SHEFFIELD TEACHING HOSPITALS NHS FOUNDATION TRUST

EXECUTIVE SUMMARY

REPORT TO THE BOARD OF DIRECTORS

HELD ON 18 JANUARY 2017

Subject:	Final Operational Plan 2017-19
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Status[1]	A

PURPOSE OF THE REPORT:

To present the Final Operational Plan for 2017-19.

KEY POINTS:

The Final Operational Plan was submitted to NHS Improvement in December 2016.

The Trust is required to publish a summary version on our website for a wider audience. From the attached redacted version **(Appendix 1),** the Communications Team will produce a summary by the end of January 2017 and ensure it is published as required.

Confirmation will be provided to NHS Improvement once this has taken place.

IMPLICATIONS[2]**:**

AIM OF THE STHFT CORPORATE STRATEGY 2012-2017		**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	✓

RECOMMENDATION(S):

The Board is asked to:

a) Note the approach to developing a summary version of the Final Operational Plan 2017-19.

APPROVAL PROCESS:

Meeting	**Date**	**Approved Y/N**
Board of Directors	18 January 2017	

Sheffield Teaching Hospitals NHS
NHS Foundation Trust

FINAL OPERATIONAL PLAN 2017-19

V2 Redacted

PROUD TO MAKE A DIFFERENCE

1. INTRODUCTION

In preparing this Plan, Sheffield Teaching Hospitals NHS Foundation Trust (STH) has considered all of the NHS Improvement (NHSI) 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.

Our Plan reflects the strategic intent of the South Yorkshire & Bassetlaw Sustainability & Transformation Plan, which is led by our Chief Executive, and the Sheffield Place Based Plan. These capture ways of working with our partners and specific service changes, which are expected to evolve over the planning timeframe.

2. ACTIVITY PLANNING

- ***Demand and capacity approach for 2017/18 & 2018/19***

The 2017/18 activity plan for STH has been developed with the aim to clear remaining waiting list backlogs and ensure that the 18 week Referral to Treatment (RTT) standard, 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 several specialties. With this in mind, the plans for these specialties for 2017/18 have been set at realistic levels, whilst recognising the waiting list backlog clearance will need to take place over the full plan period..

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

Elective demand and capacity modelling for 2017/18 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 2017/18 is modelled on the projected out-turn with adjustments for demographic growth and any known pathway changes.

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

The 2017/18 activity plan reflects expected referral growth (due to demographics) and the need to reduce queues for planned care to deliver improved performance against 18 week RTT pathway targets. The modelling and activity levels have been agreed with Commissioners and joint work is being agreed on how to address the capacity shortfall for Gastroenterology, Dermatology and Neurology. However, Commissioners are still seeking QIPP reductions, largely around non-elective activity but also related to the CASES referral management model, which has been developed throughout 2016/17. Whilst the Trust supports these initiatives, given the delivery risk it will continue to plan for a higher level but react quickly if activity levels reduce.
The main risks to delivery of the planned activity levels are as follows:

- 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.
- Insufficient intermediate, community and social care capacity in the wider health and social care community - This has had a significant impact throughout 2016/17 and has impacted on bed occupancy, patient flow and the four hour standard. STH has significantly increased the staff capacity, in lieu of Social Service staff, to minimise the impact on discharges but this has added pressures to other parts of the STH service. Increasing bed occupancy as a result of reduced flow continues to displace elective planned care, although STH has delivered significant on the day cancellation improvements by adopting a range of process changes**.**

- ***Activity plans***

The planned growth in outpatient and elective activity compared to the 2016/17 forecast outturn includes a degree of waiting list backlog clearance required to deliver a sustainable 18 week RTT position, as well as a planned increase to reflect demographic growth. However, for some specialties, the assessment of the capacity available during 2017/18 will not be sufficient to deliver this in year one of the plan and for two specialties, the waiting time position will deteriorate, increasing the backlog that will be required in year 2. Unless referrals to the Trust are reduced, the planned activity increase against the 2016/17 forecast outturn levels is as follows:

- Outpatient attendances 2.22%
- Total elective spells 2.09%
- Non-elective spells 2.08%

Activity levels have not decreased despite the plans of commissioners to reduce overall demand through the CASES project. The Trust has continued to support the development of this service and is hopeful of an impact in 2017/18. Specialty 'deep dives' in services with problematic demand or performance are being undertaken, in collaboration with commissioners, to develop system-wide plans and assurances.

- ***Extra capacity as part of winter resilience plans***

The Trust has built on the success of previous years to develop a robust winter resilience plan for 2016/17, which will form the foundation for business continuity and resilience across elective and emergency pathways. This includes plans for a surge winter ward as well as escalation and triggers to known pressures caused by seasonal demand and capacity constraints. The plan has been discussed at the A&E Delivery Board in order to link with partner organisations, particularly around system-wide escalation. The winter Plan for 2017/18 will be further developed from this year based on the experience of the forthcoming winter.

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

Progress and impact on specialty level workloads remains limited in the early phases of the CASES referral management service across the initial seven key specialties. 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. The impact on activity levels, waiting lists and capacity plans will remain under review with commissioners.

3. QUALITY PLANNING

- ***Sustainability & Transformation Plan (STP)***

There are well developed partnerships in place across South Yorkshire and Bassetlaw. The development of the STP (and the place based plan) have identified many 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

Within the STP, there are eight priority workstreams that the Trust has been closely involved in developing and leading. These have been carefully considered when developing this plan. They are:

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

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

Since 1 April 2013, the Trust has 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 2017/18, contracts will be agreed with commissioners for a 2 year period to March 2019.

NHS England

NHS England (NHSE) has published their 2017/18 commissioning intentions for prescribed specialised services, which build on the strategic approach described in 2016/17, specifically:

- Taking forward collaborative commissioning with CCGs, and use of this processes to resolve significant local service issues. The focus of this is the STPs 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.

NHS Sheffield CCG

NHS Sheffield CCG has been working with a range of stakeholders to develop the STP and the Sheffield Place Based Plan (SPBP). The priorities outlined in the SPBP 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.

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.

- ***Approach to quality improvement***

The STH Quality Governance Framework supports the achievement of the Trust's aims and objectives in delivering quality governance. It outlines the systems and processes designed to assess, monitor and improve the quality and safety of services. Careful monitoring of the outcomes of these processes enables the Trust to take action where there is an opportunity to improve.

The STH Quality Governance Framework is made up of the following:

- The Directory – Sets out a suite of established processes designed to monitor quality;
- Quality Improvement Work streams - co-ordinated projects designed to improve quality; and
- Meeting Map – Summarises the range of meetings held within the Trust.

To provide a standardised approach to quality improvement, the Trust continues to use a microsystem approach and the *Model for Improvement*. This approach ensures high quality and efficient care delivery by developing the internal improvement capability. This systematic approach, led by the Microsystem Coaching Academy offers a range of short courses alongside a programme of building improvement capability to 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, project and programme methodologies ensures all stakeholders across specialities and departments meet the quality aims.

The Trust's quality improvement priorities connect to the needs of the local population, the NHS Mandate and the *fundamental standards* published by CQC. Following the CQC inspection in December 2015, the Trust was awarded an overall rating of 'Good'. The recommendations from this assessment have been recognised and have been translated to form part of the Trust's quality improvement priorities for 2016 /17. Further quality improvement priorities are aligned to the quality account and the Trust's commitment to the Sign up to Safety initiatives and national audit priorities, all of which will continue into 2017/18.

The Board of Directors are critical in enabling the delivery of high quality, reliable care for patients. The CQC rated the Trust 'well led' as good, with effective leadership and a strong focus on continuous learning, innovation and improvement evident throughout all levels of the organisation

- ***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 aims to refresh the Quality Strategy to ensure the core principles remain aligned to local and national strategic approaches. This timescale aligns to the review of the Trust's Corporate Strategy (due to be completed in early 2017) and includes reference to the quality priorities associated with the STP and SPBP.

For the duration of the Quality Strategy (2012-17) the following five goals remain in place:

- Maintain our top 20% position in the Patient Satisfaction National Survey.
- Achieve standardised Hospital Mortality indicators within the top 25% of the national peer group.
- Reduce emergency admissions within 28 days of discharge from hospital and ensure our performance is in the top 25% of the national peer group.
- Reduce hospital average length of stay and ensure our performance is in the upper 25% of the national peer group.
- Achieve top 20% national staff satisfaction.

The Trust's Annual Quality Report Objectives align to the overall Quality Strategy. They are developed in collaboration with our partners (Sheffield Healthwatch, Overview and Scrutiny Committee, Commissioners, Council of Governors and Staff) and therefore include a combination of strategic issues and more operational concerns.

- ***Draft priorities for the 2017/18 Quality Report***

Progress has been made against the 2016/17 Quality Report Objectives, which focused on improving end of life care, the environment at Weston Park Hospital (WPH) and the importance of staff introducing themselves and checking the patient's identity against documentation. Work is still required to demonstrate improvement and sustained change. These initiatives will continue throughout 2017/18.

To ensure the Trust is constantly moving forward to improve our patient experience and care, new objectives for 2017/18 are to be selected. Across the organisation there are multiple work streams addressing issues such as sign up to safety, CQUINs, sepsis, harm free care, pressure ulcers, in-patient falls, deteriorating patients and mortality reviews. During 2017/18 the Trust mortality review work will be further developed to address the publication of avoidable deaths per Trust.

- ***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 and improving all aspects of the urgent care pathway for our patients. 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 system wide A&E Delivery Group.

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 approach taken has been to develop the Trust's End of Life Care Strategy supported by primary care. This sets out the Trust's approach to delivering individualised, appropriate, evidence based end of life care. We are confident that this will be fully operationalised during 2017. A programme of audit will underpin the quality monitoring arrangements. The Do Not Attempt CPR policy is due for review in 2017; this will align to the regional approach and will ensure consistency and adherence to national directives.

- **Medicines Management**

Under the leadership and monitoring arrangements of the Medicines Safety Committee, improvement work has commenced. This has included securing funding to initiate environmental upgrade in 2016/17 to safely store all medicines including iv fluids, and a full review of medication prescribing and administration processes. A programme of continuous audit has been initiated.

- **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 initiatives will be consistent throughout 2017/18.

- **Foetal Heart Monitoring (CTG) Recording**

A full review within Women and Children's services has taken place during 2016, using the CQC collected data as the baseline. A programme of education, training and audit has been established.

- **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.

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. For 2017/18, this will mean that all breast cancer patients should have access to stratified follow up pathways of care and furthermore, a plan will be in place to roll this out for prostate and colorectal patients. 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 Efficiency 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 on the impact on patient safety, clinical outcomes, patient experience and staff experience can be demonstrated by the following:

- All cost improvement plans (CIPs) outline any quality benefits and risks within the standard efficiency scheme documentation.
- All cost improvement plans have to be signed off by the Operations Director, Clinical Director and Nurse Director within the Clinical Directorate.
- There are three iterations of the financial 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 CIPs are reported monthly by the Directorates and at senior Boards throughout the Trust. This is supplemented by fortnightly Chief Executive 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 CIPs is overseen through a local PMO to enable senior oversight and a review of quality and efficiency metrics. All individual CIPs 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 PMO, which forms part of the Service Improvement team. As part of their role, the team support Directorates to consider cost improvement plans 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 our ability 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 Chief Executive 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 Carter PMO drives and provide oversight of the Trust's overall response to the Carter Report and ensures this is embedded within each of the eight programmes. A particular focus of the Carter PMO will be on triangulating the Carter metrics with in house metrics to provide one, integrated set of metrics for Directorates and cross-cutting programmes to consider. This will enable a comprehensive set of benchmarking and opportunity data for Directorates.

- ***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, Performance and Workforce Committee (a Committee of the Board) and the Board of Directors. The IPR contains the new 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. The Key indicators currently used in this process are:

- **Deliver the Best Clinical Outcomes –** HSMR; SHMI; MRSA; MSSA; C Diff; Serious incidents; Incident reporting; Average length of stay; Patient Safety Alerts; Patient Falls and Never Events.

- **Provide Patient Centred Services -** A&E 4 hour; 12 hour trolley waits; Ambulance turnaround;18 weeks RTT; 52 week waits; 6 weeks diagnostic wait; Cancelled operations; Cancelled out-patient appointments; DNA rate; Cancer waits; e-Referral service; Ethnic origin data; Activity & attendances; A&E attendances; Complaints; FFT response rates & recommended; Community care information completeness; Day surgery rates; C-Section rate; Readmissions; VTE and Mixed sex breaches.

- **Employ Caring and Cared for Staff -** Sickness absence; Appraisals; Mandatory training; Safer staffing; Staff turnover; Temporary staff; Agency spend; Staff friends and family recommending as a place to work; Agency spend;

- **Spend Public Money Wisely -** I&E; Cost reduction; Contract performance; Efficiency; Cash; Liquidity; Capital and Distance from Plan.

- **Research, Innovation and Education –** Recruitment to trials.

- **Annually Reported Indicators** – Quality Recommendation; Work Recommendation; Staff engagement and CQC inpatient survey.

- ***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, Performance and Workforce 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

- ***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 methodologies***

As part of the *Making it Better* programme described above, there are Organisational Development and Workforce workstreams. Within this, and within the Trust's workforce plans, we have covered:

- The workforce challenge in 2016
- The desire to be an Employer of Choice
- The development of a workforce strategy

The principles by which the workforce strategy will be delivered have been discussed widely, both internally and externally. The position statement on this is:

'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 workforce developments and challenges to the workforce in terms of anticipated issues with demand and supply'.

The workforce workstream will include a focus on workforce transformation taking account of service change, workforce supply, process and technological changes.

- ***Workforce Strategy***

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

- The growing prevalence of dementia and the extent to which the workforce will need to become dementia aware
- Complex co-morbidities
- New technology and the opportunities and challenges this will present for the workforce
- The aspirations of the next generation of workers
- Stakeholder conversations, including working in partnership with trade unions, with the regional STP, 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 workforce strategy will describe our plan to attain the various goals that we have set ourselves and will be set within the context of a refreshed Trust overarching strategy, the nursing and medical workforce gaps, and the rapidly changing regional and national educational and training landscapes. The workforce strategy will:

- Set out the strategic workforce priorities
- Define its organisational scope (likely to be current and future staff employed by STH), setting this in the context of the regional STP, Working Together, and the wider NHS.
- Define its timeframe
- Set out a Statement of Principles e.g. STH's intent to:
  - Be Employer Of Choice
  - Recruit, develop and retain a motivated and fulfilled workforce
  - Develop workforce roles, skills, knowledge and structures to best support effective and efficient patient care, including the flexibility to deliver complex health care over 7 days, 24 hours, 365 days per year
  - Where appropriate, to develop roles that cross existing professional boundaries (e.g. between medical, nursing and therapy professions) where it is safe and in the interests of patients to do so
  - Equip our staff with the skills needed for the changing environment
  - Adapt and redesign our organisation to meet the changing needs of our workforce
- Outline the approach we will take to deliver the Workforce strategy
- Recruit and develop a workforce representative of the demographic population of Sheffield. Providing equal opportunities for career progression at all levels.

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

- Nurturing, engaging, developing and supporting the workforce from ward to Board
- The strategic planning for the workforce pipeline into the organisation, including careful consideration of current and future workforce opportunities and challenges, with a clear description of action/ mitigation
- Enabling the workforce to work effectively and efficiently in the context of - and across the boundaries of where appropriate - the wider health system. This will also include 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 is developed in conjunction with the HR Operations Director. BPT is a subgroup of the Trust Executive Group. The membership of

BPT includes the Director of Strategy and Operations, the Director of Finance as well as 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 these programmes 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 assist 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 of agency costs and will do so through the introduction of a 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 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 will be refreshed in 2017 in line with the new workforce strategy and will bring together:

- 'Making it better for staff' including an OD 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 require 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 from next year 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. This includes Nursing Associates.
- 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 STP. 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 will 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 from 2017.

- ***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 across the STP. The National Skills Academy for Health network and 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 STP 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 will be supporting placements for trainee Physicians Associates in 2016/17. 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 against the new 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 and STP 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 2016-17 and 2017/18 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 also heavily engaged with local, regional and national bodies responsible for the coordination of the four clinical standards. 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 2017-19 plan is a very challenging financial environment. The 2017/18 and 2018/19 Financial Plans, therefore, reflect a number of risks and assumptions.

Financial pressures

The key pressures for the next 2 years relate to the underlying position carried-forward from 2016/17, a further 2% national efficiency requirement each year, reductions in Multi Professional Education and Training (MPET) funding, apparent losses from the introduction of new tariffs, a reduced level of STF, potential contract income losses and service/cost pressures described below. The precise implications in some areas are still being confirmed so an estimate has been made.

- ***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, local hospital proposals to repatriate activity and internal delivery capacity.

- ***Other key movements***

It is assumed that general inflation and the Apprentice Levy will be funded from the inflation and pressures uplift within the tariff for the coming years. However, there appears to be little further flexibility. Other key service/cost pressures, which require funding in the financial plans, primarily relate to actions to address the on-going consequences of reduced junior doctor numbers and availability, IT investments (including the non-recurrent project costs charged to revenue) and improving A&E Department/Emergency Pathway resilience. Issues with regard to securing System Resilience funding and social care reductions are major concerns and will compound the latter requirement. Modest investment is also likely to be required to drive the work on Transformation Programmes, Organisational Development, Lord Carter recommendations, etc. Other pressures may emerge for 2018/19.

- ***Sustainability and Transformation Funding***

The Trust has confirmed its acceptance of the 2017/18 Control Total in the Plan submission. For the 2018/19 Control Total, the Trust has set itself the challenging target in the plan of achieving break-even, which we believe, is consistent with the latest NHSI guidance on this issue.

- ***Key assumptions***

In submitting a 2017/18 Financial Plan, which delivers the £4.2m deficit Control Total, the Trust has made a number of assumptions as follows:

- 2017/18 Tariff losses will be at the level assumed in calculating the 2017/18 Control Total.
- The Trust will incur no further loss of baseline contract income which it has relied upon in 2016/17 (i.e. reduced payment for the same activity, non-payment of previous funding, etc.).

- There will be no contract penalties in 2017/18.
- The Trust will receive 2017/18 System Resilience funding at the same level as was received in 2015/16 (around £1.9m) and is being sought in 2016/17.
- Pharmaceutical savings gain-share arrangements agreed for 2016/17 will be maintained for 2017/18.
- The national (CCG and Specialised Services) CQUIN schemes are more reasonable than for 2016/17 so that the Trust is reasonably able to secure substantially all of the 2017/18 CQUIN funding available to it (including the 0.5% held for STP engagement and the 0.5% held for "risk share") without significant additional cost and without it being conditional on delivery of commissioner QIPP savings.
- All material MPET income losses are ultimately reflected in the Control Total calculation i.e. not just the expected £2m SIFT Tariff Transition losses but also potential unfunded inflation, placement rate/tariff reductions, reductions to student numbers and other specific funding cuts which could amount to another £2m.
- There are no new unfunded costs associated with national priorities and other unavoidable pressures/investments can be constrained to an affordable level.
- There are no significant adverse service impacts from reductions to social care or other out of hospital services and the issues being faced in 2016/17 are resolved.
- 2017/18 Pay Awards will amount to an overall 1% increase in costs.
- Additional costs from the new Junior Doctor, and potentially Consultant, contracts are minimal.
- 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.

Key assumptions for the 2018/19 Financial Plan are as follows:

- The 2017/18 Financial Plan is delivered recurrently/sustainably.
- There will be no further changes to tariffs and no other losses of baseline contract income.
- CQUIN income is substantially secured with minimal cost, System Resilience funding received, no contract penalties, etc.
- Further MPET losses will be reflected in the Control Total.
- There are no new unfunded costs associated with national priorities and other unavoidable pressures/investments can be constrained to an affordable level.
- There are no significant adverse service impacts from reductions to social care or other out of hospital services.
- 2018/19 Pay Awards will amount to an overall 1% increase in costs.
- Additional costs from the new Junior Doctor, and potentially consultant, contracts are minimal.
- 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.

Delivery of the Financial Plans will also require significant improvement in the Trust's underlying financial position from a combination of improved productivity and efficiency, addressing the operational impact of the Lorenzo IT implementation and the ability to focus more managerial and clinical time on financial, operational and service improvement.

- ***Efficiency savings***

The Trust has had a corporate Efficiency Programme for over 10 years and continues to drive productivity and efficiency savings on both a top-down corporate and bottom-up service basis. 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. We also continue to seek partnership opportunities via the STP, 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 never the less 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.

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 is near to finalising its 2017/18 Capital Programme and updated 5 Year Plan. Over the next 2 years there will be a range of infrastructure investments in medical equipment replacement, major medical equipment (replacement CT Scanners, Catheter labs, Fluoroscopy and Plain Film rooms), WPH ward refurbishments, estate infrastructure investments, etc. More significant developments relate to a new Cataract Unit, refurbishment of the Dental Hospital Laboratories, a new Frailty Unit, refurbishment of the Royal Hallamshire Radiology Department and a Contact Centre. Proposed developments to expand the A&E Department, to create a RHH Minor Operations Facility, to provide a new Pharmacy Aseptic Unit at WPH, to upgrade Dermatology facilities, to refurbish the NGH Radiology Department and to establish a Major Trauma Ward will also be progressed over the next two years. However, there are three major areas, Theatres, IT and WPH Refurbishment, where planning work is particularly challenging and critical.

The Trust is near to finalising plans, which will provide 4 new theatres at the RHH and enable the full refurbishment of the A Floor Theatres. Work on the 4 new theatres will commence in 2017/18. Refurbishment of the NGH Cardiothoracic Theatres will also commence in 2017/18. The Full Business Case will be submitted to the Board in January 2017.

The first phase of the Trust's Transformation Through Technology (T3) Programme was completed in 2016/17 but there are further major investments required in respect of the roll-out of IPPMA (E Prescribing), implementation of electronic nursing care plans, developing the T3 capability, addressing Infrastructure weaknesses and driving further system priorities. Investment demands, on revenue and capital, are likely to significantly exceed resource availability over the coming years.

Plans are in development for a major refurbishment and upgrade to the WPH. It is hoped that there will be a significant element of charitable funding but the balance of the capital resources will be hard to identify. Planning work will be taken forward in 2017/18 but the likely start date is still unclear. Despite the above uncertainties, the Trust has aimed to make a reasonable estimate for each year of capital expenditure, which can be delivered. A sensible level of slippage has been assumed.

- ***Working capital***

The Trust commences the 2017-19 planning period with a stable and healthy working capital position. The position is expected to deteriorate to a degree over the next two years due to revenue pressures and capital expenditure requirements.

6. MEMBERSHIP & ELECTIONS

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

Elections to Council of Governors held in June 2016

Constituency	Vacancies	Candidates	Election Turnout
Patient	2	3	23%
Public: South West Sheffield	1	1	n/a
Public: West Sheffield	1	1	n/a
Public: South East Sheffield	1	2	17.4%

Elections to Council of Governors to be held in June 2017

Constituency	Vacancies
Patient	2
Public: North Sheffield	2
Public: West Sheffield	1
Public: South West Sheffield	1
Public: Outside Sheffield	1

Council of Governors

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

The Trust continues to work with governors to design and provide a programme of training and development including a formal induction session for all new governors and bespoke training provided by NHS Providers. The Trust also encourages governors to attend relevant adhoc presentations, seminars and learning opportunities throughout the year. The training and development programme is reviewed with governor input. Governors are invited to attend the Board of Directors and Committees of the Board.

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

The Trust recognises the importance of a broad engagement strategy and continues to work with governors to promote membership, 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 quarterly magazine for members. Governors and members contribute to the development of the Trust's strategic plans 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.