Contents
Brighton & Sussex University Hospitals Operational Plan 2016 -2017 ................................................................. 1

1. Our Priorities and Values for 2016/17 ................................................................................................................. 3
   Our top priorities: ............................................................................................................................................... 4
   Programme Management .................................................................................................................................. 6
   Directorate Plans: ............................................................................................................................................. 7

2. The Trust’s Quality Plans ................................................................................................................................. 7
   Approach .......................................................................................................................................................... 7
   Our approach to quality and service improvement .......................................................................................... 8
   A well led organisation ..................................................................................................................................... 10
   Quality at the heart of decision making .......................................................................................................... 10

3. The Trust’s Activity Plans ............................................................................................................................... 13
   Recovery of operational standards .................................................................................................................... 15

4. The Trust’s Workforce .................................................................................................................................... 17
   Clinical and Stakeholder Engagement .............................................................................................................. 17
   Workforce Strategy ......................................................................................................................................... 18
   Staff Engagement ........................................................................................................................................... 19
   Workforce Supply ......................................................................................................................................... 20
   Resource Management & Controls Assurance ............................................................................................... 20
   Strategic Alignment & Five-Year Forward View .............................................................................................. 20
   Risk Assessment & Management .................................................................................................................. 21
   Governance & Board Approval ....................................................................................................................... 21

5. The Trust’s Financial Plans .............................................................................................................................. 22
   Overall ............................................................................................................................................................ 22
   2015/16 .......................................................................................................................................................... 22
   Assumptions .................................................................................................................................................. 23
   Activity ............................................................................................................................................................ 23
   Cost Improvement Plans .................................................................................................................................. 23
   Workforce / Pay .............................................................................................................................................. 24
   Capital ............................................................................................................................................................. 24
   Liquidity ........................................................................................................................................................... 25
   Procurement .................................................................................................................................................... 25

6. Sustainability and Transformation Plan (STP) ............................................................................................... 27
1. Our Priorities and Values for 2016/17

The vision and objectives for Brighton & Sussex University Hospitals are set out in the diagram below

This document sets out how the Trust intends to achieve its vision and objectives during 2016/17, with a focus on the areas where we need to improve to deliver accessible, high quality and sustainable services for patients.

In 2015/16 we have successfully made major changes including:

- Relocating neurosurgery from Haywards Heath to the Major Trauma Centre in Brighton. We now have all the expertise, experience and equipment major trauma patients need in one place and can treat the most seriously injured patients within Sussex instead of further afield.
- Securing £484.7 million for the publically funded redevelopment programme which will replace some of the oldest buildings in the NHS with new, state of the art facilities. Preparation works have begun and we will maintain all clinical services on site during the transformation of our hospital in Brighton.
- Improving the way we work on our wards to deliver significantly reduced lengths of stay, freeing up space for patients needing to be admitted. The project known as Right Care, Right Place, Each Time, ensures tests, treatments and therapies are all carried out in a timely way so that we are working towards each patient’s going home date from the moment each patient arrives on the ward.

We have a lot that we do well and we will continue to build on our areas of success.
We also have some key areas which are widely recognised as needing improvement, and our focus in 2016/17 needs to be on getting the basics right in these areas. We will continue to make major changes to how we work in our Emergency Departments and across the Acute Floor, which brings together the clinicians who focus on the initial assessment and stabilisation of acutely ill medical patients. Currently around 85% of patients are admitted or discharged within four hours against the national standard of 95% and improving this will be an area of major focus in 2016/17. We are also determined to improving the way we provide planned care to ensure we can provide timely treatment for all our patients. This involves working with our commissioners to balance demand and capacity, as well as addressing our internal processes to ensure we can make the most of our expert staff and provide certainty for patients.

In doing this, we need at the same time to make sure that every pound of public money we receive makes a real difference to patient care and that the culture which promotes efficiency and productivity is a permanent reality. We are not alone within the NHS in facing an extremely challenging financial situation; however there are particular local pressures to which we must respond and areas where we know we can do better.

**Our top priorities:**

For 2016/17, the Trust has agreed, through discussions with our clinical leaders, that our focus should be on the nine priority areas set out below. The intention of choosing these priorities above others is to provide a focus for delivery for 2016/17, ensuring we make demonstrable improvement in these areas. For each of the nine priority areas, a programme plan has been established, providing a clear definition of the programme, with objectives, milestones, risks and ownership.

More detail on the projects to support these areas is given in Appendix 1.

<table>
<thead>
<tr>
<th>Priority Area</th>
<th>Summary</th>
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| 1. Improve access to unscheduled care through improved work on patient flow in hospital and across the Health Economy, | • Develop, agree and implement new clinical pathways, appropriate facilities and workforce to support safe and timely care of patients in our emergency department.  
• Local Health Economy improvements in admission avoidance and more rapid discharge, including an increase out of Hospital community capacity  
• Complete the roll out of Right Care Right Place Each Time implementing a range of measures to improve patient care and flow, ensuring the only patients in our wards are those who need acute hospital care. |
| 2. Through improvements in productivity, efficiency and pathway redesign, achieve our agreed trajectory in referral to treatment times.       | • Matching capacity and demand to ensure we have the right capacity in the right place  
• Getting the basic booking processes in place  
• Ensuring that we have the right governance arrangements  
• Improving our data quality and validation  
• Improved operational efficiency and productivity |
| 3. Ensure the financial sustainability of the Trust, through improved productivity and efficiency, and robust Cost Improvement | • Developing and delivering, with the help of a Programme Management Office, a comprehensive quality, productivity and efficiency programme  
• Use the opportunities identified in the Carter review to |
<table>
<thead>
<tr>
<th>Programmes</th>
<th>improve the Trust’s efficiency</th>
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<tbody>
<tr>
<td></td>
<td>Implementation of our non-pay and procurement strategy.</td>
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4. Improve the quality of care and reduce avoidable harm in our Trust, including the elimination of never events

- Acting on patient feedback.
- Improving safe care of our inpatients: by continually reducing the rate of patient falls and pressure damage.
- Improving the care of deteriorating patient.
- Compliance with risk assessment for the prevention of venous thromboembolism and prophylaxis.
- Improving theatre performance through team training.
- A focus on increasing learning through our mortality review process.

5. Implement the key elements of the Trust’s Clinical Strategy, including Cancer and Stroke Services

- Stroke Services – in conjunction with local CCGs, implement the recommendations from the Clinical Senate review for stroke services
- Develop our plans for Paediatric Burns, Lower Leg Trauma and Adult Burns in conjunction with Queen Victoria Hospital
- Continue to support and develop the network for Trauma and Vascular care
- Strengthen links with Sussex wide Providers, including Renal Services with Western Sussex Hospitals and Head and Neck Cancer with Queen Victoria Hospital
- Manage the decommissioning of Musculo-skeletal and Diabetes services in order to ensure that the Trust secures a clinically and financially sustainable model of care for these services

6. Further develop our strategy in the context of the 3Ts programme and the emerging Sustainability and Transformation Plan

- Development of an updated Clinical Strategy
- Integration of Workforce, Marketing, Estates, IT and Clinical strategies within a Strategic Plan
- Alignment of the 3Ts programme with the Strategic Plan
- Working with Commissioners and other Providers to ensure that the STP will deliver the transformational changes required.

7. Modernising our workforce through a range of measures including the use of new and extended roles, E-rostering and better job planning

- To introduce new and extended roles that address key supply-side shortages, sustainably reduce pay cost without compromising quality of care/safety and create interesting/developmental roles for staff
- Ensure a comprehensive and consistent E-rostering solution across the Trust which allows a much more efficient use of our workforce
- Ensure increased productivity through standardised job planning and rota planning

8. Improving the working lives for our staff to allow them to provide excellent care for patients

- Implementation of our well-being plan (including support for healthy living initiatives, reflective practice pilot and reductions in stress and bullying)
9. Ensure our leadership and governance arrangements are fit to deliver the Trust’s challenging agenda

- Development and implementation plan to improve staff engagement in response to 2015 staff survey
- Implementation of the medical leadership and engagement plan
- Continue recruitment strategy and ensure the continued improvement in retention
- Refresh of our current values and behaviours programme
- Ensure the appropriate HR resource to support Directorates in terms of the recruitment team and reintroduction of business partners.

- Review of Board and Executive governance, and leadership skills and capability to enable effective decision-making in the delivery of the Trust objectives

**Programme Management**

The Trust recognises that those NHS Trusts that have been most successful in delivering programmes of this nature have established robust Programme Management Offices (PMO) with recognised programme management tools and techniques.

BSUH is therefore establishing a PMO to provide programme management support and assurance to the programmes which support delivery of the nine priorities. The PMO will:

- Support Senior Responsible Officers to manage and coordinate the delivery of all programmes within the portfolio;
- Support project teams to develop and deliver their plans; ensuring the projects have clear milestones and their achievement is monitored;
- Track, challenge and report on all projects/programmes within the portfolio; the impact and benefits of achieving milestones tested through key performance indicators. This will enable us to demonstrate that performance is actually changing through delivery.
- Support the management of portfolio/programme risks, making sure project risks are being identified, mitigated against and managed;
- Support the management of issues;
- Analyse interfaces and dependencies across programmes and projects and recommend/take action;
- Provide an information management function with a suite of functional reports and evidence to support delivery;
- Coordinate and support stakeholder management;
- Assure business change and benefit delivery; both the financial and service improvement benefits require explicit measurement and care needs to be taken to ensure savings in one areas are not reduced by increased costs in another.
Directorate Plans:

For 2016/17, we are developing individual Directorate Plans, which will detail budget and workforce information, activity plans (including the required Referral to Treatment improvements), quality and productivity improvement targets and milestones, cost improvement programmes and key service changes. These will be summarised to give a ‘plan on a page’ which will be agreed between the Trust Executive and the Directorate, and will form the basis for review throughout the year. These plans will reflect the priorities of the organisation and will provide a ‘golden thread’ through from the Trust’s vision, values and priorities through to individuals’ objectives for the year.

2. The Trust’s Quality Plans

Approach

In developing our business plan we are focusing on quality improvement as a cornerstone of our approach. There is good evidence that if we focus on quality, getting the basics right for our patients, we will also become a more productive and efficient organisation, as well as achieving better outcomes and patient experience for our patients.

As a Trust we have a range of challenges to improve the quality of care we deliver. Our top three quality priorities are

1. To ensure that all patients admitted to BSUH as an emergency have effective medical assessment and are admitted to an appropriate ward for their diagnosis within 4 hours of arrival in hospital
2. To ensure that patients requiring elective treatment receive their care within the specified waiting times and that we have an effective and efficient process for booking appointments
3. To reduce the risks faced by patients in hospital by focussing on
   a. patients at risk of deterioration (including those suffering from sepsis and acute kidney injury),
   b. strengthening our learning from mortality review,
   c. reducing falls resulting in harm and,
   d. improving a range of Trust processes using a Human Factors approach, for example in theatres to reduce the likelihood of further Never Events.
Our approach to quality and service improvement

We are in the process of signing off an organisation wide approach to quality improvement. Our approach will be based around the work of W Edwards Deming, taking elements from Lean, Six Sigma and IHI model for Improvement. We will use the experience of CQI in other healthcare settings such as Virginia Mason to guide our approach. The key features of this plan are:

1. Identifying what patient’s value in the services we offer and developing plans to increase value and reduce waste.
2. Enabling people to solve problems at their level
3. Supporting people to test ideas and learn from both success and failure without fear
4. To ‘go and see’ to truly understand a system before trying to improve it
5. Developing people, throughout the organisation, to lead improvement effectively. The development of a Quality Improvement Academy will be central to the delivery of this work. An outline proposal for this work shown below:

Quality and safety will be maintained and improved throughout the year by the on-going implementation of the BSUH Safety, Quality and Patient Experience (SQPE) Strategy, monitored by the Executive Safety and Quality Committee. Each Directorate will be asked to produce quality improvement plans in line with the QI approach outlined above. Safety is monitored through the quality governance systems outlined below.

The quality governance processes are summarised in the diagrams below and detailed in the Trust’s SQPE Strategy 2015-2020. Departments and Directorates are expected to review safety and quality intelligence (including incident reports, mortality data, complaints, patient feedback and quality metrics) on a frequent basis. Directorate governance structures are reviewed by the Executive team in a Quarterly Directorate Safety and Quality Review. The results of this review are reported to the Executive Safety and Quality Committee. Clinical oversight of all incidents resulting in moderate
harm or worse is ensured by review in the Serious Incident Review Meeting, a similar process is in place for mortality review and serious complaints and safeguarding concerns through the meetings described below.

Each Directorate is assigned a Safety and Quality Facilitator who is a manager within the S&Q directorate who has the responsibility for feeding back lessons and actions arising from S&Q intelligence and also supporting the Directorates in developing QI plans. This process is clinically supported by Associate Medical Directors for safety and quality, who provide expert advice to directorate management teams.

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Appendix 2: Organisational Structure (indicating flow of information and assurance)

12 Directorates

Women's Services, Acute, Head & Neck, Neurosurgery and Stroke, Perioperative, Abdominal surgery & infection, Cancer, Central Clinical Services, Children's Services, Cardiovascular, Musculoskeletal, Speciality Medicine

Trust Mortality & Medicolegal Review Meeting, Serious Incident Review Meeting, Serious Complaints and Safeguarding Review Meeting, Patient Safety Ombudsmen's Advisory Panel, Executive Safety and Quality Committee, Clinical & Nursing Management Boards

Board of Directors, Quality and Risk Committee

This meeting will be reconvened in July 2015 to include a review of serious medico-legal issues.
A well led organisation
The Trust is focusing strongly on the well-led elements within its plan for 2016/17. The governance of quality issues and the approach to quality improvement have been set out above. The Trust had a successful board self-assessment on 18 January, and has instituted executive leadership of a weekly programme board in preparation of the Trust’s CQC visit in April 2016.

The Trust’s ‘sign up to safety’ priorities for 2016/17 are included in the Trust’s SQPE strategy and are included in the quality priorities outlined earlier.

Quality at the heart of decision making

Effective QIA Process
The Trust has, since 2012, followed guidance laid out by the National Quality Board to identify and vet potential cost improvement initiatives, predict their potential impact on quality and once implemented monitor their actual impact.

Internal policy mandates the assessment of all major projects and cost improvement initiatives under three domains – clinical effectiveness, patient safety and patient experience. This assessment is an iterative process commencing at the project outline stage and progressing through quality gateways and a final pass/fail stage prior to implementation. A project can be rejected at any point throughout the quality assessment lifecycle.
The responsibility for conducting quality impact assessments and developing the key indicators to monitor project impact sits with the nominated clinical lead within each project. Written evidence of the project’s impact on the three quality domains is presented to a Star Chamber at the defined gateways.

The Star Chamber is accountable for signing off initiatives prior implementation and has the authority to close any initiative at any stage should it be unable to demonstrate at least a neutral or positive impact on quality. The Star Chamber is co-chaired by the Medical Director and Chief Nurse with membership including the Chief Operating Officer and representation from the Quality and Safety Team. Subject matter experts are co-opted to the Star Chamber as required.

The Star Chamber is accountable for the providing trust board assurance that all cost improvement and other major initiatives have at minimum a neutral impact on the quality of care delivered by the Trust.

**QIA Process map**
Quality and Performance Management

The Trust has developed a composite Board Scorecard which provides a monthly report for Board members to evaluate and consider performance. This is composed of around 90 indicators across several inter-related domains including:

- National Standards
- Patient Access
- Clinical Quality
- Patient Safety
- Operational Efficiency
- Demand
- Patient Experience
- Workforce

The scorecard enables the linkage of related factors and facilitates a complete high level view of Trust performance in conjunction with the reporting of financial performance via a separate report. The performance Scorecard is augmented by a series of detailed dashboards at indicator level which enable a clear evaluation of Trust performance over time in comparison to the national picture and/or Trust Peers. The Scorecard is further augmented by the Trust’s own quarterly assessment of performance using the Monitor Risk Assessment Framework.

The content of the Performance report is formerly reviewed and updated each year to reflect changing national standards, local targets or locally agreed areas of focus. The indicators are drafted in accordance with national definitions (where published) and are subject to external review and audit to test that the Data Quality of specific indicators is robust.

The accompanying monthly narrative highlights areas of exception or variance from target or trend and the associated context. The overarching performance report is supplemented by associated ‘deep dive reports’ for the national standards where issues and decision points are described in detail either at the Board or relevant Board Committee.

The new strategy currently being developed by the CQC, Building on Strong Foundations, is due to be consulted on from January 2016. The Trust will incorporate the measures into our reporting and performance management regime when the consultation document is released and the elements finalised.

Triangulation of indicators

For 2016/17 the Trust will build on the process described above and will further refine the suite of indicators to reflect;

- Carter related productivity measures
- The Right Care Right Place Each Time Programme
- CQUIN delivery
- Agency utilisation
- Refreshed Patient Safety Metrics
- Agreed contractual obligations/or areas of LHC focus
The intention is to ensure that the accompanying narrative identifies ‘golden threads’ across the different domains and provides links between cause, effect and remedial action where appropriate. The Board will then have a full appreciation of the factors underpinning both the Trust’s Operational plans and the measures used to evaluate Trust performance by the Tripartite.

Reporting to sub-Committees of the Board and to the Trusts clinical directorates will use the Board template as the basis of refining existing scorecards to ensure that there is consistency between them and that indicators reflect the service lines associated with the audience i.e. the right measure to the right group/committee.

The associated performance management and oversight of delivery plans at corporate, directorate, specialty and team level will be via a refreshed approach to managing performance within the Trust which will be overseen by the Exec team.

3. The Trust’s Activity Plans

Clinical Directors and other clinical leaders have been central to the Trust’s development of its activity plan for 2016/17, working through the Trust’s demand and capacity requirements, seeking solutions to long-standing issues, and making the service changes needed to deliver high quality care in line with the standards of the NHS Constitution.

Through this work the Trust is developing comprehensive Directorate level plans, setting out our priority programmes for change during 2016/17.

The Trust is developing a plan which will reflect the expected level of demand inherent within the commissioning plans for all our commissioners and their partner organisations. The plan underpins delivery of the Trust’s income assumptions and the control total identified in the tripartite letter of January 15th 2016.

To achieve this the Trust has and will continue to work closely with NHSE and CCGs as our principal commissioners to develop an activity based income plan which is robust and delivers the national access and quality requirements identified within ‘Delivering the Forward View: NHS Planning Guidance 2016/17 to 2020/21’ within the local context.

At the time of writing (22nd March), the Trust had received a March partial offer from CCGs but no offer or plan from NHSE. The CCG offer has identified a planning gap of circa £10m with £7.7m associated with commissioner QIPP. QIPP schemes are currently being reviewed and risk assessed by the Trust and mainly relate to a planned reduction in NEL (7.8%) and A&E activity (1.96%).

Aside from that, a shared planning methodology to formulate that activity plan has been used which incorporates a baseline of month 8 (15/16) forecast to year end as the starting point. This reflects seasonal variation and in year exponential growth. National locality growth assumptions are variable between commissioning groups and the Trust has assumed a slightly higher level of growth (1.8%) than commissioners. Targeted specific growth for some specialties with acknowledged growth models such as Renal Dialysis and HIV cohort size has been applied to the baseline at Point of Delivery and Specialty level. The baseline data has been subsequently refined further to incorporate FYE impacts of agreed business cases/service developments which are ‘shared goals’ and therefore a component of the 16/17 planning round – this will mainly impact on Specialised services.
commissioned by NHSE. This process includes the input from relevant ODNs and their assessment of expected pathway/flow changes arising from hub and spoke arrangements for vascular services and year 2 of the Major Trauma designation on the Brighton site.

The activity plan has been further adjusted to incorporate the impact of the RTT backlog recovery plan and the associated performance trajectory to deliver the required improvement in the Trust’s position. The trajectory is subject to change as it is dependent on a number of variables and has at one point in time, been converted into an activity profile which subcategorises additional activity over and above the current run rate into that which will provided directly by the Trust and any activity which requires outsourcing/subcontracting to other providers. The trajectory has been evaluated against a bottom up assessment of capacity and some specific areas of significant mismatch between supply and demand at specialty are in the process of being option appraised to assess the best way of managing demand going forward. These discussions are ongoing and may result in list closure where appropriate and clinically viable. A similar pan Sussex approach estimated the impact of NICE related cancer referral threshold changes and sustainability of the national standards for cancer access at provider level – initial estimates suggest an increase of 30% in referrals for some pathways could be possible and such growth has been factored into commissioning plans.

Through its quality and service improvement plan, the Trust will work to eliminate waste and unnecessary variation, driving up the quality of care whilst driving out inefficiencies. Productivity improvement and operational efficiency is a key focus for the Trust. The Trust is using Civil Eyes and an embedded service line management approach to target opportunities for improvement. Through improved benchmarking and support, the Trust is focusing on delivering improved efficiency and productivity gains arising from revised clinical pathways, more accurate Job planning, the impact of Digital Technology, greater productivity via improved asset utilisation and changes in the setting of care such as the movement from Day Case to OP activity.

The activity plan reflects an assessment of the activity related impacts associated with explicit decommissioning decisions which have been made in advance of the planning round. The most obvious example of this is the decommissioning of level 3 Diabetes services where it is estimated that around 75% of current OP activity will transfer to the new Provider for two of our main CCGs. This has been quantified and has been factored into the activity plan.

Commissioner QIPP and BCF Programme outputs which are designed to reduce unplanned admissions and DTOCs will be considered in relation to their scale of impact by considering delivery and current trends and the status of mobilisation plans. This process for doing this is currently being formulated and will require agreement with commissioners.

The LHE has undertaken a joint capacity planning exercise using consultants Ernst and Young. This has been updated and continues to identify a shortfall of circa 50 beds in addition to seasonal surge demand. This work initiated the development of a Trust commissioned ‘Community Ward’ in conjunction with community providers from October 2015. The emerging plan is a transition to a ‘Hospital at Home Service’ from Spring 2016 onwards. The financial flows to support this are complex and will require detailed LHE work-through to support the case. The phasing and final capacity requirements will in part be determined by the activity plan which will need to reflect winter resilience pressures and seasonal variation. The intention will be to flex acute unscheduled
care capacity in the winter months and maximise elective capacity in all other periods where possible.

A Trust bed capacity model is used to forecast in-patient bed demand based on the activity plans for the coming year. Demand for future years is also predicted using the Long Term Financial Model growth projections and planned changes relating to the 3Ts Full Business Case.

The outputs in terms of bed requirements are defined by site, specialty, specialty bed type and admission type. Required capacity is then modelled using a number of assumptions in relation to occupancy levels and potential efficiency gains such as length of stay reductions at specialty level and is used to triangulate capacity and demand variation and identify shortfalls in capacity.

In addition to the above, the Trust has extensively used the IMAS Capacity/Demand modelling tools across a range of specialties including Orthopaedics and Digestive Diseases. This has demonstrated a significant shortfall in capacity for both the above specialties and the LHE is actively seeking to secure additional capacity via local negotiation and via the national programme to make up the shortfall. The capacity demand shortfall remains a significant risk to the RTT recovery and sustainability plan and is reflected in final trajectories and the associated activity plan.

The Trust, in conjunction with LHE partners and commissioners will closely monitor activity levels during the year and will initiate a joint analysis and investigation if activity increases unexpectedly beyond a 5% threshold. The investigation will seek to understand the causation and recommend risk mitigations to established LHE governance groups.

A phased plan will be developed during 2016/17 to improve access to the Trust’s services, seven days a week. In September 2015 a self-assessment was submitted as part of a national audit and the Trust was deemed to be compliant against 4 of the 10 seven day standards. The Trust will continue to test and review this and will participate in the national survey of seven day standards.

Recovery of operational standards

**Accident and Emergency (A&E)**

The Trust has initiated a number of changes in unscheduled care flow in the past six months, including the initiation of the Right Care Right Place Each Time programme, the opening of Newhaven Community Ward, and changes within the Acute Floor. Performance improved during in November and December 2015 however meeting the 4-hour standard of care continues to be a significant challenge for the organisation and work continues to make significant and sustained changes and improvements to the whole unscheduled care pathway to ensure that patients are seen promptly, safely and efficiently.

As summarised in our unscheduled care priority area plan, improvement work on the Acute Floor has included the implementation of a single clerking process in A&E, a daily acute floor meeting, a new handover protocol with the ambulance service, and progressing the development of a 24/7 surgical assessment unit. Further improvements will include the development of ambulatory care pathways, building additional assessment cubicles at the entrance to the Emergency Department, and the refurbishment of the Urgent Care Centre to improve patients’ experience.
It is recognised that making improvements to the unscheduled care pathways also requires a hospital-wide focus on patient flow, early access to speciality inpatient beds, and early consultant review. The Right Care, Right Place, Each Time programme continues to roll out across all wards within the organisation to ensure that patients requiring emergency admission get to the right ward as quickly as possible and a multidisciplinary team approach is taken in working towards each patient’s discharge from the moment they arrive on the ward.

**Cancer**

The Trust has faced challenges in delivering the key Cancer access targets in 2015/16. Compliance was achieved with 62 day target in November (86%) and the Trust’s position for the 2ww was 93.3% in November. Compliance is unlikely to be achieved in the first quarter of 2016 and performance will only improve significantly once the mismatch between capacity and demand for colorectal services has been addressed by the LHE.

In January, the New Chemotherapy unit opened at PRH which now no longer requires us to outsource chemotherapy activity. Challenges remain in Radiotherapy; a new unit will open at Preston Park in May 2016, but delays in funding for the Eastbourne development mean that this project will not come on stream until September 2016. Lastly, Macmillan Cancer Support in partnership with Sussex Cancer Fund and BSUH, are building an innovative new information and support centre for people affected by cancer across Sussex including patients, family, carers and friends.

**RTT**

Achieving the constitutional standard of 18 weeks is a key challenge for the Trust in 2016/17. We are repositioning the RTT programme as a quality, safety and clinically led programme, and will focus on getting the basics right (as indicated in our RTT priority area plan). This involves adherence to the 6-week cancellation rules, annual/study leave policy and alignment of consultant job plans. We are also targeting improvement in our theatre and clinic utilisation to maximise our productivity. There are some key specialties which are cause for particular concern and we are focusing our resource in these areas. An executive-led planned care board will oversee the programme to ensure alignment between capacity and demand, our workforce and estate, and our financial resources.
4. The Trust’s Workforce

In common with other NHS organisations, the Trust faces significant workforce challenges, including:

- continuing annual pay cost reductions/workforce efficiencies to support financial stability (avg. 3%);
- maintaining high quality patient experience/outcomes, safer staffing ratios and achieving 7-day services standards;
- increasing staff engagement through investment in organisational, team and individual development; and
- achieving the step-increase in innovation capacity/capability required to support service and wider system change.

In addition, the £485m redevelopment of the Royal Sussex County Hospital (‘3Ts’) approved in 2015 will nearly double capacity in some of the hardest-to-recruit specialties – to be staffed without denuding neighbouring healthcare providers, and with care models that realise the efficiency opportunities afforded by modern, ergonomic design and larger ward/departmental templates.

This will therefore require a significant programme of workforce transformation, which began in 2015/16 and will continue through 2016/17 and beyond. It comprises four broad objectives:

- workforce modernisation – developing new/extended roles;
- realising the ‘engagement dividend’ – progressing the programme of development set out in the Trust People & Wellbeing Strategy 2015-2020;
- increasing workforce supply, working with HEKSS, local HEIs and the range of stakeholders across the geography; and
- effective resource management and controls assurance, including realising the efficiency opportunities identified by the Carter Review.

Clinical and Stakeholder Engagement

During 2015/16 there has been a strong focus on clinical/staff engagement. The Trust workforce strategy has been developed by triangulating data from a variety of sources:-

- Detailed discussions with Clinical Directorates to identify local and Trust-wide workforce and education modernisation opportunities – commended by HEKSS as an example of best practice.
- The Trust Workforce Modernisation programme, which is being progressed in partnership with Staffside/Trust Council.
- The Trust is a HEKSS-funded pilot for Integrated Education, and this has provided a focus for engaging in particular Scientific & Technical and Allied Health Professional staff groups traditionally under-represented in workforce planning.
- The Trust Values & Behaviours (V&Bs) programme has also provided feedback on development needs, in particular from frontline staff (eg. through open staff meetings).
- The 2016/17 Operational (Business) Planning process itself, which is working with Directorates and corporate services to align activity/income, capacity, workforce and productivity assumptions, and will refresh the Trust’s rolling five-year Workforce Plan and education commissioning submissions to HEKSS.

The Trust works in close partnership with HEKSS, the Universities of Brighton and Sussex, BSMS, the KSS AHSN and other health partners (including CCGs, Health & Wellbeing Boards).
In 2016/17 the Trust will continue to strengthen these relationships, and work closely with other partners across the local geography, e.g. with the Local Authorities, Brighton & Hove City Partnership and local FEIs to progress the apprentices programme. This is also an opportunity to progress the Trust’s Equality and Social Value obligations/aspirations and ‘widen participation’, and aligns with its public health role (improving health and wellbeing through supporting local employment and skills/qualifications development).

**Workforce Strategy**

For the first time in 2016/17, the workforce programme and Trust CIPs programme will be fully integrated to ensure they are working in concert.

‘A consistent barrier to transformation... has been the funding needed to invest in new models of care, which is too often tied up in sustaining current services. Double-running needs to happen, yet many local systems find it hard to direct funds away from business-asusual. ’ (NHS Confederation submission to 2015 Spending Review)

The Trust workforce modernisation strategy was presented to the Trust Board in November 2015. This aims to ‘reshape’ the workforce (see below) to simultaneously improve development opportunities, widen participation and sustainably reduce overall pay costs. Specifically:

- Increase the number/optimise the role of volunteers and work experience placements.
- Significantly increase the number of apprentices (the Trust is due to exceed its HEKSS target for apprenticeships in 2015/16).
- Increase the proportion/extend the role of Healthcare Assistants (also to support 7-day services).
- A Career Development Pathway for apprentices/staff at Bands 1-4 (per Cavendish recommendations for a clear ‘line of sight’ to professional training).
- Pilot use of Band 4/Assistant Practitioners in inpatient ward areas, in anticipation of the introduction nationally of the ‘Associate Nurse’ role.
- Clinical support roles (e.g. Clinical Assistants, Physician Associates) to free up professionally-registered staff for other patient care and income-generating activity.
Trust Staffing (Staff in Post, Whole-Time Equivalent)

Source: Electronic Staff Record, September 2015

This approach is aligned with the Education & Learning Strategy approved by the Board in 2014. A number of pilots/projects have been approved and will be implemented from April 2016, with further extension of the programme in 2016/17 and (subject to evaluation/demonstrated Return on Investment) rapid trust-wide rollout of schemes from 2017/18. Programme design will reflect the Trust approach to Quality Improvement.

Staff Engagement

A strong evidence base (e.g. Engage for Success) links staff engagement with a range of benefits, including staff satisfaction, productivity and innovation; organisational financial performance; and patient experience and outcomes (incl. reduced patient mortality). Staff engagement is also a critical component of effective service and wider system transformation:

‘Even relatively simple changes mean a different way of working for staff in the NHS, and will need the backing and engagement of staff to succeed.’ (The Health Foundation, 2015)

The challenge remains that although there are established benefits, Return on Investment is longer-term (more than one annual business cycle), and while some benefits are tangible (e.g. reduced sickness absence, turnover), others are more difficult to quantify/monetise.

In 2014 the Trust launched its Values & Behaviours/staff engagement programme, incl. investment in management/leadership development. This was extended in 2015/16 to include a two-day Leading the Way Too programme for 500 frontline managers/supervisors, and V&Bs Team Coaching.
The Trust remains committed to this programme of work, and in 2016/17 will continue to invest in the stepped development programme set out in the People & Wellbeing Strategy 2015-2020.

‘[W]e cannot deliver the necessary change without investing in our current and future workforce... We can design innovative new care models, but they simply won’t become a reality unless we have a workforce with the right numbers, skills, values and behaviours to deliver it.’ (Five Year Forward View, 2014)

**Workforce Supply**
The Trust continues to work in close partnership with HEKSS to align workforce planning and education commissioning. There has been considerable success with recruitment during 2015/16, and the Trust is on target to achieve a fully established nursing workforce from March 2016, including through international recruitment (with associated benefits for bank/agency use, and achievement of the national agency cap/targets). However, continuing turnover/wastage is inevitable and the workforce profile is ageing.

Priorities for 2016/17 will include:

- improving the 'offer' to bank staff and enhancing the Bank Office service – to provide resource management flexibility without recourse to agency staff;
- significantly extending the number of places for direct-entry apprentices, in particular Housekeeping, Catering, Healthcare Assistants, Admin. & Clerical;
- formalising ‘grow your own’ education/development pathways for clinical staff at Band 6+, aligned to the Trust’s education commissions.

**Resource Management & Controls Assurance**
The Trust has made considerable progress in 2015/16 with formalising internal controls to ensure that agency/bank nursing/HCA staff and medical locums are requested only where required, and in line with Trust financial/approval processes. This programme will continue in 2016/17, drawing on the efficiency opportunities identified by the Carter Review.

‘Staff are the primary asset, heart and soul of the NHS. We know that most work extremely hard, often going above and beyond the call of duty, and are truly dedicated to the NHS to ensure the delivery of high quality care. However… the sheer size of [the pay bill] necessitates scrutiny.’ (Carter, 2015)

**Strategic Alignment & Five-Year Forward View**
The workforce strategy is aligned with the Trust Clinical Strategy 2014-2019. Alignment with CCG/Local Authority commissioning intentions is an iterative process, and the five-year Sustainability & Transformation Plan (STP) will provide a further opportunity to check alignment with emerging plans, including opportunities created through the Five-Year Forward View.

In the meantime, the focus for 2016/17 will be on upskilling staff, building personal/team resilience and increasing innovation capacity/capability – so the workforce is able to support, and initiate, service and wider system change.

For example, KSS AHSN has invested £200k in an ‘innovation acceleration’ project in the Imaging & Nuclear Medicine service to explore the role of innovation behaviours, and pump-prime a step-increase in improvement/innovation activity, with leaning share KSS-wide.
Risk Assessment & Management
The Trust has in place a number of mechanisms to triangulate indicators and manage/mitigate risk in its workforce/CIPs programme, and these will continue to be refined in 2016/17. These include:

- Full integration, for the first time, of the workforce modernisation and CIPs programmes.
- All CIPs are subject to Quality and Equality (‘Due Regard’) Impact Assessments.
- Risk assessment of any significant changes in workforce associated with assumed increases/decreases in capacity.
- The development of new/extended roles is supported by a clinical governance/risk assessment process, and Agenda for Change job evaluation.
- ‘Single performance conversation’ with Clinical Directorates, encompassing financial and operational performance, quality and workforce/staff experience metrics.
- Real-time ‘temperature check’ on staff engagement and ideas/concerns from the frontline – through the V&Bs programme.
- Risks to the delivery of the Trust objectives are also regularly reported to the Board Committees and Board of Directors through the Board Assurance Framework.

Governance & Board Approval
The workforce plans have been discussed with the TDA as part of its due diligence of the 3Ts FBC. They are also discussed with/progressed through the Workforce Stakeholder Board (which includes HEKSS, KSS AHSN, and BSMS).
5. The Trust’s Financial Plans

Overall
The 2016/17 financial plan reflects the actions being taken towards restoring and maintaining financial balance, delivering core access and quality standards for patients and implementing the Five Year Forward View. The plan delivers the control total of £15.6 million deficit with the receipt of £14.4m of Sustainability and Transformation funding (with only the general element assumed at this stage).

The draft 2016/17 financial plan is as follows

<table>
<thead>
<tr>
<th>Forecast Position</th>
<th>15/16 Forecast</th>
<th>16/17 Opening</th>
<th>Soft FM Adjustment</th>
<th>16/17 Opening Adjusted</th>
<th>S&amp;T Fund</th>
<th>Supported Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>£527.1</td>
<td>£533</td>
<td>£0</td>
<td>£533</td>
<td>£14.4</td>
<td>£547.4</td>
</tr>
<tr>
<td>Pay</td>
<td>£329.6</td>
<td>£326.0</td>
<td>£5.0</td>
<td>£331.0</td>
<td>£0.0</td>
<td>£331.0</td>
</tr>
<tr>
<td>Non-Pay</td>
<td>£199.4</td>
<td>£201.0</td>
<td>£-5.0</td>
<td>£196.0</td>
<td>£0.0</td>
<td>£196.0</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>£529.0</td>
<td>£527.0</td>
<td>£0.0</td>
<td>£527.0</td>
<td>£0.0</td>
<td>£527.0</td>
</tr>
<tr>
<td>EBITDA</td>
<td>£1.9</td>
<td>£-6.0</td>
<td>£0.0</td>
<td>£-6.0</td>
<td>£-14.4</td>
<td>£-20.4</td>
</tr>
<tr>
<td>Non-Operating</td>
<td>£35.8</td>
<td>£36.0</td>
<td>£0.0</td>
<td>£36.0</td>
<td>£0.0</td>
<td>£36.0</td>
</tr>
<tr>
<td>Deficit</td>
<td>£37.7</td>
<td>£30.0</td>
<td>£0.0</td>
<td>£30.0</td>
<td>£-14.4</td>
<td>£15.6</td>
</tr>
</tbody>
</table>

The Soft FM adjustment is the full year effect of services moving from outsourced to insourced, with a move between non-pay and pay.

Quarterly controls totals are yet to be agreed therefore the draft plan has been phased evenly across the year. The draft plan assumes that control totals are agreed and met, access standard trajectories achieved and that there is progress on transformation.

The financial plan is Red rated because of the deficit plan (underlying and projected), the funding required to support the deficit position and the level of cost improvement needed at £18.4m or 3.2%.

Should the trust not secure transformation funding then the deficit would be £30.0m as shown above with consequent deterioration in risk rating performance and liquidity.

The key risks to the delivery of this plan are controlling pay costs and meeting performance targets, and there are governance processes in place to manage these risks.

2015/16
The forecast deficit for 2015/16 is £37.7m which is above the original plan of £19.2m deficit and the control total of £16.7m deficit. The deficit has grown because of continued cost pressures rather than a further deterioration in financial performance. Monthly deficits have averaged just over £3m all financial year. The key pressures are around staffing with particular pressures in nursing and medical costs as staffing levels are being maintained but at a cost. Work continues to reduce the use of staffing and to reduce payments above substantive contract rates.
The pressure on pay costs is 2015/16 is reflected in the cost improvement plans for 2016/17.

**Assumptions**

The 2016/17 planning assumptions reflect national guidelines and local pressures.

- Tariff inflator of 1.2%, marginal rate of 70% for emergency admissions and 100% for specialised with the Market Forces Factor remaining at 7%.
- Cost inflation of 3.1% overall, with increases as follows = Pay 3.3% (due to pensions contributions), HCHS drugs 4.5%, non-pay non-drugs 1.7%, revenue cost consequences of capital 3.1%.
- Increased contribution to CNST of 17%.
- No financial penalties imposed by commissioners including 100% payment of CQUIN.

These assumptions are modelled in the accompanying financial plan template.

**Activity**

Activity plans are derived from demand and capacity modelling and show progress on access targets. These plans support the proposed STP and are consistent with the funding available to commissioners.

Core access and quality standards are supported through the operational plan and the income and expenditure consequences of achieving these standards are reflected in the financial model. The expected implications of the Better Care Fund, System Resilience, CQC plans and Winter pressures are also modelled in the overall figures and will be analysed into these categories as specific plans are agreed.

Sustainability and Transformation Plans include the impact of contracts with local authorities.

The risks to delivering activity relate to the ability to effectively utilise available capacity.

**Cost Improvement Plans**

Cost improvements of £18.4m are needed in 2016/17. This level of saving improves the financial deficit from the £37.7m forecast for 2015/16 to the £30.0m plan for 2016/17, before S&TP funding, and delivers the 2% saving required through changes to tariff. The trust is working on a more challenging savings plan of £30m to reduce the risk of delivery of the £18.4m required and to seek to accelerate the return to break even.

We are focused on the development and delivery of robust efficiency savings programmes, primarily cost reduction rather than income growth. Current we are reviewing extant plans and are committed to a bottom up and top down approach to identifying savings. Key areas for savings have been identified as follows

1. Medical staffing
2. Nurse staffing
3. Procurement
4. Back office
5. MARS
6. Pathology
It is intended to focus on these few high potential areas of saving rather than dissipate effort across a plethora of small schemes.

Carter has identified a number of areas (which include the above) which provides useful triangulation for the identification of high cost areas. The Carter analysis is being used in conjunction with Service Line Reporting to gain a greater understanding of where the Trust can bear down on areas of apparent high costs.

The plans to reduce the deficit are being based on workforce planning, improvements to patient flow, the Right Care model, procurement savings as well as Carter efficiencies. The following table shows the split of cost improvement plans between category of saving and stage of development. This will be further refined in the final version of the plan. Income plans are also in development but have not been included in the model. The level of saving is consistent with the national efficiency target of 2% and with the need to improve on the 2015/16 outturn. The finalised set of plans will be quality impact assessed by clinical staff at which stage they will be considered fully developed.

<table>
<thead>
<tr>
<th>Cost Improvement Plans</th>
<th>Total 2016/17 Efficiency</th>
<th>Fully Developed</th>
<th>Plans in Progress</th>
<th>Opportunity</th>
<th>Unidentified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Efficiencies by Category £’000</td>
<td>£’000</td>
<td>£’000</td>
<td>£’000</td>
<td>£’000</td>
<td>£’000</td>
</tr>
<tr>
<td>Savings - Pay (Skill Mix)</td>
<td>10,550</td>
<td>0</td>
<td>10,300</td>
<td>250</td>
<td>0</td>
</tr>
<tr>
<td>Savings - Pay (WTE reductions)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Savings - Non Pay</td>
<td>6,106</td>
<td>300</td>
<td>2,875</td>
<td>2,931</td>
<td>0</td>
</tr>
<tr>
<td>Income</td>
<td>1,784</td>
<td>0</td>
<td>1,458</td>
<td>326</td>
<td>0</td>
</tr>
<tr>
<td>Total Efficiency</td>
<td>18,440</td>
<td>300</td>
<td>14,633</td>
<td>3,507</td>
<td>0</td>
</tr>
<tr>
<td>Proportion of total %</td>
<td>1.63</td>
<td>79.35</td>
<td>19.02</td>
<td>0.00</td>
<td></td>
</tr>
</tbody>
</table>

The risks to delivering these plans mainly relate to delays in delivery and this is being managed by focussing the plan on a number of key work streams notably Nursing, Medical and Procurement.

Delivery of savings above the £18.4m required for 2015/16 would improve the outlook for 2017/18.

**Workforce / Pay**

Pay cost assumptions are based on the workforce plan that supports capacity modelling and the activity plan. The overall pay cost pressure of 3.1% is more than offset by cost improvements – skill mix and whole time equivalent savings.

The target for nursing agency spend is 1% and the reductions seen, and actions taken in 2015/16 support the move to this level. This level of spend is supported by substantive recruitment and the continued development of the e-rostering system.

**Capital**

The capital plan includes the ramping up of the spend on the 3Ts project, the start of the delayed East Sussex radiotherapy scheme and continued investment in operational schemes.
The trust is seeking to exercise capital restraint with expenditure only planned for priority items where delay would have significant adverse consequences. Funding through trust generated resources is maximised in the plan. All projects will be procured in an effective manner with key schemes procured under Procure 21+.

The capital plan is summarised as follows.

<table>
<thead>
<tr>
<th>Capital 2016/17</th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>3TS Main Scheme</td>
<td>64.2</td>
</tr>
<tr>
<td>Sussex Cancer Care Project -East</td>
<td>10.2</td>
</tr>
<tr>
<td>Other</td>
<td>19.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>93.6</strong></td>
</tr>
</tbody>
</table>

The trust delegated limit is £1m and schemes above this require external approval. An indicative schedule of schemes is given in the financial model but this is subject to completion of the planning process and internal and external approval.

**Liquidity**
The deficit plan and the level of capital expenditure mean that the management of liquidity and funding is a continued priority in 2016/17.

The planned funding streams are Public Dividend Capital (PDC) for the 3Ts development, PDC for the £15.6m deficit and capital loans for the East Sussex radiotherapy development.

**Procurement**

**Strategy**
The Trust has a Procurement strategy and code in place which will be applied to all Non Pay expenditure to ensure a more commercial approach is adopted in the procurement of all goods and services across the organisation.

The strategy includes the use of a number of approaches to control spend and deliver efficiencies through the supply chain and includes:

- Framework Agreements – using contracts from LPP, NHSSC, CCS, other buying consortiums & collaborations, and internal corporate contracts to aggregate suppliers.
- Approved suppliers list – rationalising suppliers by using existing contracts or creating a pool of accredited suppliers. This will ensure only the best value suppliers are available through which to procure.
- Demand Management – review spend with 3 basic approaches – Eliminate, Replace or Reduce.
- Price Equalisation – reviewing the prices paid for the same product/service, in particular from the same supplier, giving the opportunity to reduce prices to a standard level.
- Contracts Register – a list of Trust approved contracts for both ad-hoc or regular purchases will encourage compliance to the Procurement Code and help achieve immediate savings through improved contract/procurement planning.
- Better contract compliance – to ensure the best prices are adhered to.
- Collaborative procurement – the use of public sector collective leverage and economies of scale to obtain products and services at more competitive rates can be used to achieve lower unit costs
- E-Catalogues – e-Catalogues will be placed on Oracle to support users to buy through approved suppliers and products.
- Category Management – including supplier segmentation.

**Governance**

The Trust’s ‘No PO No Pay’ process implemented in Autumn 2015 gives greater visibility of what we buy, when we buy, and how we buy. Aligning to Lord Carter’s Procurement Programme to enhance the value of Procurement for future years, the Trust will use the ‘No PO No Pay process in 2016 to build sustainable Category strategies, grow solid relationships with stakeholders.

Further, the Trust will continue to use the procurement Gate process to ensure all goods and services are procured compliantly in accordance with Trust Standing Financial Instructions and all applicable EU public Procurement regulations to minimise risk to the Trust.
6. Sustainability and Transformation Plan (STP)

The Trust has been in conversation with its Commissioners and neighbouring Acute, Mental Health and Community Trusts in formulating an approach towards a local Sustainability and Transformation Plan. The Trust understands that the majority of this transformation needs to take place at a local level, with an approach which maximises well-being, and cares for patients at home where possible. However, in order to achieve the level of transformation required, particularly in the Acute sector, significant transformation will need to be at the footprint – Sussex and East Surrey – level.

There are key long-standing sustainability issues within the Acute sector in Sussex which need to be addressed as part of the STP. A great deal of progress has been made in the development of networks, such as for Trauma and Vascular, but there is a pressing need for this to be extended further into other areas where collaboration is crucial. The Trust will be working with colleagues to ensure that through the STP process, Providers and Commissioners to come together across a broader geography to determine the future configuration of services in East Surrey and Sussex, moving away from traditional organisational boundaries.

The Trust has established, with the local CCGs and NHS England, a Strategic Partnership Group to oversee the transformation required as part of the 3Ts Build Programme. This group, which held its inaugural meeting in January, is seeking to ensure that the strategic intent of Commissioners and the Trust are aligned and the services which will be delivered as part of the 3Ts programme will help deliver this strategy.

For 2016/17 the Trust is planning the following areas of transformation

- A reconfiguration of the Trust’s stroke services in line with the recommendations of Commissioners following the Sussex-wide review of Stroke Services
- The strengthening of the Sussex Cancer Centre through a reinvigorated network, and the development of satellite Radiotherapy services
- Working with Queen Victoria Hospital on Burns services, seeking support from NHS England to develop a Paediatric Burns unit at the Children’s Hospital in Brighton
- Continued work within the local health economy on improving the unscheduled care pathway, particularly for the frail elderly population.

Through the development of the STP, the Trust will be seeking to develop more significant transformation plans for 2017/18 onwards, to address the key issue of Acute sector sustainability in Sussex and East Surrey.