities. These are to prevent harm (patient safety); improve clinical outcomes (effectiveness); and listen and respond to patients' concerns (patient experience). Each year the Trust's specific measures of success of delivery of the quality goals are developed with stakeholders including patients, public and clinical commissioners and are described in the Quality Account and the Commissioning for Quality and Innovation (CQUIN) scheme.

The Trust's current quality account priorities are:

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| Patient Safety | <ul style="list-style-type: none">• Reduce falls in the hospital setting• Reduce avoidable harm from sepsis• Reduce use of agency staff by reducing vacancies |
| Clinical Effectiveness | <ul style="list-style-type: none">• Reduce readmissions in non-elective care• Reduce length of stay• Reduce patient reported pain |
| Patient Experience | <ul style="list-style-type: none">• Transform administration across the hospital• Improve end of life care• Improve patient experience of discharge |

The process for updating the quality account priorities commences in January 2017 with the development of a long list of priorities in partnership with staff, local community partners and commissioning bodies, followed by formal consultation with a wide range of stakeholders prior to sign off by the Trust Board in March 2017.

CQC

The Trust was inspected by the CQC in January 2016, and was rated 'Requires Improvement' overall. The hospital has been rated as 'Good' for Caring and End of Life Care was rated as 'Outstanding' for Caring. Five of the eight services inspected received an overall rating of 'Good'. The CQC identified actions the Trust must take to improve quality and action plans are in place to address the 'must do' and 'should do' actions. These are monitored at a monthly CQC Programme Board. A process of self-assessment will take place from January 2017 to provide assurance that actions are embedded and services are compliant with standards.

Quality improvement plan

The Trust's current Quality Improvement Plan, as reported in the Quality Account for 2015/16, includes focusing on reducing avoidable harm from sepsis, improving end of life care, reducing falls and reducing patient reported pain. These improvement plans will continue into the next two year period. Reducing harm from sepsis, is a three year quality improvement project which is part of NHS England's Sign Up to Safety Campaign. The Trust's other Sign Up to Safety projects are reducing pressure ulcers and foetal monitoring which also have three year improvement plans.

Improving the quality of mortality review has already started and this will be a major feature of the Trust's quality improvement plan over the next two years as improvements to the processes already instigated are embedded.

The Trust will continue to implement plans to meet the 4 priority standards for the delivery of 7 day services by March 2018. The improvement plans include reviewing staffing structures and job plans to support 7-day consultant cover; the completion of the recruitment process for current vacant posts including acute care physicians; endocrinologists and cardiologists and the review of skill mixing models including expansion of nursing roles with enhanced skills.

3. Workforce Strategy

The Trust is developing a comprehensive workforce strategy for delivery in 2017/18, based on 7 “pillars”, as summarised below:

Pillar 1: Workforce planning	<ul style="list-style-type: none"> • Right sizing the permanent workforce • Detailed job planning for medical staff • Detailed workforce metrics and analysis • Granular work with service lines
Pillar 2: Resourcing	<ul style="list-style-type: none"> • Strategic recruitment using social media and “intelligent” recruitment methods • Employer branding • Reducing agency for all staff categories; international recruitment • Maximising the local market through apprenticeships.
Pillar 3: Pay and reward	<ul style="list-style-type: none"> • Innovative strategies to maximise recruitment and aid retention • Using AfC freedoms • Overtime via Bank • Reviewing bandings and allowances including pension flexibility • Pay harmonisation internally removing anomalies • New approach to Clinical Excellence Awards
Pillar 4: Engagement	<ul style="list-style-type: none"> • Major focus on internal communications • Revamping Trust intranet and better use of social media • Fully maximising staff survey and utilising “spot surveys” responses and outcomes • “Coffee and Conversations” - Board engagement tool • Revamping partnership forum and facilities including Local Negotiating Committee and Junior Doctor fora • Maximising the use of appraisal
Pillar 5: Diversity	<ul style="list-style-type: none"> • Working with the MEGA group to deliver a Board agreed strategy • Improved data monitoring • Delivering cultural competency training • Coaching and mentoring to break the glass ceiling • Leadership strategies to tackle over representation in disciplinary and bullying cases
Pillar 6: Learning and Education/OD	<ul style="list-style-type: none"> • Restructuring the Trust’s learning resources under single leadership • Revamping corporate induction using e learning tools • Delivering a revised leadership framework for Trust leaders • Design and deliver a “Kingston Managers Toolkit (1 day programme) • Maximising HEE funding to deliver high quality multi-disciplinary training for all staff including Post Graduate Medical Education and Practice Development
Pillar 7: Health and Wellbeing	<ul style="list-style-type: none"> • Delivering a proactive health and wellbeing service via OH • Focus on well person clinics • Resilience building and training • High quality screening and referral processes

The modelling in this plan assumes growth in the WTE numbers to a 95% fill rate in all staff groups. The Trust is not forecasting an increase in WTE above this based on high level assumptions regarding the impact of Cost Improvement Plans and QIPPs. The latter will need to be developed at a granular level to understand the impact on workforce in detail.

3 Financial planning

The operating plan sets out the basis on which the Trust aims to deliver the proposed control total of £0.9m in 2017/18. This translates to a £8.5m surplus after including £7.6m of Sustainability & Transformation Funding (STF). The projected position is, however, subject to change as a number of recent matters have not yet been finalised. It is also not without significant risk due to the scale of the financial challenge locally.

In particular the plan is predicated on the Trust achieving its 2016/17 control total (currently £4.2m deficit before STF funding), which assumes that any impact of the recent arbitration decision on urgent and emergency short stay tariffs and CQUIN will result in an equivalent reduction in the control total for 2016/17 and subsequent years. In addition the following assumptions have been made

- 100% of CQUIN values (2.5%) received in 2017/18
- All STF monies achieved
- Any impact from reduced tariffs on the SW London Elective Orthopaedic Centre (SWLEOC) will result in an adjustment to the control total
- Inflation levels will fall within the values assumed in the tariff uplift
- Payment by Results (PbR) remains the method of payment throughout this period

The Trust has signed contract agreements with local partners within national deadlines. Given the timing of the recent arbitration decision, it was not possible to reflect the implications of the agreement in the financial template. The Trust plans to complete work with the CCGs to agree the detailed financial impact by the end of January 2017.

Growth included for Patient Care Income is in line with agreed STP percentages within the SW London area. Related marginal costs have been added, split between Pay and Non-Pay.

Commissioner QIPP proposals of varying stages of maturity have been received to the value of £13.5m. The Trust has recognised £8m of this balance in the financial template for 2017/18 following discussion with commissioners. There is a further 'affordability gap' which the Trust has treated in the same way as the commissioner QIPP schemes. In both cases, it has been assumed that marginal costs of 50% can be removed and the remaining stranded costs (ie shortfall between the income and cost reductions) will be funded by NHS England.

Cost pressures including a managed equipment/imaging services and the impact of the national apprenticeship levy have been recognised in the position in addition to pay and non-pay inflation in line with the assumptions quoted in the national tariff document.

A Cost Improvement Plan (CIP) of £12m has been incorporated, linked to a number of themes split across pay, non-pay and other non-patient care income, each theme being led by an Executive Director. The related schemes continue to be developed, including completion of the Trust Quality and Equality Impact Assessment process. The Trust has been successful in 2016/17 at delivering a significant reduction in agency expenditure and has remained within the set agency ceiling and this is expected to continue for 2017/18.

A capital programme is being planned, representing the minimum spend considered essential for maintaining buildings and equipment to safe standards and for investing in essential IT infrastructure. It has been considered prudent to constrain the capital expenditure to no more than the estimated level of depreciation. Various options are being explored to raise sufficient cash flow for other investment projects.

The Trust is currently planning to start the year with a cash balance of £1m. It is assumed that the Trust will utilise £2m of its Lloyds Working Capital Facility at the end of the 2016/17 financial year, assumed to be repaid in May 2017. The modelling for 2017/18 shows that cash will be constrained such that without receipt of the STF Funding, the Trust would continue to require to access the £6m Lloyds Working Capital Facility during the year.

For 2018/19, the plan assumes achievement of the 2017/18 control total and an underlying surplus of £2m. Taking into account the proposed injection of £7.7m of STF, the result is a planned surplus position of £9.6m. Assumptions relating to growth, cost inflation and capital spend are the same as for 2017/18, offset by as yet unidentified commissioner QIPP.

4 Delivering the SWL Five Year Forward Plan

The two year Operating Plan sits within the context of the wider South West London Five Year Forward Plan, the key principles of which are:

- Establish locality teams to improve health outcomes for defined populations of approximately 50k
- Increase capacity by using the workforce differently in order to provide care close to home and reduce hospital admissions
- Maximise the use of existing technology and introduce new technologies to deliver better care
- Review the acute hospital configuration ensuring high quality and efficient care including clinical networking and redesigning clinical pathways
- Address both mental and physical health needs in an integrated way
- Work with NHS England to review specialised services across south London.

Key strands of work which the Trust is heavily engaged in include:

- Plans to deliver the out of hospital agenda
The STP has identified high level savings to be made across the system, but further work is required to understand what the impact of this is at Trust level. There is a need for local bottom-up work on demand and capacity to finalise plans, ensuring the detailed delivery plans map to the required phased activity shifts throughout the STP period.
- Acute provider collaboration
Across South West London the acute providers are working closely together on opportunities to deliver efficiencies through consolidation of back office functions where appropriate. Priorities which are well progressed include a collaborative procurement model and a shared staff bank. .
- Acute reconfiguration and networking
Work is ongoing to identify and appraise options for the configuration of acute services which will improve clinical and financial sustainability across South West London. This is being progressed with public engagement across 2016 and 2017, with a view to moving to public consultation as required in summer 2017. Any changes will take effect beyond the timeframe of the operating plan.

At a Kingston and Richmond sub-regional level the Trust is with partners supporting the 5 priority areas:

- Locality teams – for preventative and proactive care
- Intermediate care and crisis response
- Ambulatory Emergency Care
- Final year of life planning
- Maximising care home schemes – including learning from the Sutton Vanguard

A key driver of change is the development of locality teams, which the Trust is working with partners to implement in 2017/18.