EXECUTIVE SUMMARY

REPORT TO THE BOARD OF DIRECTORS

HELD ON 22 MAY 2018

Subject	Operational Plan 2018-2019
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Status[1]	A

PURPOSE OF THE REPORT

Provide the Board with the Operational Plan 2018-19.

KEY POINTS

- The STH Operational Plan 2018-19 was submitted to NHSI on 30th April 2018 following TEG approval.
- The submitted Plan is a refresh based on NHSI guidance and included the narrative, (**Appendix 1**) with the supporting templates covering the following areas:
  - Finance
  - Workforce
  - Activity
  - Triangulation
- The Trust regularly engages with the Council of Governors (CoG) each year, to ensure that they have given regard to the Trust's plans for the following year. The Deputy Director of Strategy & Planning met with a sub group of the CoG to discuss the Trust's plans to ensure views were fed into the Operational Plan.
- Discussions have taken place over the past few weeks regarding the Control Total requirements at an organisational and system level. The outcome of these discussions is now documented in the Operational Plan.
- The narrative and the templates have been refined over the past few weeks as assumptions and priorities have been agreed and additional content has been added to the Operational Plan to emphasise aspects of the Trust's Research, Education and Innovation agenda in order to represent all areas of the Trust's strategic aims and objectives.
- **Communication:**

  An easy to read summary version of the Plan will be produced in liaison with the Communications Director and the Communications Team.

IMPLICATIONS[2]

AIM OF THE STHFT CORPORATE STRATEGY 2017-2020		TICK AS APPROPRIATE
1	Deliver the Best Clinical Outcomes	✓
2	Provide Patient Centred Services	✓
3	Employ Caring and Cared for Staff	✓
4	Spend Public Money Wisely	✓
5	Deliver Excellent Research, Education & Innovation	✓

RECOMMENDATIONS

The Board of Directors are asked to note the Operational Plan 2018-19.

APPROVAL PROCESS

Meeting	Date	Approved Y/N
TEG	7 March & 18 April 2018	Y
Board of Directors	24 April & 22 May 2018	
Council of Governors	22 May 2018	

[1] Status: A = Approval
A* = Approval & Requiring Board Approval
D = Debate
N = Note

[2] Against the five aims of the STHFT Corporate Strategy 2017-20

Sheffield Teaching Hospitals NHS
NHS Foundation Trust

OPERATIONAL PLAN 2018/19

30 April 2018

PROUD TO MAKE A DIFFERENCE

1. INTRODUCTION

In preparing this Operational Plan, Sheffield Teaching Hospitals NHS Foundation Trust (STH) has considered all of the joint planning guidance requirements that cover activity and capacity plans, robust workforce plans and a continued focus on high quality clinical care. The Plan confirms our intended achievement of performance for the core access and NHS constitution standards. A summary of the material changes from 2017/18 submission are as follows:

- **Activity Planning**

The contract with Commissioners agreed in 2017 was for a two year period to March 2019. The only changes of note in the 2018/19 Operational Plan reflect the agreement to review and update the activity plans for 2018/19 as part of the Trust's ongoing discussions with commissioners which we plan to conclude within the timescales required

- **Quality Plans**

The changes relate to the new draft quality objectives, which are in the final stages of discussion within the Trust. In addition, an update is provided on the progress being made with system wide working across South Yorkshire and Bassetlaw.

- **Workforce**

The Trust has developed a new People Strategy in 2017 and aspects of this have been included.

- **Finance**

An update is provided on all key assumptions that underpin the Trust's 2018/19 Financial Plan and Control Total. The key points are:

- The Trust did not accepted the proposed 2018/19 Control Total in its draft Operational Plan submission. The Trust's 2017/18 Control Total was a £4.2m deficit and the notified 2018/19 Control Total is a £5.1m surplus. The starting point for the latter, before standard national adjustments in respect of CNST premiums and additional Provider Sustainability Funding (PSF), was break-even. The Trust did not feel that the assumption of an improved starting point was fair or achievable.
- The Trust's Financial Plan assumed that the Control Total would be reduced by £4.2m. The Plan is balanced on this basis but has many risks and no identified contingencies.
- Despite various representations, NHSI has declined to alter the 2018/19 Control Total. Given the challenging NHS financial environment, the need to make a further £20m or so of efficiency savings and the clear risks in its Financial Plan, the Trust remains of the view that the Control Total is unlikely to be deliverable.
- However, in assessing the consequences of accepting or rejecting the Control Total the Trust has concluded that the consequences of rejecting the Control Total are so penal that it has no alternative but to reluctantly accept.
- In submitting this Plan, the Trust has made no assumption about the progression or otherwise of the proposed Integrated Care System. Potential financial arrangements are still under debate and a clear understanding on the outcome and implications will be required before the Trust Board is able to determine whether to support the ICS or not.

- **Research & Innovation**

The Trust has appointed to the role of Innovation Director to lead the work within the Clinical Research & Innovation Office (CRIO). This along with innovations such as the development of the Clinical Research Patient and Public Involvement (PPI) Strategy will help shape the future of Research & Innovation. The Trust will continue to develop its final Operational Plan in line with the timelines outlined within the planning guidance.

2. ACTIVITY PLANNING

- ***Demand and capacity approach for 2018/19***

The 2018/19 activity plan for STH has been developed with the aim of maintaining waiting lists in line with the updated Planning Guidance for 2018/19 in relation to 18 week Referral to Treatment (RTT) pathways, cancer waiting times and other access targets can be achieved and/or sustained throughout the year.

Activity plans are developed at specialty level but with corporate oversight to test robustness and ensure consistency. An assessment of the resources required to deliver this level of activity has identified gaps in the capacity plans of a small number of specialties. With this in mind, the plans for these specialties for 2018/19 have been set at realistic levels. For two specialties (Gastroenterology and Cardiac Surgery), there is particular concern that the capacity during 2018/19 will not be sufficient to maintain current waiting times, unless referrals are reduced to these services.

- ***Demand and capacity modelling tools jointly prepared and agreed with commissioners***

Elective demand and capacity modelling for 2018/19 was prepared using two tools. For demand, the Gooroo tool was used centrally and for capacity, the National Intensive Support Team model was used by each clinical Directorate. Non-elective demand and capacity for 2018/19 is modelled on the projected out-turn with adjustments for demographic growth and any known pathway changes.

- ***Agreed planning assumptions and how these compare with expected growth rates in 2017/18***

Discussions with commissioners are ongoing and therefore, the initial 2018/19 activity plan has been set at the following levels compared to the 2017/18 planned activity for all main points of delivery:

- Outpatient attendances +2.01%
- Total elective spells +1.23%%
- Non-elective spells +1.79%

Overall, demographic growth equating to 1% has been factored into the modelling and no other growth has been added. The figure has been advised by Sheffield CCG and derived at Office for National Statics (ONS) level.

- ***Capacity to deliver the level of activity agreed with commissioners***

The 2018/19 activity plan reflects expected referral growth (due to demographics) and the need to maintain or reduce queues for planned care to deliver the required performance against 18 week RTT pathway targets and waiting list size. The modelling and activity levels have been agreed with Commissioners. Commissioners are still seeking Quality, Innovation, Productivity and Performance (QIPP) reductions, around both elective and non-elective activity including further reductions related to the Clinical Assessments, Services, Education and Support (CASES) referral management model. Whilst the Trust supports these initiatives, given the delivery risk it may be required to plan for a higher level but react quickly if activity levels reduce to manage delivery costs effectively.

The main risks to delivery of the planned activity levels are as follows:

- Insufficient intermediate, community and social care capacity in the wider health and social care community has continued to have an impact in 2017/18. Whilst overall reductions to Delayed Transfers of Care (DTOC) have been made as compared to 2016/17, these have been inconsistent and have continued at levels, far above the required trajectory, which significantly impact on bed occupancy and constrain patient flow and achievement of the 4 hour standard.
- Insufficient capacity for on-site delivery, particularly theatre capacity and staffing, necessitating sub-contracting of planned workload offsite and more expensive non-core hours activity
- Recruitment to consultant medical posts in order to grow services in response to increases in contract targets are particularly susceptible to delays, as are plans reliant on Junior Doctors due to reduced availability and changes in rotas and hours as a result of the new Junior Doctor contracts.

- ***Plans for using the independent sector to deliver activity***

The Trust continues to utilise limited capacity through local private sector providers for a number of specialties either as a core element of the delivery plan or as a contingency to mitigate the risks identified above. The use of local private sector providers is reducing but the main contracts in place cover General Surgery, Gastroenterology, ENT and Dermatology.

In addition, the Trust acts as Lead Provider for the Musculoskeletal (MSK) Capitated and Outcome Based Contract (COBIC) and consequently has contracts agreed with a number of private sector providers for Orthopaedics. Patients choose which MSK provider delivers their treatment rather than the Trust sub-contracting activity.

- ***Activity plans***

The changes in outpatient and elective activity compared to the 2017/18 forecast outturn includes a degree of waiting list backlog clearance required to deliver a sustainable 18 week RTT position and wait list size, a planned increase to reflect demographic growth and reflects the impact in some specialities of reduced levels of referrals. The planned activity levels as compared to the 2017/18 forecast outturn levels are as follows:

- Outpatient attendances +0.38%
- Total elective spells +1.86%
- Non-elective spells +0.79%

- ***Winter resilience plans***

The Trust built on the success of previous years to develop a robust winter resilience plan for 2017/18, which forms the foundation for business continuity and resilience across elective and emergency pathways. This included plans for two surge winter wards in addition to existing surge capacity as well as escalation triggers to known pressures caused by seasonal demand and capacity constraints. The plan was discussed and built in to a wider Sheffield cross-organisation Health and Social Care winter-plan at the Sheffield 'System Resilience Group' and will form the basis for the winter plan for 2018/19.. The plan identifies a number of risks for winter including the availability of resilient transport services, delayed transfers of care associated with social care capacity and nurse staffing to support the surge areas. Contingencies are in place to counter these risks. The winter plan for 2018/19 will be further developed based on the experience of the current winter, in line with planning guidance and submitted by the end of April 2018.

- ***Arrangements for managing unplanned changes in demand***

The number of referrals sent to the CASES service is increasing and NHS Sheffield CCG are looking to expand to other specialties across the Trust during 2018/19. The impact on activity levels, waiting lists and capacity plans will remain under review with commissioners.

3. QUALITY PLANNING

- ***Proposed Integrated Care System (ICS) Working***

There are well developed partnerships in place within Sheffield and more widely across South Yorkshire and Bassetlaw. There are a number of issues that are driving a collective need for change, which include:

- The quality, experience and outcomes of the care, treatment and services provided varies considerably
- There are high levels of deprivation, unhealthy lifestyles and premature death from preventable diseases that impact on all organisations and many population groups
- All organisations face financial pressures caused by rising demand, growing complexity in health conditions amenable to care and treatment , and the aging population

- Shortages of staff in a number of areas present a risk to services that need to be provided that will require new ways of working and new roles

As one of the eight areas across the NHS to lead the proposed development of Integrated Care System (ICS) working, the Trust is collaborating with other NHS organisations, local councils and others who aim to take collective responsibility for managing resources, delivering NHS standards, and improving the health of the population they serve.

For 2018/19, the ICS has identified a focused number of key priorities for improvement as follows:

- Urgent and emergency care
- Cancer
- Healthy lives, living well and prevention
- Primary care
- Mental health and learning disabilities
- Elective care and diagnostics
- Maternity and children's services

These priority workstreams are led by chief executives and accountable officers with strong input from senior clinicians, public health, senior finance and operational colleagues from member organisations. Resources will be aligned to support delivery of these key priorities at all levels within the emerging ICS and these priorities will be used to test new ways of working together and with NHS England and NHSI to show additional benefits to patient and service delivery.

The ICS has agreed a set of changes in relation to Hyper Acute Stroke Services (HASU) and undertaken a Hospital Services Review throughout 2017/18. It is anticipated that the implementation of the changes regarding HASU services will take place in 2018/19 and the series of recommendations on the configuration of services arising from the Hospital Services Review will provide a basis for further service development. The initial phase of this review will conclude in Q1 2018/19.

Accountable Care Partnership

Partnership working is also well developed across Sheffield across the six organisations involved in providing and commissioning local health and care services. In 2017, this was further enhanced through the establishment of the Accountable Care Partnership (ACP) Programme Board and the appointment of the ACP Programme Director. The ACP for Sheffield aims to deliver improved health and care outcomes, improved health and well-being and close the financial and efficiency gap across the Sheffield system. Underpinning these aims are the following ambitions:

- To support tangible improvements in local health and wellbeing
- To tackle persistent health inequalities
- To ensure the sustainability of the Sheffield care economy
- To support a happy, motivated and high-performing workforce
- To improve public engagement and empowerment

Within the ACP there are six priority workstreams, which STH, along with partners across the system, have been closely involved with developing and leading. These are:

- Elective Care
- Urgent and Emergency Care
- Long term conditions
- Children's services
- Community, Well-Being and Social Value
- Mental Health and Learning Disabilities

The ACP arrangements continue to be refined and will go through a process of engagement with local populations, the workforce and within the wider context of the ICS.

- ***National and local commissioning priorities***

Since 1 April 2013, the Trust has had contracts with two major commissioners (NHS England and NHS Sheffield CCG); a consortium of CCGs in Yorkshire, Humberside and the East Midlands; and, for a range of public health services Local Authorities, principally Sheffield City Council. For 2018/19, the two year contract agreed in 2017/18 will continue up until March 2019.

NHS England

NHS England (NHSE) have not published any further commissioning intentions for 2018/19 therefore the 2017/18 commissioning intentions for prescribed specialised services, continue to apply, specifically:

- Taking forward collaborative commissioning with CCGs, and use of this processes to resolve significant local service issues. The focus of this is the Integrated Care Systems that have been developed and the opportunities they offer in terms of joined up provision of specialised services
- Publication of a programme of strategic service reviews to include pancreatic cancer, specialist orthopaedic services and neuro-rehabilitation.
- Greater transparency and consistency in contracting for excluded drugs and devices and collaboration to improve the value for patients in the supply chain. This includes establishing a national NHS Supply Chain e-catalogue for the ordering of high cost devices and optimisation of high cost drugs.
- Continued work with clinicians, commissioners and providers to improve and innovate in pricing arrangements for specialised care in line with flexibilities in the national tariff payment system. The focus for 2017/18 is to review local pricing against national benchmarks.

We continue to work closely with NHSE to understand better the implications of the commissioning approach for the Trust in 2018/19 and beyond.

NHS Sheffield CCG

NHS Sheffield CCG along with a range of stakeholders has worked to develop the plans underpinning the proposed ICS and current ACP. The priorities outlined in the ACP plan are:

- Help more people back to work, with stronger health and employment connectivity, with links to emotional and mental wellbeing
- Invest heavily in the development and delivery of neighbourhood working
- Tackle inequalities head on by disproportionate investments in effort and resources into those communities with most need, with an integrated approach to mental health
- Agree a single risk-stratification process for our population and use this to inform the wrapping around of services in neighbourhoods
- Work with our staff and teams to promote flexibility; enabling patient centred services and a culture where staff work across organisational boundaries
- Strengthen Primary Care to meet today's needs and future needs
- Invest in our future generations: early years and families, education and building and supporting aspiration, building emotional and mental wellbeing
- Invest in prevention, with a focus on cardiovascular disease and diabetes
- Help more people to stay at home through self-care, support in the community, and pathway coordination
- Design an infrastructure that supports this that evolves in support of the way of working that we design

The plan describes how services to patients are expected to change including prevention; the proactive management of risk of admission; review and re-provision of urgent care services; providing more care closer to home in neighbourhoods; and promoting greater self-care and the use of social prescribing. There is a continued focus on transforming out-patient services to reduce referrals and follow ups for elective care, and plans to reduce emergency activity. The Trust continues to be an active partner in the reconfiguration of services including, Active Support and Recovery, which is seeking to transform the provision of community based services currently provided by the Trust's Combined Community and Acute Care Group. The Trust is also working with commissioners to improve urgent care and medicines management.

The ACP plan details a range of projects covering the areas described above and NHS Sheffield has a number of QIPP schemes identified for 2018/19, although the detail on many of the schemes has not yet been shared.

NHS Sheffield CCG has stated that all Sheffield NHS Providers' quality plans will need to comply with national and local requirements for quality. National requirements will be driven via NHSE and CCGs and involve delivering improvements and policy changes required by the DH. In addition, national standards and targets will be delivered as detailed in the planning framework 2017-2019 and NICE guidance.
Local improvement plans will include local service improvement initiatives and actions as a result of patient and relative feedback and learning from serious incidents/safeguarding case reviews. The Trust has plans in place to deliver the CCG requirements detailed above.

Sheffield City Council

Sheffield City Council has not published commissioning intentions for the public health services it commissions from STH but has made clear its intentions to seek further cost reductions and efficiency savings for these services including Dental and Integrated Sexual Health Services. Negotiations are on-going with Sheffield City Council. Sheffield City Council is one of the stakeholders involved in the development of local operational plans.

- ***Approach to quality improvement***

The STH Healthcare Governance Arrangements Policy and Framework for Delivery outlines the structures and processes in place to lead, direct and control the quality of service. This includes identifying and minimising risk, ensuring that the required standards are achieved, investigating and responding to sub-standard performance, driving quality improvement and sharing best practice. Ward to Board governance arrangements are detailed in the Trust Annual Governance Statement in the Annual Report, which is published on the Trust website.

To provide a standardised approach to quality improvement, the Trust continues to use a microsystem coaching approach and the Model for Improvement. This methodology ensures high quality and efficient care is delivered by developing internal improvement capability. This systematic approach, led by the Sheffield Microsystem Coaching Academy, offers a range of courses forming a programme of building capability for quality improvement. Staff across the organisation are enabled and supported to engage in system and process redesign and take ownership for improvements. This can be on a small scale, or with pathway level teams, working across a number of microsystems across the health economy.

In addition to speciality-level redesign, the Trust has in place system-wide programmes for improvement and sustained change. Using continuous improvement alongside project and programme methodologies, the Trust supports all stakeholders across specialities and departments in meeting the quality aims. In addition, the Sheffield MCA works with all the main health agencies across Sheffield, including Primary Care, Sheffield Children's Hospital and the Sheffield Health and Social Care trust, who have all adopted the microsystem approach to improvement. This shared language and approach to improvement will be supportive to the ambitions of the ICS and continued partnership working.

The Trust's quality improvement priorities are based on the needs of the local population, the NHS Mandate, and the CQC fundamental standards. Further quality improvement priorities are aligned to the Quality Report, national audit priorities and the Trust's commitment to the Sign up to Safety initiatives, all of which will continue into 2018/19.

Following the CQC inspection in December 2015, the Trust was awarded an overall rating of 'Good'. Actions have been agreed based on the recommendations from this inspection and progress against actions is overseen by the Trust's Healthcare Governance Committee. The CQC found a well-established culture of continuous quality improvement, which was supported and assured by robust governance, risk management and quality monitoring. The Board of Directors enable the delivery of high quality, reliable care for patients. CQC rated the Trust as 'Good' in the 'Well Led' domain, with effective leadership and a strong focus on continuous learning, innovation and improvement evident throughout all levels of the organisation. The Medical Director is the named Executive Lead for Quality Improvement who, along with the Chief Nurse, has primacy over any quality matters in relation to Trust business including efficiency schemes and business cases.

The Trust is now aware of the next scheduled CQC inspection, which commences with, unannounced visits between April to June, followed by the Use of Resources assessment in June/July and the Well Led part of the inspection in July 2018.

- ***Quality Improvement Plan as defined by the Quality Strategy and Quality Report***

The Trust's Quality Strategy underpins the corporate strategic aims. During 2017, the Trust agreed a new Quality Strategy, which has the following key objectives:

- Significantly increase the involvement of patients and staff in the selection of annual quality improvement priorities to ensure that we focus on what matters most to those who use our services
- Strengthen our governance structure to ensure oversight and delivery of our quality improvement goals
- Demonstrate tangible improvements across priority areas, which improve the experience of our patients, their families and carers.

The Trust's annual Quality Report objectives align to the Quality Strategy and include a combination of strategic and operational goals

- ***Draft priorities for the 2018/19 Quality Report***

Progress has been made against the three 2017/18 Quality Report Objectives, which focused on improving end of life care, and further improving the safety and quality of care provided to our patients through initiatives such as the Patient Safety Zone and Safety Huddles. Work also continues to introduce Electronic Care Planning across the Trust to improve the quality of care planning.

To ensure the Trust is constantly moving forward to improve our patient experience and care, new improvement goals for 2018/19 have been selected. Below are the 13 improvement goals for 2018/19, which have been drawn up following discussions with a number of key individuals within the Trust. These have been aligned to the three key themes of the Trust's Quality Strategy. These proposed improvement goals cover only a small part of the improvement work in place across the organisation to drive quality enhancements:

Safety

- Reduce Acute Kidney Injury- Improve recognition and management of patients presenting with or developing Acute Kidney Injury.
- Reduce sepsis- Improve recognition and management of patients presenting with or developing sepsis.
- Improve the safety culture within the Trust- develop a Human Factors Strategy and a shift of focus from the absence of harm to the presence of safety.
- Reduce the overall harm from avoidable pressure ulcers.
- Improve the recognition and timely management of deteriorating patients leading to improved care- Implement an electronic system for tracking patients' observations.
- Reduce inpatient falls.

Patient Experience

- Further improve end of life care.
- Improve refreshment facilities in outpatient areas.
- Ensure out-patient and in-patient letters are fit for purpose, are clear and understandable, and meet the needs of both patients and national good practice guidelines.
- Significantly increase the scale of patient engagement with those who may be harder to reach or seldom heard.
- Build on the Trust's experience of co-production, working in partnership with our patients, their families and carers towards shared goals.

Effectiveness

- Ensure that the WHO Safer Surgery Checklist is embedded into practice across the Trust, aiming to decrease errors and adverse events, and increase teamwork and communication in surgery.
- Improve the process and quality of consenting within the Trust with a focus on ensuring that patients are provided with individualised information.

- ***Existing quality concerns & plans to address them***

Following the CQC inspection in December 2015, the Trust received notification against the following regulated activities. In response, the Trust has in place a programme of work to address each of the regulated action 'Must do' requirements. This also includes a number of 'Should do' requirements, which are also integrated into the Trust's monitoring and assurance process.

Urgent Care Pathways

The delivery of the 4 hour standard is a significant area of focus for the Trust and we are fully committed to the achievement of the agreed trajectory, improving all aspects of the urgent care pathway for our patients with the support of a dedicated Service Improvement team. The Trust views the challenges of delivering the standard as a wider health economy issue whilst accepting the responsibility lies with STH for the target. There is considerable work in place to optimise patient flow and the Trust has established an Improvement Plan with commissioner involvement. This is focussed on improving internal emergency department and STH processes and pathways. A range of metrics set against the developed strategy are in place. Progress is monitored via the Board of Directors and the Excellent Emergency Care Programme, which links to the Sheffield system wide Urgent and Emergency Care Transformation Delivery Board.

The Trust is also working with the CCG and Local Authority to ensure that there is sufficient social care provision to support effective discharge processes and to understand the wider plans for developing primary care resilience, which are aimed at reducing acute emergency demand. Where there is insufficient primary care or social care provision this creates significant operational pressures for the Trust and results in a poor quality service to patients

End of Life Care

The Trust's End of Life Care Strategy has been developed and communicated to all staff. Staff consultation events were held across the Trust and these were used to develop 5 key workstreams and an implementation plan for how the strategy would be operationalised in the Trust. These work streams are being addressed by the End of Life Care Project Working Group and are:

- Develop a Care Planning Toolkit
- Guidance Review
- Develop an Intranet Site
- Review of Education and Training
- Electronic systems

Since then new 'Guidance for the care of the person who may be in the last hours to days of life' has been launched to all staff and a new 'Individualised Plan of Care for the Last Days of Life' is being piloted across 3 wards ahead of its launch. The roll out of the Core Nursing Care Plan with section 12 has commenced across the Trust. A bereavement survey has been undertaken over the period of a year and this will be repeated once all improvement activity has been implemented. An End of Life Care Intranet site with tools and resources for staff will be launched in early 2018. An education and training subgroup has also been set up to review and move forward with aspects of education and training to support the implementation of the new resources.

Medicines Management

Quality improvement is firmly embedded into all the Trust's medicines management systems, supported by a multidisciplinary framework that includes oversight by the Trust Medicines Management & Therapeutics and Medicines Safety Committees, supported by the Hospital Pharmacy Transformation Plan. Amongst the many work programmes in place, the following are particularly noteworthy:

- Agreement of additional funding to further enhance environmental security to ensure the safe storage of all medicines including iv fluids
- Antimicrobial stewardship to combat the growing problems of antibiotic resistance
- The implementation of Electronic Prescribing and Medicines Administration systems (EPMA)
- Medication safety programme to further reduce errors that could potentially result in patient harm (anticipated to shortly include the adoption of the WHO Global Patient Safety Challenge)
- Improvements in the governance and management of controlled drugs
- Improvements to medical gases prescribing and administration, including cylinder management
- Continued rollout of chemotherapy dose standardisation
- Ongoing work to improve the risk management arrangements supporting the use of unlicensed medicines
- Extension of ward-based clinical pharmacy services, including non-medical prescribing, to supplement and support medical and nursing colleagues

Nurse Staffing

Continuous monitoring and improvement work is central to the Trusts approach to ensure the establishment of nursing staffing levels remains consistent and at a safe level. Led by the Chief Nurse, a programme of internal monitoring, including the use of the escalation policy and the reporting of fill rates is in place. Recruitment efforts during 2018/2019 will continue and we will be exploring options for international recruitment alongside a refresh of our offer for new starters to Sheffield Teaching Hospitals.

Foetal Heart Monitoring (CTG) Recording

A full review within Women and Children's services took place during 2016, using the CQC collected data as the baseline. The actions from the 2016 audit were put in place and a re-audit was performed at the end of December 2017 – the beginning of January 2018. Further improvements were identified; an action plan was developed including having CTG Champions on the labour ward. The CTG Champions are now in place. A programme of education, training and audit has been established. The audit report, action plan and risk assessment was presented at the February Directorate Governance meeting and the report submitted to the Clinical Effectiveness Group.

- ***Key quality risks***

The Trust's corporate risk register details a number of risks which, should they be realised, may impact on the delivery of high quality services and the objectives outlined within this plan.

The following top risks are included in the Integrated Risk and Assurance Report and are presented and discussed regularly to the Board Committees, and the Board of Directors:

- Healthcare Associated Infection
- Care of Patients in an inappropriate setting (including the 4 hour waiting target)
- Care of Patients with mental health needs in an acute setting
- Failure to maintain financial balance in present and future years
- Medicines Management
- Information Technology Stabilisation
- South Yorkshire healthcare – Gaps and duplications in service delivery
- Estate
  - Under delivery of planned preventative maintenance and refurbishment of wards
  - Asbestos Management

- Workforce
  - Recruitment Difficulties
  - Compliance with New Deal – Medical Staff
  - Nursing & Midwifery staffing

Other significant quality plans

The Report, 'Achieving World-Class Cancer Outcomes, A Strategy for England 2015-2020' includes the ambition that by 2020, patients referred for testing by a GP; "should either be definitively diagnosed with cancer or cancer excluded and the result should be communicated to the patient within four weeks. The ambition should be that CCGs achieve this target for 95% of patients by 2020, with 50% definitively diagnosed or cancer excluded within 2 weeks". The rationale is that the standard would focus more on the investigative pathway leading to patients being reviewed by a specialist quickly, promoting an earlier diagnosis or exclusion of cancer, with the overall aim of improving patient experience and outcomes. It is anticipated that this will present STH and other providers with a challenge. Models to facilitate the delivery of this standard will be explored as the standard and implementation becomes clearer through learning from pilot sites.

Ensure implementation of the nationally agreed rapid assessment and diagnostic pathways for lung, prostate and colorectal cancers, ensuring that patients get timely access to the latest diagnosis and treatment. Accelerating the adoption of these innovations, helps meet the 62 days standard ahead of the introduction of the 28 day Faster Diagnosis Standard in April 2020. The Trust will ensure that the requisite support is given for the rollout of Faecal Immunochemical Test (FIT) in the bowel cancer screening programme during 2018/19.

In alignment with the Cancer Taskforce Report, the Trust is working closely with the Living With And Beyond Cancer (LWABC) workstream of the South Yorkshire Cancer Alliance with an aim to ensuring that each patient has access to the intervention known as the Recovery Package and stratified follow-up pathways. In 2018/19 all breast, prostate and colorectal cancer patients should have access to stratified follow up pathways of care. The Trust will continue to provide access to a clinical nurse specialist or other key worker for all diagnosed cancer patients on a 62 day pathway.

- ***Quality impact assessment process***

The Trust has an effective Quality Impact Assessment process in place. The focus for the Trust's Productivity and Efficiency (P&E) Programme is on redesign and transformation and includes an established framework for the delivery of efficiencies that promotes ownership and accountability. Plans are completed by Directorates at an early stage, are challenged at an appropriate level prior to approval and throughout the year. An assessment of the impact on patient safety, patient experience, clinical outcomes and staff experience can be demonstrated by the following:

- All P&E plans outline any quality benefits and risks within the standard efficiency scheme documentation.
- All P&E plans are reviewed and signed off by the Operations Director, Clinical Director and Nurse Director within the clinical directorate.
- There are three iterations of the P&E plan, allowing for refinements and developments reflecting risks, deliverability, impact on quality, etc. Directorates are supported by a central PMO within the Service Improvement team, in terms of planning and delivery to help focus plans on redesign and transformation.
- Directorates provide a specific financial risk rating of all plans, which assesses deliverability. This risk rating adjusts the final value that feeds into the overall Trust plan.
- The Board sign off a report summarising the approach to the overall efficiency plan each year, and therefore take Board level oversight of risks to quality.
- In year P&E schemes are reported monthly by the Directorates and at senior Boards throughout the Trust. This is supplemented by fortnightly Chief Executive Officer (CEO) led Programme Management Office (PMO) meetings which helps monitor, track and challenge the delivery of efficiency, alongside key quality balance measures.
- At Directorate level, the delivery of P&E plans is overseen through a local PMO to enable senior oversight and a review of quality and efficiency metrics. All individual P&E schemes have to describe the metrics that will be used to track quality and financial impact.
- This is underpinned by an increasing focus throughout the trust on building capability around quality improvement, and therefore measuring baselines pre-change, alongside a clear and specific focus on outcome measures and balance measures (i.e. for quality and patient experience) of schemes over time.

The annual efficiency planning process is supported by the central Service Improvement team PMO. As part of their role, the team support Directorates to consider P&E schemes to deliver efficiency, alongside improved quality.

- ***Cross organisational transformation and service development work***

In 2016, the Trust set up the *Making it Better* programme, which aims to lift the profile of improvement efforts across the Trust to improve quality and maintain financial sustainability in an increasingly complex environment. It has a multi-year focus, with in year delivery coordinated by the CEO PMO as described above. The programme aims to bring together the Trust's transformation work on quality, finance and culture. As part of the overall *Making it Better* programme, the Operational Productivity PMO drives and provide oversight of the Trust's overall response to the Carter report. A particular focus of the Operational Productivity PMO is on operationalising the Carter metrics as part of performance management and the Making It Better programmes.

- ***Triangulation of quality, workforce and finance***

The Integrated Performance Report (IPR) underpins the Trust's approach to the triangulation of quality, workforce, finance and operational performance. The IPR is reported on a monthly basis at the Trust Executive Group, the Finance and Performance Committee (a Committee of the Board) and the Board of Directors. The IPR contains the requirements of the Single Oversight Framework as well as those metrics developed and agreed locally by the Board. The Board also considers what is described in the Trust's Quality Governance Framework such as the use of 'soft' performance measurement, for example, visits to services and patient feedback.

Directorate key performance indicators are aligned to those agreed by the Board and include other specific indicators, which are determined by the leadership team to reflect the nature of their business. All agreed performance indicators have a target and where performance is met then a Green rating is given for that indicator. Where it is not either Amber or Red is apportioned depending on the extent to which it is not met.

- ***How the Board uses this information to improve the quality of care and enhance productivity***

The Trust has introduced a Performance and Assurance Framework that feeds into the Board assurance process regarding performance. The Finance and Performance Committee reviews the IPR in full, which includes a deep dive section relating to a specific area of performance. The reports presented and discussed at the Healthcare Governance Committee (another Committee of the Board) predominantly focus on the performance indicators that relate to quality and safety. In addition to this regular review of performance, the Trust has a formal Chief Executive led annual review with every Clinical Directorate to ensure the proactive monitoring and management of performance. This culminates in a formal scored assessment of performance and assurance by the Executive team. Future assurance is assessed through the cohesiveness of the Directorate wider leadership team; the level of understanding of the issues facing the Directorate; the ability to respond to challenges; and whether there is a robust plan in place for the future. The Framework is designed to ensure that quality of care for patients is maintained at all times, performance challenges are identified early and that supportive action is targeted in the appropriate areas.

4. WORKFORCE PLANNING/ STAFF PRIORITIES

- ***Context***

The healthcare workforce is changing, roles and responsibilities are evolving and traditional professional demarcation lines are being eroded in the face of new ways of working. There is a reduction in the supply of some elements of the workforce and we need new roles to fill that gap. Our workforce, as well as our patients, is ageing and we need to make sure that we support and nurture our staff and find ways to enable them to continue working as they age. Our future workforce has different expectations and motivations, which we need to address and use as an opportunity. We aim to develop the talents of all our employees and we will ensure robust succession planning processes to enable a constant supply of emerging leaders.

- ***Workforce planning and people methodologies***

As part of the *Making it Better* programme we have developed a People Strategy which is the combined work of the Making it Better Organisational Development and Workforce Strategy groups. We have established 10 work streams with the ultimate aim of making STH a Brilliant and Personal Place to Work, through establishing itself as an Employer of Choice.

The principles by which the People Strategy will be delivered is in the same way in which Directorate Plans incorporate the 5 key principles of the organisation, where *'Directorates are required to develop business plans to deliver contracted activity levels, which support the achievement of the Trust's priorities as laid out in the Trust's corporate strategy. Embedded within this process is also the delivery of expected productivity and efficiency schemes and changes to their workforce profile/skill mix. Directorates develop their plans through the involvement of their senior leadership team, which is led by their Operations Director and includes their Clinical Director and Nurse Director. The HR Operations Director will work with these teams to provide insight into wider people development priorities and challenges to the workforce in terms of anticipated issues with demand and supply.*

- ***People Strategy***

The development of the people strategy was informed by horizon scanning of emergent issues and the appropriate responses to them, for example:

- The growing prevalence of dementia and mental health conditions and the extent to which the workforce will need to become more aware of these conditions
- Complex co-morbidities
- New technology and the opportunities and challenges this will present for the workforce
- The different aspirations of the different generations of workers
- Stakeholder conversations, including working in partnership with trade unions, with the ICS, universities and colleges, patient representatives and professional bodies.
- Skill shortages – difficult to recruit posts
- Financial constraints – cost effectiveness and value for money of different approaches

The STH people strategy describes our plan to attain the various goals that we have set ourselves and will be set within the context of a refreshed Trust strategy, the nursing and medical workforce gaps, and the rapidly changing regional and national educational and training landscapes.
The people strategy sets out the strategic workforce priorities and considers the organisational challenges whilst setting these in the context of the ICS and the wider NHS. It works on the principles that our approach will:

- Be co- designed with our people
- Patient centred
- Be innovative and redesigned
- Be a balance of local and central approach
- Involve partnership working
- Be about celebrating successes

It is anticipated that the people strategy will address three key themes:

- Nurturing, engaging, developing and supporting the workforce from ward to board
- Strategic planning so we have a workforce pipeline into the organisation, including careful consideration of current and future workforce opportunities and challenges, with a clear description of action or/and mitigation
- Enabling the workforce to work effectively and efficiently in the context of - and across the boundaries of where appropriate - the wider health system, where we will have a system-wide perspective on resolving gaps

- ***Governance process***

All Directorates (clinical and corporate) create annual Business Plans as part of the Trust's Business Planning process. This specifically requires workforce plans for the year ahead, which are then reviewed in the Business Planning Review process. The workforce plans are then used to schedule the Business Planning Team (BPT) agenda, which reports to the Trust Executive Group. The membership of BPT includes the Deputy Chief Executive, the Director of Strategy and Planning, the Director of Finance as well as senior colleagues from HR, Estates, Nursing and the Medical Director's Office.

- ***Workforce efficiency***

Implementation of the recommendations from Lord Carter's report have been mapped to the Trust's *Making It Better* programme and the Carter work will be driven through this programme and also through specific Directorates where appropriate. In order to provide oversight and assurance at a Trust level, a "Carter Programme Management Office" (PMO) has been established, linked to the Chief Executive's PMO and managed by the Service Improvement Team. The programme provides opportunity for developments and review against the model hospital context. Key pieces of work associated with development of the workforce are as follows:

– ***E-Rostering system***

The Trust will continue to review the data, which can be extracted from the system to highlight weakness in workforce patterns and opportunities for efficiency. A key piece of work for the next financial year will be the introduction of an interface between the e-rostering system and the nurse bank suppliers (NHSP). A new rostering system is also being developed for Anaesthetists. Collectively, these will support the drive for ensuring effective resource allocation, providing a better overview of gaps in rosters and assisting improved monitoring of the temporary/agency worker allocation.

– ***Reduction in recruitment times and sickness absence***

The Trust faces a number of challenges with a shortage of applicants for a number of posts. Such issues cannot be addressed easily but where success at recruitment is achieved the recruitment time must be managed. In order to support this, HR in partnership with operational managers will review the recruitment process through the use of a microsystem methodology to ensure effective and efficient time to fill. The Trust will continue to promote the use of bulk recruitment approaches where appropriate. We will continue to review process and work with partner organisations e.g. Job Centre Plus to support the flow of suitable candidates. The Trust is focused on reducing the level of sickness absence, which impact on agency costs and will do so through the delivery of the new policy and the development of a healthy workplace programme.

– ***Value based behavioural framework.***

We will continue to appoint people who are aligned to the Trust's values. The Trust has established strength based recruitment programmes for Clinical Support Workers and Senior Sisters / Charge Nurses. During the next financial year, we aim to roll out value based recruitment to all staff groups via an on-line tool at the application stage.

- ***Staff Engagement***

The Trust recognises the importance of good staff engagement and works to the Department of Health Star and Social Partnership Forum (SPF) models of staff engagement, which contributed to the Trust being awarded 'good' by the CQC in the well led domain, i.e. for good staff engagement there must be:

- Visible engaging leadership
- Staff must have a voice and be listened to
- Staff must have good appraisal and be performance managed
- Staff must feel valued and appreciated and work as part of an inclusive team in partnership
- There must be a healthy and safe working environment

All the above must be underpinned by strong organisational values, which in the case of STH are the PROUD values built into our recruitment and appraisal processes.

The Trust has invested considerably in staff involvement in the last year with the further extension of both the Listening into Action and Microsystems Coaching Academy. STH is also recognised as a centre of good practice for the way it uses Staff Friends and Family Testing to improve both staff and patient experience. Considerable progress has also been made on the health and wellbeing of staff with health checks for staff over 40 being introduced in 2016/17 to complement the existing fast track physiotherapy and counselling services and more initiatives planned for the next couple of years.

The Trust undertakes a full census in the annual NHS staff survey, which enables a staff engagement score for every directorate. Last year the Trust worked with Capita to develop a new reporting tool, which enables data to be analysed by occupational group within Directorates, which enabled the Trust to identify areas of good practice and areas for improvement. Thus, each Directorate has its own staff engagement action plan in addition to the Trust level action plans, which are monitored via the Staff Engagement Executive. The Staff Engagement Strategy was refreshed in 2017 in line with the new People Strategy and bringing together:

- 'Making it Better for staff' including an Organisational Development workstream, which is focusing on culture and Employer of Choice Work streams
- Annual Staff Engagement action planning process utilising the staff survey results based on all aspects of 'The STAR' monitored by the Staff Engagement Executive
- Utilising staff Friends and Family Testing (FFT) to build engagement
- Microsystems Coaching Academy
- Listening into Action schemes
- Engaging leadership development.
- Increased development for senior leaders
- Talent Management
- Inclusion and work on the WRES and WDES standards
- Introduction of a coaching network
- Health and wellbeing initiatives
- The sharing of good practice across the Trust given that the overall Trust staff engagement score masks a wide variation within STH with several Directorates having some of the best engagement scores in the NHS

It will also make more explicit the link between staff and patient experience most notably around workplace compassion. This will ensure the Trust has a staff engagement strategy fit for purpose to meet the challenges of the future.

- ***Workforce transformation***

When undertaking clinical placements, changes to funding for pre-registration students requires organisations to pay particular attention to the experience of students. This has always been the touchstone of our ability to convert students who have had a good experience in the organisation to qualified staff who want to work with us. However moving forward, placements across the Trust will be extremely challenging for the following reasons:

- The large number of additional programmes planned, all require placements, which we do not currently offer.
- The 'additional' numbers of pre-registration students will not attract placement tariff, which is how current placements are funded from Health Education England (HEE), yet still require placements and it is currently unclear how these will be negotiated.
- Some of these programmes will expect priority in placement provision because of the nature of their programme.

In response to all of these placement challenges Health Education Yorkshire and Humber (HEYH) has agreed to host a 'Placement Summit' later in the year to ensure that all of these issues have been captured and that placements are managed in their totality, not just by individual professions and individual

education providers. This will include exploring the potential for new and innovative placements across the Accountable Care System. Within STH we are also in the process of setting up a task and finish group to ensure as an organisation we are clear what our placement offer is both to students and any providers seeking placements in our organisation.

The introduction of the Apprenticeship Levy in April 2017 does not only support the apprentices we currently have but provide opportunities to develop new apprenticeship routes and levels to considerably expand this workforce. The Apprenticeship Levy appears to be a major funding mechanism available to access both pre-registration and post registration development in healthcare provider organisations.

- ***Workforce initiatives***

The Trust has been awarded Excellence Centre status by the National Skills Academy for Health in recognition of the vocational education it offers and the potential to develop this. The National Skills Academy for Health network will focus on vocational training for support staff, particularly for primary and social care. To this end the Excellence Centre has been adopted as one of the major programmes of work for the Local Workforce Action Board (LWAB) to ensure we can share resources and, where relevant, staff. The Trust has an ambition to provide a career map across the region and support staff rotating across health care settings and organisations. In the long term the centre may provide opportunities to sell programmes to other providers, particularly Small and Medium Enterprises (SMEs). The Excellence Centre is actively pursuing opportunities to work with HEYH to attract investment to support workforce development.

In response to the need to explore the use of different roles to support junior doctor capacity the Trust has participated in a pilot to source qualified Physicians Associates on a fixed term basis to test the potential of this role in local service provision. In addition the Trust has reviewed the use of Advanced Nurse Practitioner (ANP) roles across the organisation with a view to ensure consistency and support investment in training in this area. Currently the Trust is supporting around 70 ANPs in training - funded by HEYH and is supporting placements for trainee Physicians Associates. A faculty for Advanced Practice has been created to ensure consistency of quality in placements for these roles.

- ***Delivery of workforce plans***

Calderdale Framework

The Trust is continuing to train managers in the application of the Calderdale Framework, building up managerial expertise in relation to workforce planning and the associated review of skill mix and staffing numbers. This Calderdale Framework is a tool that supports the creation of new roles, which cross traditional professional boundaries. Research into the effectiveness of the Calderdale Framework as a workforce design tool has demonstrated that it brings benefits in terms of patient access, quality and safety of treatment, and in turn brings benefits in terms of employee engagement, career development and in some cases has been correlated with the reduction of sickness absence rates.

Bank and Agency

November 2015 saw the introduction of the first of a number of agency related rules, which NHSI implemented to reduce expenditure. The Trust continues to operate within this framework and has been successful in reducing agency spend throughout 2016/17. This work will continue with the following issues being developed:

- Contracts and SLAs - These are being reviewed in the context of national frameworks to improve efficiency
- IT platforms - The Trust will seek to establish IT based platforms with suppliers to improve the flow and management of data in all aspects of agency work.
- Releasing long-term agency workers - We will continue our focus on moving agency workers into employment with the Trust if appropriate.
- Developing the internal bank - The Trust will seek to promote the use of the internal bank with clear as and when status for workers.

- ***Alignment with HEE to ensure workforce supply needs are met***

The Trust works extremely closely with HEYH to ensure education commissioning is aligned with future workforce needs. The reduction in Specialist Skills and Post Registration Development funding (40%) has been challenging to manage and the introduction of the Apprenticeship Levy will change how HEE works with the organisation particularly since HEYH no longer has its own Local Education and Training Boards (LETB). However there is good representation from STH at the LWAB. The LWAB has identified as its priorities:

- Apprenticeships
- Maximising the opportunities for vocational education through the Excellence Centre
- Primary care workforce development
- Career routes across organisations, including social care

Close working links with Sheffield Hallam University and Sheffield College have been used to establish a new academic programme at undergraduate diploma level to support the introduction of the Calderdale Framework. These roles will initially be piloted in areas that need to review their skill mix. This academic programme will be accessible by other local Trusts in the region.

- ***Plans for Seven Day Hospital Services***

The long association between STH and the seven day services agenda means that significant progress has been made. Recognition that further progress is needed is reflected in the 2018/19 financial plans. The list of projects that are directly or indirectly related to the implementation of the four clinical standards is lengthy but includes the following significant elements:

- Allocation of funding to enhance consultant presence at the weekends
- Progress towards a 24/7 safety net of coordinated care across the Trust
- Establishing a 7/7 consultant directed echocardiography service
- Embedding the agenda within the Workforce Strategy
- Increased consultant presence within specific Directorates
- Increased capacity within the Assessment areas

STH is compliant with standards 5 and 6 and are making good progress with standard 8. Work on standard 2 will be needed, which also reflects the national position. The Trust is engaged with local, regional and national bodies responsible for the coordination of these. STH is also mindful of the desired implementation of the remaining six standards and has made significant progress in several areas especially in regard to implementation of standard nine (Transfer to Community, Primary and Social care).

5. FINANCIAL PLANNING

- ***Financial forecasts and modelling***

As with much of the NHS Acute Provider sector, the starting point for the 2018/19 plan is a very challenging financial environment. The original £1.8b Sustainability and Transformation Funding (STF) did not fully reflect the deteriorating underlying position and external pressures from a variety of sources, with the latter continuing to add to the challenge. The Trust has achieved its 2017/18 Control Total, although this is due to a variety of non-recurrent gains offsetting a worse than expected underlying position. Given the difficult financial environment, the 2018/19 Financial Plan reflects a number of risks and assumptions. However, the plan makes no assumption about the progression or financial arrangements relating to the proposed Integrated Care System.

- ***Financial pressures***

The key pressures for 2018/19 relate to the underlying position carried-forward from 2017/18, a further 2% national efficiency requirement, reductions in Multi Professional Education and Training (MPET) funding, contract income losses and service/cost pressures described below. The 2018/19 Contract Variations have been agreed and signed. They brought no new risks but those relating to commissioner QIPP plans, CQUIN income, winter funding, etc. remain.

- ***Activity***

The financial plan reflects the activity figures referred to earlier in this document. To the extent that margin is deliverable; this has been identified at service level and reflected in the plan. Underlying demand continues to grow but there are risks relating to commissioner QIPP aspirations and affordability issues, local hospital proposals to repatriate activity and internal delivery capacity.

- ***Other key movements***

The Trust expects to lose another £2.6m of baseline MPET funding in 2018/19 (further SIFT Transition, Dental SIFT and SSPRD) but has received limited information from HEE to-date. The Trust has also lost around £2m of baseline contract income in 2018/19 from the full year-effect of 2017/18 issues. The 2.1% Tariff Uplift is adequate to fund general inflation costs but looks potentially inadequate to cover other unavoidable cost pressures/investments. IT investments (project costs, infrastructure, equipment and system running costs) continue to be a massive issue as the demand is huge and growing in the move to effective clinical systems and an Electronic Patient Record. Other significant pressures for 2018/19 include the cost of the Junior Doctor Contract and the opening of Q Floor Theatres at RHH. However, there are also a number of other costs driven by service/workforce pressures and national, governance and quality initiatives. The Trust has constrained approvals within available resources in its Financial Plan but the potential for in year service, workforce and financial pressures is a big risk.

The Financial Plan assumes that there will be external System Resilience/Winter funding to cover the unavoidable costs of the 2018/19 winter at a similar level to previous years. This was not resolved in contract negotiation discussions. It is assumed that CQUIN income losses will be at a similar level to those planned for 2017/18. The robustness of Social and NHS Continuing Care capacity, and their impact on discharge/length of stay, will again be critical to operational effectiveness and efficiency. Other pressures may well emerge in year. The Trust revalued its Estate using the Modern Equivalent Asset Optimised Block Model basis during 2017/18, which has delivered a small overall capital charges saving but a significant saving against the impact of the increase in land and building values. The Financial Plan has no provision for any upward valuation/indexation in 2018/19.

- ***2018/19 Control Total***

  - The Trust did not accepted the proposed 2018/19 Control Total in its draft Operational Plan submission. The Trust's 2017/18 Control Total was a £4.2m deficit and the notified 2018/19 Control Total is a £5.1m surplus. The starting point for the latter, before standard national adjustments in respect of CNST premiums and additional Provider Sustainability Funding (PSF), was break-even. The Trust did not feel that the assumption of an improved starting point was fair or achievable.
  - The Trust's Financial Plan assumed that the Control Total would be reduced by £4.2m. The Plan is balanced on this basis but has many risks and no identified contingencies.
  - Despite various representations, NHSI has declined to alter the 2018/19 Control Total. Given the challenging NHS financial environment, the need to make a further £20m or so of efficiency savings and the clear risks in its Financial Plan, the Trust remains of the view that the Control Total is unlikely to be deliverable.
  - However, in assessing the consequences of accepting or rejecting the Control Total the Trust has concluded that the consequences of rejecting the Control Total are so penal that it has no alternative but to reluctantly accept.

- ***Key assumptions***

In submitting the 2018/19 Operational Plan, which shows delivery of the £5.1m surplus Control Total, the Trust has made a number of assumptions as follows:

- 2018/19 activity will be at the level assumed in the Trust's Activity Plan.
- The Trust will incur no further loss of baseline contract income other than the £2m assumed in the Financial Plan.
- There will be no contract penalties in 2018/19.
- The Trust will receive 2018/19 System Resilience funding at the same level as Tranche 1 income received in 2017/18 (£1.9m).

- CQUIN schemes are deliverable without significant additional costs such that income losses are modest.
- MPET income losses are no more than the £2.6m currently assumed.
- There are no further unfunded costs associated with national priorities and other unavoidable pressures/investments can be constrained to an affordable level.
- There are no adverse service impacts from social/continuing care or other out of hospital services.
- Funding required from the Trust for 2018/19 Pay Awards will amount to an overall 1% increase in costs with the balance funded nationally.
- Additional costs from the new Junior Doctor Contract are no more than the assumed £1.2m and there are no additional costs related to the potential new Consultant Contract.
- CNST Maternity Incentive Scheme costs of £0.4m can be recovered through delivery of scheme requirements.
- There are no changes to the method of calculation of PDC dividend payments.
- There are no other adverse financial consequences from technical policy or accounting changes mandated nationally.
- The Trust can identify in-year contingencies/one-off gains to cover the risks in its Board approved Financial Plan (estimated at £10m) plus the additional £4.2m required to achieve the Control Total.

- ***Sensitivity analysis***

In response to the national requirement, the Trust has sought to identify how it can deliver the 2018/19 Control Total. The Financial Plan has no identified contingencies which is a major concern given the inherent risks. There are no obvious upsides in the Plan. There are a number of down-side risks, largely related to the assumptions above and in particular relating to delivery of Directorate Financial/Efficiency Plans, constraining cost pressures, managing contract income/commissioner issues and the £4.2m gap to the Control Total. As always, the Trust will work hard to try to deliver its Plan and to identify any potential one-off gains/contingency actions to offset the risks but this will be extremely challenging.

- ***Efficiency savings***

The Trust has had a corporate Efficiency Programme for over 12 years and continues to drive productivity and efficiency savings on both a top-down corporate and bottom-up service basis. Its 2016/17 Reference Cost Index was 97. The Trust updated its internal arrangements for driving productivity and efficiency in 2016 through its *Making It Better* Programme. The Programme has workstreams, which include Emergency Care, Surgery, Outpatients, Workforce, Organisational Development and Commercial, Corporate and Support Services.

The recommendations of the Lord Carter Report on Operational performance and productivity in English NHS acute hospitals have all been mapped to the various workstreams and the Trust is gradually developing its systems to effectively use Model Hospital and GIRFT information. A new systematic approach to driving improvement at service/directorate level is currently being implemented and will be a key initiative for 2018/19. The Trust continues to have a very effective Service Improvement function and continues to develop its performance management arrangements.

We also continue to seek partnership opportunities via the ACS/ICS, Working Together Vanguard and Shelford Group, particularly around clinical pathways, back-office functions, estate, pathology, imaging and procurement.

The Trust has relatively low levels of agency staffing costs but continues to drive costs down. All exceptions to national caps, use of frameworks, etc. have to be authorised by an Executive Director and reflect unavoidable service requirements. Local measures include reduction targets at Directorate level; plans to reduce sickness and other absence; improved recruitment and retention; and development of alternatives to address Junior Doctor rota gaps. Medical staff shortages continue to be the biggest challenge to reducing agency costs.

The Trust has had an Estates Rationalisation Group for a number of years focussing on ceasing to use leased properties, demolition of dated and poorly utilised facilities, moving out of expensive LIFT buildings where possible, driving income streams from commercial retail developments, initiatives around how we work and detailed reviews of specific buildings. The Trust has no significant surplus land or buildings.

- ***Capital planning***

The Trust's 2018/19 Capital Programme and updated 5 Year Plan were approved by the Board in March. There will again be a range of infrastructure investments in medical equipment replacement, major medical equipment, estate infrastructure and so on. More significant developments relate to completion of: the new Cataract Unit; refurbishment of the Royal Hallamshire A Floor Theatres; the Patient Hub/Contact Centre; a new MSK Outpatient Hub; a number of developments at Weston Park Hospital (a connecting Walk-Way to the Jessop Wing/RHH, a new Pharmacy Aseptic Unit and the development of the 4th Floor); refurbishment of some of the NGH Main Theatres; refurbishment of the NGH Radiology Department; expansion of the Clinical Immunology and Allergy Department and, subject to confirmation of national funding, creation of the expanded and upgraded Regional HASU. Work will also continue on planning/feasibility of other proposed developments including the upgrade of Dermatology facilities, establishing a Major Trauma Ward and ward refurbishments. There will also be many other minor schemes.

The Trust has made significant progress on its Transformation Through Technology (T3) Programme but there is a need for on-going investment. Priorities for 2018/19 include completion of the roll-out of EPMA (E Prescribing), developing the Electronic Patient record, addressing Infrastructure weaknesses (Cyber-Security and Network) and driving further system priorities. Investment demands on capital are likely to be manageable as the nature of IT investment becomes more revenue driven.

Plans are near to finalisation for a major refurbishment, upgrade and expansion of the Weston Park Hospital. It is hoped that there will be an element of charitable funding and the balance of the funding has been identified as a potential priority for the South Yorkshire and Bassetlaw system bids for national STP capital funding.

Whilst there are many uncertainties, the Trust has made a reasonable estimate of the capital expenditure for 2018/19 which can be delivered. A sensible level of slippage has been assumed. The Trust's work on its 5 Year Capital Plan shows a manageable short-term position but with growing pressures in future years which will need funding solutions to maintain appropriate capital investment.

- ***Working capital***

The Trust should commence 2018/19 with a stable and relatively healthy working capital position but maintaining this will necessitate managing revenue pressures and securing appropriate settlement of intra-NHS debts.

6. Research and Innovation

In September 2017, an Innovation Director was appointed to lead the work within the Clinical Research Office, which will now extend its remit and be known as the Clinical Research and Innovation Office (CRIO). The Innovation Director will lead the development of the Trust's Innovation Strategy.

The Trust already has in place a portfolio of a substantial and growing industry collaboration and is currently working with over 70 different companies (this does not include all the industry collaborations with our hosted organisations). We are 1 of only 10 UK site alliances working with Paraxel and now IQVIA (both international Commercial Research Organisations) to increase commercial research activity and strengthen partnerships with international commercial companies. NIHR metrics demonstrate that we are improving both the volume and efficiency of our commercial studies. A key aim of our future strategy is to continue to expand our portfolio of commercially sponsored clinical trials.

We will also engage with the implementation of the Life Sciences Industrial Strategy and other national regional and local initiatives to ensure that the Trust and our regional partners influence its development and benefit from any opportunities that arise. We will actively seek to develop industry collaborations in research and innovation and to identify, develop, test, champion and implement the technologies and systems that will deliver affordable and sustainable future health and social care.

The Trust will conduct a review of the 3 components of our research infrastructure CRIO, Clinical Research Facility (CRF) and Cancer Clinical Trials Centre (CCTC) and work with the senior management of both the CRF and CCTC to implement an overall structure and governance framework to ensure an efficient and financially viable service, ensuring excellent support for our researchers. This will include a major review of the memoranda of understanding, which guides our financial arrangements with the University of Sheffield.
We will continue to build on previous investment and extend the Clinical Research Academy to support aspiring researchers from disciplines other than doctors to develop their academic careers.

Clinical Directorates will continue to be supported and monitored to ensure that they increase research activity. The Academic Directorates model is deemed a success and we will continue to look to these directorates to lead the Trust in:

- Meeting NIHR metrics.
- Increasing research capacity and output.
- Generating NIHR grant and other income to conduct research, which is nationally leading and internationally competitive.
- Academic Directorate status will be awarded (and maintained) by a process based on performance against agreed objectives and remains open to other Clinical Directorates.

Despite having a comprehensive infrastructure of patient panels and training packages already in place, there are additional areas where we plan to increase the involvement of patients in all parts of the research process, and to involve individuals that are harder to reach. To address this we will:

- Involve patients/public in the development of a Trust Research Patient & Public Involvement (PPI) Strategy.
- Adopt the principles of co-production in research involving patients in the development of research priorities and ideas, all the way through to study delivery and dissemination of findings.
- Continue to grow our existing patient panel base, with CRIO staff offering bespoke advice to investigators involving patients/public in their research.

7. MEMBERSHIP & ELECTIONS

- ***Governor elections in previous years and plans for the coming 12 months***

Elections to Council of Governors held in June 2017

Constituency	Vacancies	Candidates	Election Turnout
Patient	2	5	20.2%
Public: South West Sheffield	1	1	n/a
Public: West Sheffield	1	3	13.1%
Public: North Sheffield	2	3	14%
Staff: Ancillary, Works & Maintenance	1	1	n/a
Staff: AHP, Scientists & Technicians	1	1	n/a

Elections to Council of Governors to be held in June 2018

Constituency	Vacancies
Patient	2
Public: South East Sheffield	2
Public: West Sheffield	1
Public: South West Sheffield	1
Public: Outside Sheffield	1
Staff: Doctors and Dentists	1
Staff: Management Admin & Clerical	1
Staff: Nurses & Midwives	1
Staff: Primary & Community Services	1

Constituency	Seats	Vacancies
Patient	7	0
Public	13	1
Staff	6	0
Appointed	7	4

- ***Examples of governor recruitment, training and development, and activities to facilitate engagement between governors, members and the public***

The Trust continues to work with governors to design and provide an appropriate programme of training and development opportunities including a formal induction session for all new governors and bespoke training provided by the NHS Providers GovernWell training team. The Trust also encourages governors to attend relevant ad hoc presentations, seminars and learning opportunities throughout the year. The training and development programme is reviewed with governor input.

The Trust encourages governors to make connections with FT members and the public and seeks to provide a range of engagement opportunities.

- ***Membership strategy and efforts to engage a diverse range of members from across the constituency over past years, and plans for the next 12 months***

The Trust recognises the importance of a broad engagement strategy and governors are working with the Trust to refresh the overall Strategy for Membership. The Trust also continues to work with governors to promote membership as widely as possible, with an emphasis on reaching under-represented groups. Trust members and the public are encouraged to attend the Annual Members' Meeting (AMM) which provides an excellent engagement opportunity. With support from the Trust governors play an active role in planning for the AMM and are encouraged to attend the event. Governors are enthusiastic contributors to the editorial group that produces the Trust's magazine for members. When appropriate governors and members are invited to contribute to the development of the Trust's strategic plans with feedback presented by governors to the Council of Governors. On behalf of governors the Trust hosts health talks and information sessions for members; governors are actively involved in planning, promoting and running the events.