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Frimley Health NHS
NHS Foundation Trust



Draft Operational Plan for 2018/19

Frimley Health NHS Foundation Trust

Version control

Version	Changes	Author	Issue date
1.0	Draft version 08.02.18	DB/EJ	12.02.18
2.0	Draft version including updated finance section	DB/EJ (DB edit)	26.03.18
3.0	Final Draft V3. Changes to finance section	DB/EJ	21.05.18
4.0	Final draft V4. Final adjustments to finance section – updated CIPs table and ICS savings.	DB/EJ	21.05.18

Contents

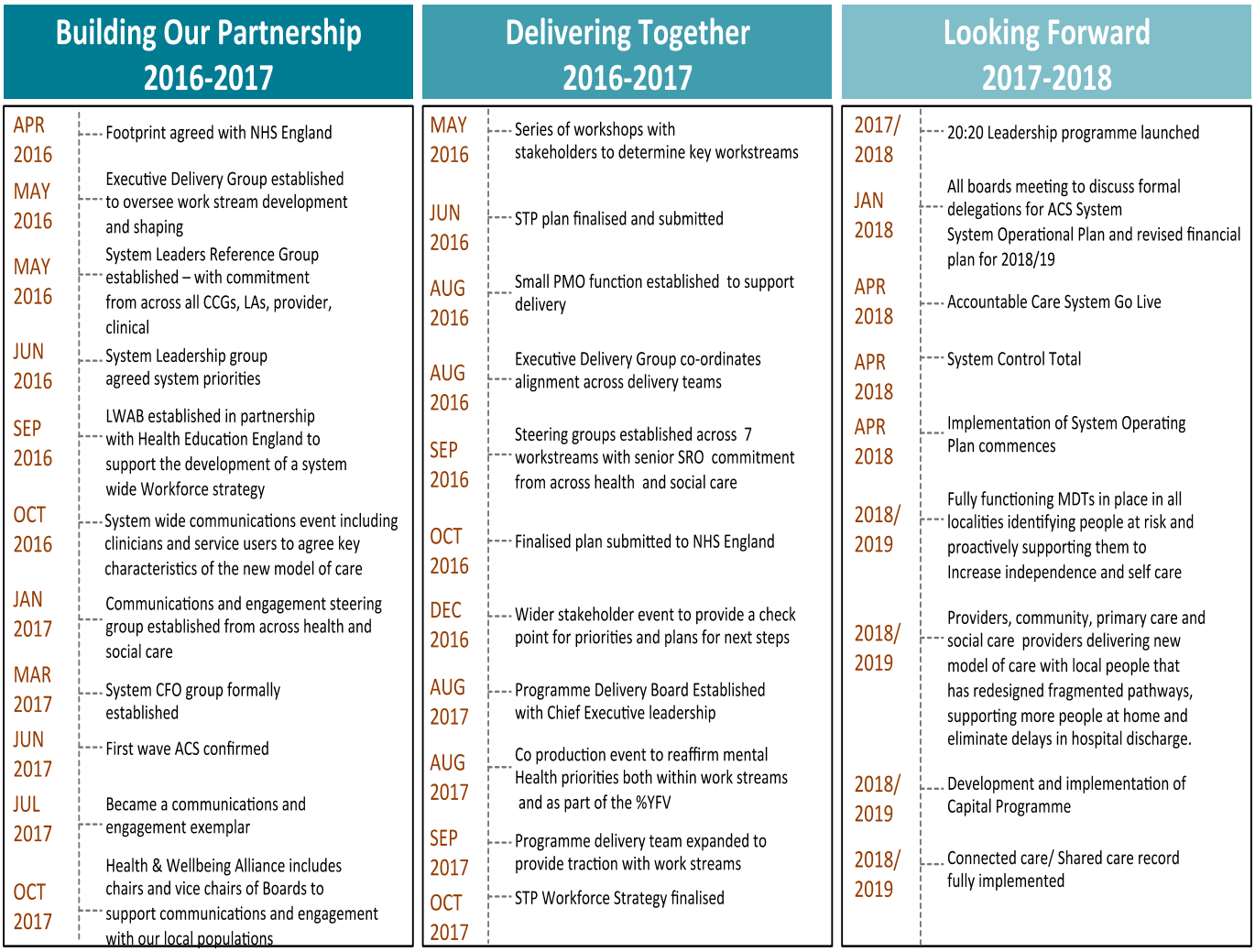
1. Introduction

1.1 Purpose of the plan

The purpose of this Operational Plan is to refresh our activity, quality, workforce and financial plans for 2018/19 help to support the achievement of the Five Year Forward View through the vehicle of our Integrated Care System (ICS). This is the second year of a two year operational plan and is primarily aimed at outlining the Trust's objectives for the coming year. As one of the 8 'shadow' ICS's the Frimley Health and Care STP has developed a system-wide operating plan as has been mandated in the national planning guidance issued by NHS England and NHS Improvement. The system operating plan looks to align key assumptions on income, expenditure, activity and workforce between commissioners and providers. This individual, organisational plan describes how Frimley Health will be working in collaboration with partners across the system in order to achieve the objectives set out in the system plan including the national 'must dos' and our own transformational programme.

1.2 The Road to Integration

Partners within the Frimley Health and Care STP have been working towards closer integration for a number of years and the confirmation of the STP footprints in April 2016 was a key marker in accelerating this development. Since the inception of the STP, considerable progress has been made through the development of structures and processes designed to support partnership working and to facilitate good governance across the system. The diagram below shows the progression over the years.



1.3 System-wide Operating Plan

The development of a system-wide operating plan, for those organisations which are part of one of the 8 'shadow ICS systems, is an illustration of the move towards greater integration. At the time of writing this plan, a system-wide plan is also being developed. There have been a number of initial drafts that have been shared and socialized with colleagues across the system. The development of a System Operating Plan for 2018-19 marks a significant point in the journey for the Frimley Health and Care STP. It builds on the progress we have made, using the strong foundation and track record our local organisations and their relative strengths, to create a place-based care system in which we collectively rise to the challenges we face to deliver a transformational change programme, focused on improving the health and care for our population.

The System Operating Plan describes the collective priorities and actions for the Providers, Commissioners and Local Authorities that make up our system. For the NHS partners, this Plan replaces the need for individual, organisational plans to be agreed with NHS England and NHS Improvement. Importantly, it includes a System Financial Control Total - which joins our financial challenges, our budgets and plans to meet them, and gives us collective responsibility to meet the system 'bottom-line'. The Frimley Health Foundation Trust (FHFT) element of the System Control Total can be seen in section 5 of this plan.

The System-Wide Operating Plan provides a unique ability to understand the pressures and assess the potential risks across the partners. We recognize that there are significant risks to delivery, including daily operational pressures and limited capacity across the system. By working together we can minimise risk by reducing duplication, consolidating and aligning effort and resource, and by looking to agree joint incentives to bring the greatest value for money for our population.

2. Activity and capacity planning

2.1 Approach to demand and capacity planning

Demand and capacity planning takes place annually in order to inform the overall activity plans for the organisation. Although the plans are generally based on historical information, data and experience, they are revised and reviewed to incorporate any known changes that will impact activity levels.

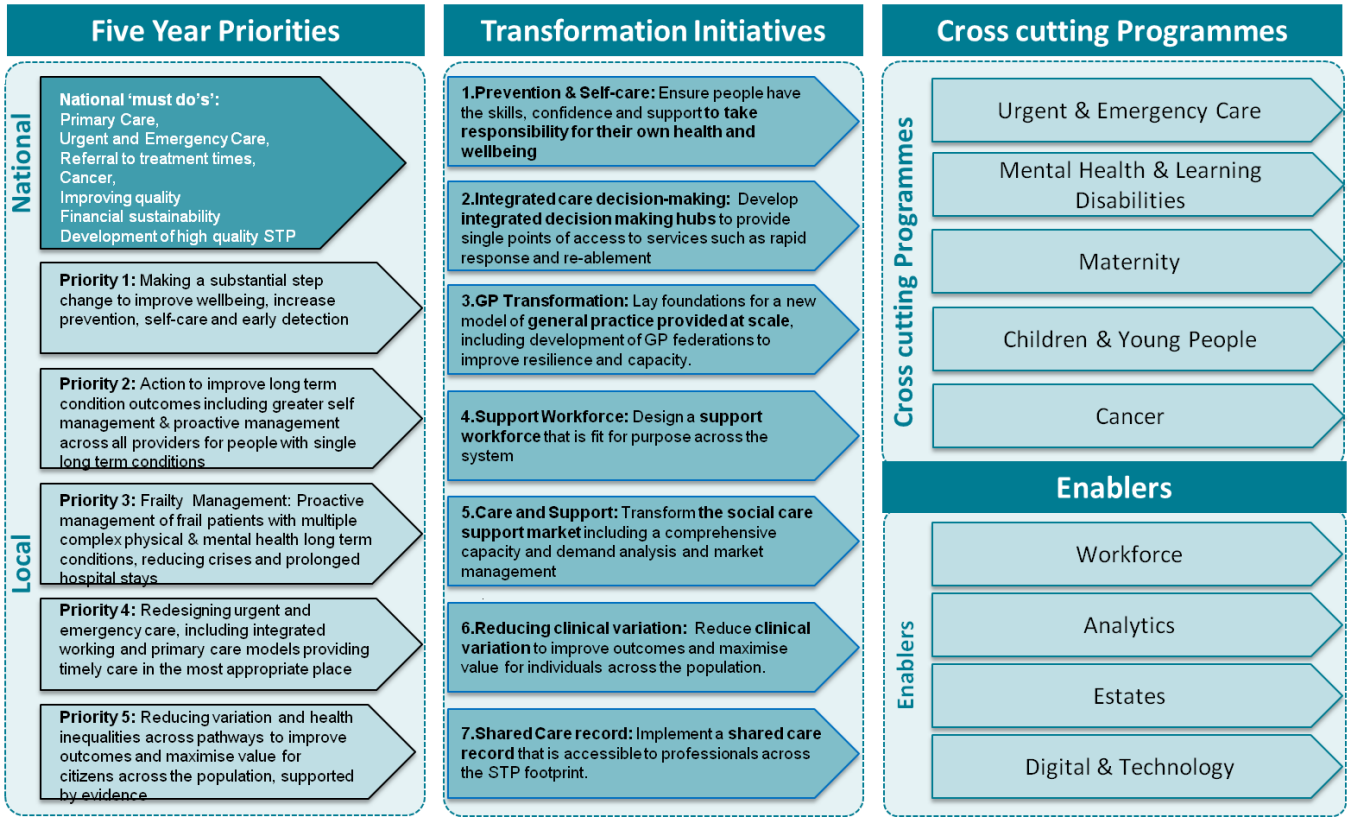
Short to medium-term demand and capacity analysis is conducted by sub-specialty across the Trust in order to support the Associate Directors and Chiefs of Staff in planning sustainable services, identifying potential efficiency measures and determining requirements for additional or reduction of resources. The demand and capacity modeling also includes an assessment of current waiting list and the excess to clear to enable sustainable delivery of 18 weeks or cancer pathways.

The methodology used includes the main elements of the national IMAS methodology with additional stages looking at, for example, clinic templates, utilisation of clinics, and utilisation of theatres to identify any areas where better use of current capacity can be made. These two areas form a significant part of the FHFT Transformation Programme and much has been done in order to understand both clinic and theatre utilization rates. Demand in terms of referrals and operating minutes added to the waiting list are analysed for trends and compared to current and efficient practice capacity to identify and quantify gaps. Alongside this, any current backlogs are assessed to determine reduction measures to allow for sustainable achievement of 18 weeks and cancer targets. The work covers the majority of specialties as well as Cancer pathways, Pre-Operative Assessment and a cross-specialty view of theatre capacity.

For Frimley Health this planning process takes place in an environment of constant change some of which is external and an effect of changes within the wider health system. Some of the changes are internally driven and based upon the initiatives that were agreed as part of the acquisition of Wexham Park. Now, as one Trust, we have a number of developments and initiatives that have impacted on our planned activity, the key initiatives are described in more detail below. More importantly, going into 2018/19, the work that we are embark-

ing upon as part of the STP, now the ICS, will impact our activity levels across a number of services and specialties and these numbers will be reflected in the activity plans where the numbers are known. Much of the STP and system work is likely to impact over a longer time horizon, such as the work being done on prevention and self-care, which will greatly impact on the demand for services over the medium to long-term. However, some of the ICS work streams are due to have a measurable impact in 2018-19. The aim of a number of the work streams is to reduce demand for acute hospital services where they are not needed. We are continuing to work on re-designing the way services are accessed and delivered in order to meet the ever increasing demands on the system. A key element of this is the development and continued roll-out of Integrated Care Decision-Making which is aimed at the improved management of those living with frailty or multiple complex physical and mental health long-term conditions. This integrated approach will support and empower people to maintain independence and control, to manage their multiple health and care conditions locally and to provide wrap around care for people in the right environment for them. Such developments mean that the growing demand for acute hospital services will be better managed requiring the approach to demand and capacity planning has to be flexible and account for these changes.

Much of the work of the ICS is aimed at managing demand and providing alternative services for patients that better suit their needs and avoid the necessity for treatment in an acute setting. Two areas that are aimed at doing just that have specifically been mentioned above but there are other work streams within the ICS Transformation Programme that will have an impact on demand and therefore, capacity; these are described in much greater detail within the System-Wide Operating Plan. A summary of the System Transformation Initiatives can be seen in the diagram below alongside the local and national priorities and the enabling programmes that will support these initiatives.



2.2 Demand: planning assumptions and alignment with commissioners

Levels of demand have not been calculated in isolation. The Trust maintains a constant dialogue with ICS and commissioning colleagues and information from a variety of joint forums help to inform the planning process. As previously mentioned in this document there is a significant focus on reducing demand through the System

Transformation Initiatives, by growing the presence and effectiveness of primary care services and through the management of clinical variation by way of engagement in the national Rightcare program. Ultimately, these system-wide initiatives will help to reduce the growth and demand for services in the longer-term. There is evidence that the introduction of these initiatives are having an impact on referrals in some CCGs as growth rates have reduced and, in some areas, have reversed and referrals rates are actually regressing. This evidence is encouraging and testament to the approach the system partners are taking in order to ensure that demand is sustainable and that capacity is provided in the most appropriate setting for the needs of our patient population.

Recalibration of emergency services is also a factor in terms of matching capacity and demand. Our Urgent and Emergency Care work stream is a key work stream ensuring that services are designed in a way to best service the demand. The programme of work once again focuses heavily on integration across the ICS partners. The programme is aimed towards supporting patients who access emergency care through improved integration and a more streamlined method of access. From a public perspective, there will only be four points of access to Urgent and Emergency care services; via NHS 111, the GP, 999 or A&E. Regardless of the point of access, there will be a consistent approach for the patient dependent on the level of need.

2.3 Delivery of key operational standards

The demand for A&E services has been unprecedented and we have performed well relative to other Trusts across the country. The intention of the demand management and system-wide initiatives is to help us to control the numbers of patients presenting at A&E in the coming years as a key focus is delivery of the 4 hour target. Given the unprecedented demands on emergency services and the impact this has had on the ability of system partners to achieve the 4 hour target for 95% of patients, the Trust has realigned its plan to meet the national requirements, that is for 2018-19 we will achieve the better of 90% or the level achieved in the equivalent quarter of 2017-18. By September 2018 we will be achieving 90% within 4 hours and 95% by March 2019.

Alongside the ICS work streams that are looking to manage demand for emergency services there are a number of initiatives that impact directly on patients at A&E. The implementation of front-door streaming and the provision of specialist mental health care within the department will ensure that patients receive the right care for their level of need. The provision of enhanced health in care homes will also help to ensure that patients are managed in the correct setting.

2019 will see the completion of the new Emergency Department (ED) at Wexham Park Hospital. This building will provide state of the art facilities which will serve the 115,000 patients who present at the department every year. The building itself is a significant change but the patient pathway through the front door will also be redesigned offering the best possible patient experience whilst improving efficiency and flow into and through the hospital.

With regards to the achievement of RTT, again, the Trust's plan is to achieve the target set nationally. The aim is to achieve 92% and also to reduce the number of waiters whose pathway is incomplete when compared to the level of the previous year.

As in previous years, there are a number of risks around the delivery of these standards and the Trust's primary capacity concerns which may impact upon our achievement of key operational standards in 2018-19. These risks will be mitigated through a combination of our own internal Transformation Programme and the work streams being delivered by the ICS.

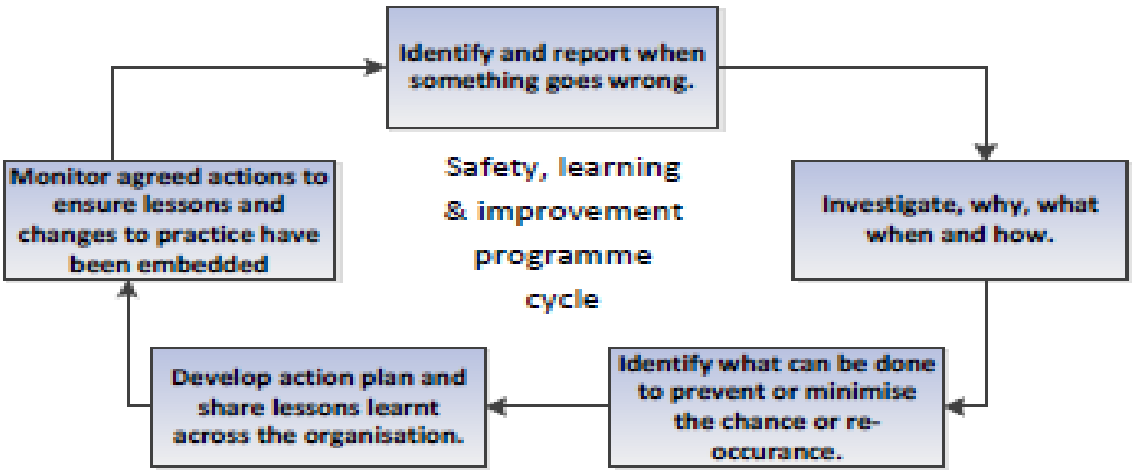
Our internal Transformation Programme consists of four main areas; theatres utlisation, outpatient utilisation, a cross-Trust specialty review and an admin work stream. The work streams looking at utlisation will clearly help support the achievement of RTT and deliver internal efficiencies contributing to our CIP programme. Both work streams are aimed at maximizing resources and current capacity to deliver an efficient service for patients. Both have adopted the use of robust data analysis tools to identify pressure points and to target resource in the right areas to help improve flow and efficiency. The application and adoption of new

technologies across all our work streams has also been a key feature and has allowed our teams to identify and achieve a variety of efficiencies for 2018-19 and plans are being developed for the longer term. Implementation of our records management system EDMS has allowed us to restructure the way the medical records team work within our hospitals, making their input more efficient and productive. The project is still in the early stages but will yield more in 2018-19 as the system and new processes designed to support it, become more established.

3. Quality Planning

3.1 Current position

Patient safety has been the highest priority for the Trust over many years. We believe that our safety culture, and continuous learning and improvement programme, (see below), has enabled us to reduce to a minimum, the chances of causing our patients harm.



We are delighted the Trust has successfully reduced the instances of avoidable patient harm by an average of 53% across seven key indicators over the life of the previous Quality Strategy. In fact, since 2013, the Trust has achieved an average harm reduction of 80%.

FRIMLEY HEALTH FOUNDATION TRUST						
PATIENT SAFETY INDICATORS	Baseline Data 2012-13	2013-14	2014-15	2015-16	2016-17 YTD	% reduction in harm to patients over 4 years
Methicillin-Resistant Staphylococcus Aureus (MRSA)	1	5	2	2	2	0%
Clostridium difficile (C.diff)	44	46	33	41	33	25%
Pressure ulcers: Grade 2	307	181	240	143	148	52%
Pressure ulcers: Grade 3	32	21	18	6	4	88%
Pressure ulcers: Grade 4	4	1	2	0	0	100%
Falls resulting in significant injury: occurrences per 1000 bed days	40	29	41	28	20	50%
Medication errors with harm (low/mod/severe)	*	*	*	60	28	53%
REDUCTION IN AVOIDABLE HARM TO PATIENTS			Average reduction			53%

Source: Trust data

**Post- acquisition, reporting processes have been aligned and a significant amount of work undertaken to reduce medication errors with harm.*

The Trust is proud of our long standing reputation as a safe organisation and we were delighted to have been recognised nationally as the Best Organisation for Patient Safety in the 2016 Health Service Journal awards.

The national healthcare landscape continues to change and has created exciting opportunities as well as challenges. Working within the ICS, the Trust has the opportunity to collaborate with stakeholder partners to identify and manage key issues that impact on quality, safety and patient experience. The Trust is striving to be at the forefront of healthcare leadership, developing services that meet the changing needs of the population we serve. Our Quality Strategy enables us to build upon the success of our existing patient safety programme to meet those challenges and create the environment that enables our staff to deliver 'outstanding' services.

We are focusing our improvement programme on nine key aims across the three areas that patients and staff tell us are most important to them; safety, outcomes (effectiveness), and experience (see below). These areas have been selected in conjunction with our staff, patients and healthcare partners, based on learning from incidents and emerging local and national risks and concerns.

Achieving our aims and objectives will require a multi-faceted, multi-disciplinary team approach. This plan and our Quality Strategy also supports three of the priority areas for the Frimley Health and Care Sustainability and Transformation Partnership (STP):

- Provide proactive care for people with multiple, complex and long term conditions, reducing crises and prolonged hospital admissions.
- Integrating hospital and community working to provide support for patients outside of the hospital setting.
- Reduce variation and health inequalities and improve patient outcomes.

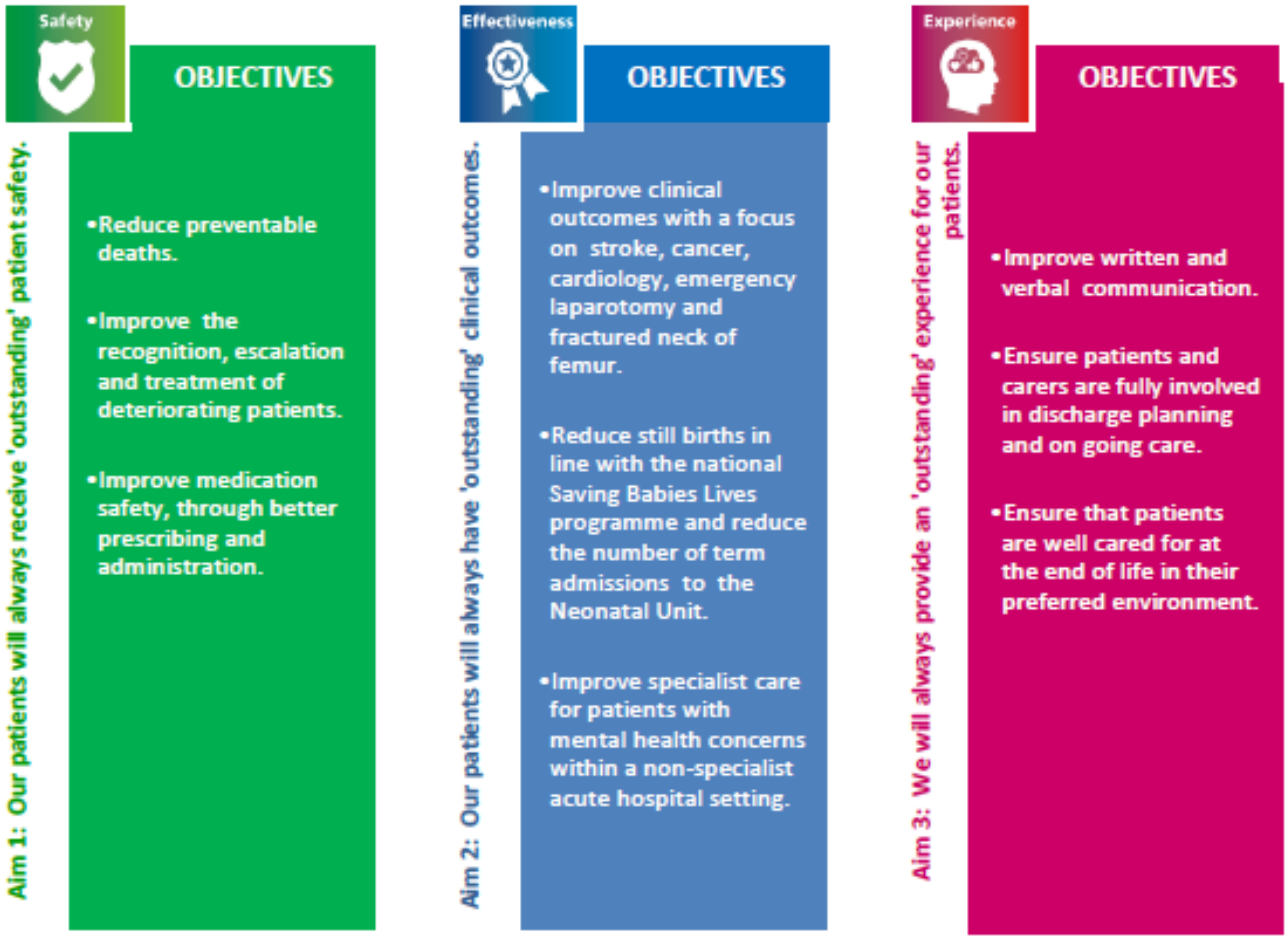
3.2 Quality Aims and Objectives

As a Trust we have specific aims and objectives that will help us to achieve our overall ambition these have been articulated in the diagrams below.

Aims:

For each of our aims we have set a number of objectives. These are the key focus areas of our improvement programme.

Objectives



In order to achieve our overarching ambition, we will:

- build on the success of our previous quality and safety improvement programmes,
- embed our culture of continual learning and improvement,
- ensure our patients and staff feel safe and listened to, and,
- ensure that our Trust values underpin everything we do.

Once again, the Trust will not be working in isolation to achieve our quality ambition. We are working closely with our system partners to ensure we have a consistent, effective approach to improving quality. We will develop an integrated and collaborative approach to quality governance and assurance across the Frimley Health and Care STP that minimises duplication, reduces variation and delivers tangible improvements for local people.

Our strategic approach to assurance and improvement includes the following:

- We will establish a Frimley system Quality Steering Group to provide strategic leadership and oversight for quality across the ACS
- We will develop a shared definition, vision and understanding of quality to establish a single view of quality across health and social care, including the voluntary and 3rd sector

- We will redesign the quality governance and assurance mechanisms across the system that reduces duplication and focuses on improvement
- We will review quality resource and information flows across the system to reduce duplication and release capacity
- We will test new system approaches to quality through developing a single Frimley system quality account and agreed system priorities, developing an system-wide serious incident review and learning process where incidents cross organisations
- We will champion and integrate the concept of the 'citizens time' as the most important currency in health and social care

3.3 2018/19 Quality Priorities

Frimley Health has a number of key priorities which focus on improving the quality, safety and patient experience of the service that is provided throughout the Trust. The Quality Committee has developed a Quality Improvement Plan as a way of identifying and managing key quality risks. The Quality Improvement Plan focuses on a number of key issues which are also highlighted as part of the system plan as some of the key issues are common to both the Trust and the ICS as a whole. The first of these is the recruitment and retention of the right individuals to become part of the workforce that will deliver our services to our population. This objective extends across a range of health and care professionals which have been specifically highlighted in our recruitment and retention plan which is monitored regularly by our Board through a monthly reporting process.

In tandem with the recruitment and retention of key staff groups the Trust has a focus on the early identification of potential gaps in the out of hours medical staffing cover to ensure that we have the right people in the right place at the right time to deliver the right level of care. Early identification of these gaps will also help to reduce the use of agency staff to a minimum.

In tandem with recruiting the right individuals the Trust has a clear focus on providing the right training to ensure that the highest possible standard of care is delivered consistently at all times. An example of this is the work and resource that has gone into supporting the deteriorating patient and the implementation of the NICE guidelines related to sepsis. With regards to the deteriorating patient the Trust is providing training and support to ensure that all clinical staff members have the right skills and tools to recognise and deliver timely treatment to the deteriorating patient. Through the appointment of a Deteriorating Nurse specialist on each of our acute sites we will be working to deliver a quality service against this standard. With regards to the delivery of the sepsis screening tool, the Trust will carry out quarterly audits to monitor delivery. This is a key quality initiative which also features prominently in the system wide operating plan.

There are a number of key issues included within the programme of work that the Trust Quality Committee is focusing on for the coming year; this can be seen in full in the table below.

Recommendation & Current Risk Rating	Actions
Recruitment & Retention Continue to improve staffing recruitment and retention	The Trust has put in place a robust recruitment plan and this is monitored regularly by Directors and reported monthly to the Board. National undersupply of qualified clinical staff is resulting in high vacancy rates and over reliance on agency staff. Specific risks in the following occupations: *Band 5 Staff Nurses (General) *Theatre nurses & ODP's *Paediatric Nurses *Sonographers *Radiographers Medical Roles: 1. Paediatrics – middle grade 2. Anaesthetics – middle grade 3. Trauma and orthopaedics – junior and middle grade 4. Acute medicine – junior, middle grade and consultant 5. Care of the Elderly – junior, middle grade and consultant 6. Respiratory Consultant 7. Urology Consultant 8. Dermatology Consultant 8. ED - junior and middle grade
E D M S Consider the size and organisation of paper health records This will remain an ongoing piece of work until such time as all of the records become electronic as part of the EDMS project. Until that time we are continuing to split records each month to meet the size requirement.	EDMS programme over the next 2 years within pilot specialities due to go live in June 2016
Medical Staffing Out of Hours / Use of Agency To ensure early identification of potential gaps in medical staffing cover out of hours and minimise the use of agency staff	Each speciality to review medical staffing model and make recommendations to mitigate forthcoming expected gaps in junior doctor rota
Deteriorating Patient: To ensure all clinical staff have the right skills & tools to recognise & deliver timely treatment to the deteriorating patient	Learning from SIs and M&M Reviews to be incoporated into training programmes
	Observational review of compliance with Hospital at Night arrangements to be undertaken regarding implementation and effectiveness of night-time handover
Sepsis To implement the new NICE guidelines for recognition and Management of Sepsis (NG51)	Monitor compliance of the Sepsis Screening Tool through quarterly audits
Do Not Attempt Resuscitation To ensure there is evidence that DNAR decisions have been appropriately discussed & and are displayed in the medical records (at the front)	To review new national guidance (ReSPECT)
Emergency Pressure To ensure quality of patient care through patient flow **Emergency Pressure** To ensure quality of patient care through patient flow	To reduce avoidable admissions through Ambulatory Care pathways and review the threshold for admission by implementing a dynamic response from primary care, social care and community services to support pts at home.
Discharge Planning To ensure there is a robust discharge planning process in place to reduce patients' length of stay, pressure on hospital beds and patient readmission	Discharge planning is a Transformation Workstream supported by the Project Management Office (PMO), currently developing prioritised action plan with 'quick' wins and long term actions to be taken
	To review the management of private funding for nursing home care and support families who are privately funded
Clinical Handover To ensure consistency in both medical and nursing handover arrangements & ownership	Observational review of compliance with Hospital at Night arrangements to be undertaken regarding implementation and effectiveness of night-time handover
	Review weekend handover plans/documents to identify consistent approach
Consent / Local Safety Standards for Interventional Procedures To ensure appropriate checking processes are in place for patients undergoing invasive procedures undertaken outside of Theatres	Recommendations to be considered from national guidance NHS England Patient Safety Alert re: Supporting the introduction of the National Safety Standards for Invasive Procedures published, actions to be taken by September 2016 (progress with implementation)
	Review consent documentation and procedures & implement new process
	Review current patient information with particular focus on risks and benefits to support the consent process for high priority
Cancer Pathways To improve the number of patients treated within the 62 day cancer target and to reduce the number of patients whose diagnosis and treatment takes longer than 104 days To improve cancer patient experience and rationalise referral pathways	Ensure appropriate videoconferencing facilities are in place.
Management of Patients with Mental Health Issues & Learning Disabilities To review with mental health colleagues the increase in number and complexity of patients with with mental health needs	The Trust should ensure that staff have clarity around accountability and Duty of Care when managing patients sectioned under the MHA including the use of restraint
	The Trust should ensure that any patient detained under section 2 of the MHA with a high risk of absconding, self-harm and previous suicidal attempts must be escalated and addressed by the senior nursing staff if a RMN or a 1:1 specialist cannot be provided. All patients requiring 1:1 supervision should receive a daily assessment of their requirement and priority for 1:1care
Seven Day Services **To ensure that all specialities meet the 4 key clinical standards required as being 'must do' by 2020 in terms of providing a 7-day service**	From last national audit of 7-day services the Trust benchamarked well against peers & nationally but below target, actions to be taken include: *Audit findings to be analyzed by site to see where key issues lie *To review and improve access to diagnostics at WPH, i.e echocardiography and MRI out of hours *To reinforce the requirement to Document name & seniority of clinician to provide around who is reviewing patient and when
Maternity CNST Standards To ensure the Trust meets the 10 new Maternity CNST criteria, ensuring safe management of obstetric patients and potentially delivering a reduction in annual premium in excess of £1m	To evidence the Trust's progress against 10 safety actions: * the trust is using the National Perinatal Mortality Review Tool * the Trust is submitting data to the Maternity Services Data Set (MSDS) *that the Trust has transitional care facilities in place

Although Frimley Health has a very clear ambition supported by key aims and objectives, this is part of the System's drive towards improving quality in 2018-19. There are eight key areas where there needs to be a system wide approach to make a difference in patient safety, effectiveness and experience. These areas (listed below) will be monitored through the agreed system quality approach and process.

- Reducing Gram-Negative Blood stream Infections
- Sepsis
- Citizens' Time
- Sign up to safety
- Mortality Review
- Learning Disabilities Mortality Review Programme (LeDeR)
- People being cared for in the right place at the right time
- Safeguarding

4 Workforce Planning

4.1 Workforce Planning Strategy, Process and Governance

The Trust's clinical strategy and operational plans link to the Trust's vision of providing the best healthcare services for our communities and delivering safe, clinically effective services focussed on the needs of patients. The Trust's 2018-21 People Strategy, is designed to support all that we do to attract, recruit, develop, support, retain and reward our staff and teams to meet future goals and aspirations. Supported by strong, caring and capable leaders and underpinned by the Trust's values, we will deliver a sustainable and transformed workforce though planning and recruitment and will focus relentlessly on retention through staff engagement and motivation, managing performance, valuing talent and diversity and supporting the health and well-being of our staff. Our delivery model is shown below.

Frimley Health People Strategy 2018-21

Organisational design in terms of systems, structures, role clarity, accountability, performance measures and culture is geared around facilitating sustainability, transformation and productivity of the workforce in a changing environment. Critical systems will be integrated and aligned to the business and service needs of staff and the Trust with every opportunity sought to improve and streamline systems, deploying latest technology where needed.

Our workforce ambitions

We will ensure the organisation is fit for purpose and in line with the Trust's strategic priorities, delivering an affordable workforce in which the right people are in the right jobs with the right skill mix at the right time. We will have comprehensive workforce plans, continue to develop creative solutions to recruitment and be the employer of choice for high calibre candidates for the Trust, offering attractive and flexible employment and genuine career development opportunities. We will continue to increase numbers of staff recruited, balanced with renewed and unrelenting efforts to retain the staff we spend so much time and effort recruiting. There will be an appropriate balance between our substantive and flexible workforce, maximising the use of the Trust's internal bank resource whilst minimising the need for, and cost of, agency/locum staff. HR and OD systems and processes will be integrated and every opportunity taken to improve and streamline them, deploying latest technology where needed. As part of the system, we will take opportunities to review and share systems, functions and contracts where financially beneficial. We will need to secure our supply of staff, reducing our reliance on an overseas workforce by growing our own UK workforce, but balancing this with the benefits of enabling qualified overseas staff to train in the UK. Our workforce will also need to change. We will need new and extended roles and new ways of working and delivering services across the ICS in line with emerging system priorities. To ensure sustainability, we will also need to put an even greater emphasis on workforce productivity and efficiency, streamlining where we can and ensuring we reap the benefits of technological change.

The main aims are:

- To achieve the priorities set out in the Trust's Recruitment and Retention Strategy which are: to increase recruitment activity; to decrease reliance on agency/locum staff; to reduce staff turnover;
- effective and efficient HR systems and processes; supportive, encouraging and caring line managers and increasing staff health and well-being;
- To contribute to the implementation of the ICS's workforce development strategy and, in collaboration with HR and Workforce colleagues across the system, to provide underpinning HR support to achieve the ICS's vision and STP workstream objectives;
- To develop a Trust-wide workforce plan which is aligned to Trust and ICS service and financial priorities;
- To implement the Trust's Apprenticeship Strategy and maximise use of the apprenticeship levy to grow our own workforce, reflecting our commitment to developing career pathways to improve retention;
- To maximise efficiency by streamlining HR processes and systems and work in partnership with leaders to create an integrated, sustainable and affordable workforce;
- To put in place formal talent review/succession planning processes for key leadership roles in tiers 1 to 3 to ensure business continuity and retain talented leaders;
- To ensure consultant job plans match service demand and support 24/7 service delivery and consider whether job planning processes need to be extended to other staff who manage caseloads;
- To have appropriate and well-communicated policies and benefits in place to meet the needs of the organisation and different segments of the staff population;
- To widen participation in Trust jobs so that people from all backgrounds have the opportunity to contribute to the organisation and to reflect the diversity of the population we serve.

Frimley Health Workforce Ambitions

Our workforce planning and organisational design processes are led by the Human Resources Team. The HR team engages with the Chiefs of Service, Clinical Associate Directors and Department Heads.

Depending on scale, steering groups may be set up to support management of service changes. These will consist of stakeholders including service, workforce and finance leads and front-line clinical staff where applicable. These groups will consider the vision, principles, clinical and operational aspects of the change including workforce plans and financial implications. The Trust has a Workforce Committee, chaired by the Director of HR and Corporate Services and with membership including the Directors of Operations and Deputy Medical and Nursing Directors. This ensures that our workforce planning process benefits from senior clinical and operational leadership. In 2017, medical and nursing workforce operational groups have been established to focus on workforce needs and issues relating to these staff groups. An ICS HR Group has been established in February 2017 consisting of senior HR representatives from ICS partner organisations. This will help facilitate workforce changes linked to ICS service developments.

Consultation about service change takes place with staff or other stakeholders before or during the design of the business case to ensure they are engaged with the rationale for the change and can contribute to its design. The Trust's Staff Council and Local Negotiating Committee are informed of, and involved in, consultations about service changes that have an impact on the workforce.

4.2 Sustainability, Transformation and Productivity of Workforce

Trust representatives are collaborating with commissioners and other system leaders in the Frimley ICS to achieve better patient outcomes. The Trust is actively involved in the ICS's Local Workforce Advisory Board and is engaged with workstreams to help align the workforce to meet patient needs. For the Frimley ICS, as noted in the earlier section on activity, much of the focus is to ensure that activity that does not need to come to the acute hospital has a viable and appropriate alternative available out in the community. As a result, Trust workforce growth is deliberately kept to a minimum in recognition of the strategic direction for the STP as well as the tight financial envelope.

Workforce plans for the Trust for the coming years incorporate the following:

- To secure the Trust's workforce supply through effective recruitment, using new roles where appropriate, widening participation in and growing our own UK workforce and continuing to benefit from the experience of qualified overseas staff;
- In support of cost improvement programmes, to drive down workforce costs linked to agency and bank, sickness absence and through streamlining of employment processes;
- To retain our staff by ensuring we are an inclusive and modern employer of choice, enabling flexible working and broad career pathways and addressing changing expectations of all generations who work in the NHS;
- Following acquisition in 2014, to continue to transform, align and integrate functions, systems and processes across Frimley Health sites so that there is one efficient way of doing things for patients and for staff, making best use of technology and in line with Lord Carter and Model Hospital benchmarking;
- To support new service developments in line with the Trust's vision and clinical strategy;
- To collaborate with our ICS partners on workforce issues in line with the ICS's vision and its Workforce Development Strategy 2017.

Some examples of the transformation and sustainability work that is planned or in progress are shown below in the diagram below.

Collaboration with ICS partners on new ways of working	• Extension of pilot of transfer of Adult Community Services for NE Hants into Frimley Health to provide integrated health services that delivers appropriate care for people in their own homes wherever possible and enable rapid access to specialist advice and support when needed • Emphasis on intermediate care activity in line with Discharge to Assess Model and assisted by expansion of joint acute/community Enhanced Recovery at Home Team • Pilot with Hampshire Social Services to provide 20 nursing home beds in locality • General practitioner in-reach to expedite discharge from hospital • Further extension of ambulatory care processes • Shift of activity from acute to community (for example, respiratory and diabetic clinics taking place in the community)
Transformation, alignment and integration	• Implementation of EDMS and other systems such as ERS, hybrid mail and Dictate IT across Frimley Health requiring a rationalisation of the administrative workforce • Electronic HR systems such as e-Rostering, e-Expenses and TRAC • Centralisation of some corporate functions such as IT, Finance , Switchboard and HR and reviewing options for some clinical services • Further development of common clinical pathways across all sites such as Neurology, Respiratory, Haematoma one stop clinic, prostate cancer and Lithotripsy
Productivity and Sustainability	• Re-design of ED at Wexham Park to incorporate Radiology and CT to enable speedier access to diagnostics and treatment • Increasing theatre and outpatient capacity by extending the working day • Comprehensive plans to reduce agency utilisation including recruitment and retention planning, in-house bank scrutiny and cost control measures associated with temporary staffing • Proactivity around sickness, probation and capability management • Workforce productivity targets for sickness, recruitment, turnover, agency use scrutinised by Board • New role development where affordable and sustainable

Workforce Productivity and Sustainability

4.2.1 7 day services

As highlighted in the Trust's quality improvement plan, the Trust is participating in the bi-annual audit of the four clinical priority standards for 7 day services. These relate to being assessed by a consultant within 14 hours, 7 day access to diagnostics, 24/7 access to consultant directed interventions and twice daily assessment by a consultant in AMU, SAU, ICU and HDU. There is an agreed improvement plan in place with the one of the key aims being to provide a Consultant review within 14 hours for 90% of our patients. Workforce plans include additional consultant posts for acute medicine, SAU and radiology and these will contribute towards achievement of 7 day service plans.

4.2.2 Improved use of technology/systems to manage agency reduction

During 2016/17 a single cloud based version of the E-rostering system has been put in place. This interfaces with the payroll system, with plans to extend it across all clinical groups. As part of this project all rosters have been re-validated. The single E-rostering system links to the Frimley Health in-house Bank Office with all requests for temporary staff now sent directly to the Bank. The business case for the e-rostering project demonstrates that the use of bank staff instead of agency staff at Heatherwood and Wexham Park Hospitals is

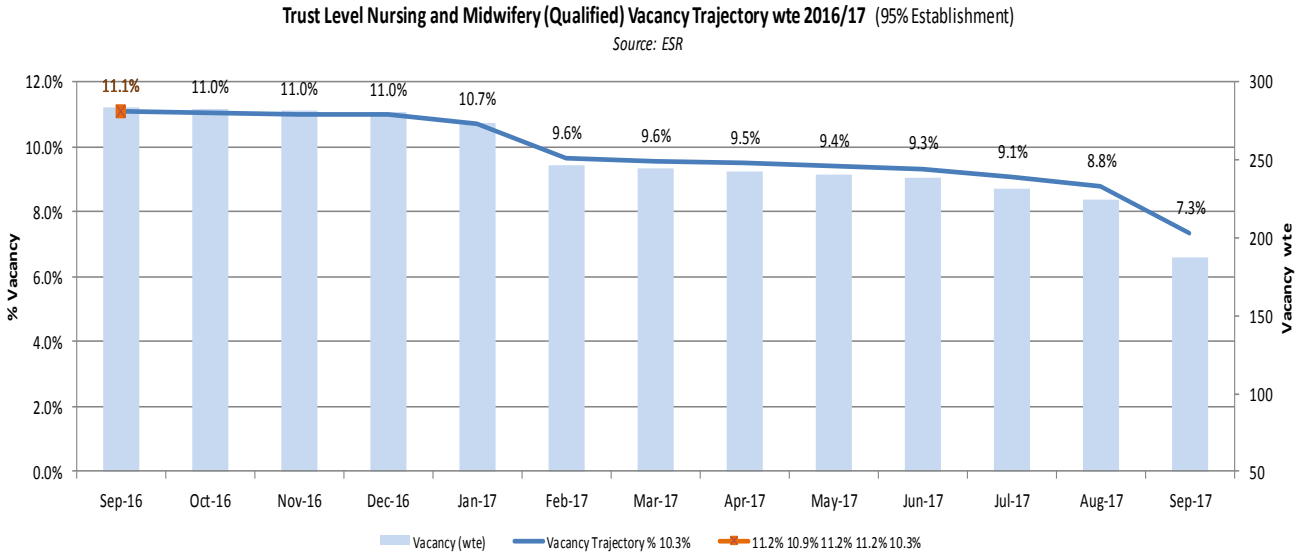
expected to provide a CIP saving and this is reflected in our CIP programme. The Trust's E-Rostering project won an award for excellence from Allocate in 2016.

The Trust has disengaged from NHSP and the in-house bank has been extended across all sites The Frimley Health bank team has been increased to maximize the use of bank staff across the Trust.

The way in which locum medical staffing is procured has been harmonised and improved across Frimley Health and locum bookings are now processed via one system (TempRe).

Next steps over the coming year will be to centralise bank and agency booking across all staff groups and review implementation of regional staff banks. The benefits of this change will be greater control and transparency in regards to both the use of agreed framework agencies and compliance with the NHSI price and wage caps. As a result of this work we will be implementing tighter controls on agency usage as well as working with frameworks providers and agency suppliers to ensure compliance with the NHS price caps. We estimate that by reducing rates (in line with price caps) we could save a further £170k per month for medical locums and a further £50k per month for nursing and midwifery (potential savings for other staff groups is currently unknown). A project group has been formed (with executive leads) which meets bi-weekly to review and monitor actions to deliver these savings. Frimley Health has re-launched its Temporary Staffing Policy. The policy includes the process for managing the Monitor requirement for a cap on agency staff usage. Some success has already been achieved. For example, since the introduction of the NHSI agency caps in November 2015 the average hourly cost of an Nursing and Midwifery agency worker (Band 5, Day) has decreased from £30.24 to £23.44 ph (23%). The situation is more challenging with respect to Medical Locums and "other" agency but plans are in place to tackle these. An approvals process is in place under which the Directors of Operations sign off any shifts which are over the agency cap or which use non-framework agencies, and this reflects the process required.

The Trust implemented TRAC this year, an electronic recruitment authorisation system. This system, as well as information from ESR, allows us to report detailed information regarding recruitment activity. This has been used to produce a trajectory for nursing and midwifery which approximates future vacancy rates at ward level by assessing current recruitment activity and turnover trends.



Workforce productivity/sustainability using robust recruitment and retention plans

A number of workforce productivity targets are in place across Frimley Health and these are reflected in our annual Trust Objectives and/or are reported in the monthly quality and performance report, both of which are subject to Board oversight. Workforce productivity measures include:

- Sickness absence rate of below 3.2%
- Agency spend of below 8% of pay bill
- Overall turnover of below 14.5%
- Nursing turnover of below 16.0%

Some of the Trust's Cost Improvement Programmes are based on the achievement of these productivity targets, in particular the reduction in agency expenditure. Our recruitment plans to reduce agency expenditure include the following:

- On-going monitoring and review of sources of recruitment takes place to ensure that the Trust targets its recruitment activity to best effect;
- Revisions to Recruitment and Selection policy and identify ways to improve 'time to hire';
- "Hot spots" are reviewed regularly in order to identify where recruitment activity might need to be focussed and where alternative sources of recruitment might be needed;
- Ongoing overseas recruitment plans, including recruitment of 130 additional nurses from the Philippines and Europe and plans to review opportunities for other staff groups such as radiographers and medical staff;
- To increase supply of UK applicants and to remain competitive with other employers, Frimley Health developed its employer brand 'Excelling together, today and tomorrow'. Fitting closely with Trust values, this brand enables the Trust to communicate the "give and get" from a career at Frimley Health.

There is evidence of a reduction in vacancy rates as a result of increased recruitment activity (for example, the Trust recruited 294 Nursing and Midwifery Staff from Jan to Sept 2016 an increase of 67 wte (29%) compared to the same period last year).

In terms of retention, the following are in place or due to be put in place:

- A new leavers/exit process was launched in October 2016 for staff. Each employee who leaves the Trust is now invited to complete an online exit questionnaire. The questionnaire allows staff to provide honest and clear feedback regarding their experiences of working at Frimley Health. As part of this process each employee is offered an opportunity for an exit interview with their line manager's manager;
- Local retention plans, including staff survey action plans and organisational development support are in place;
- Corporate and local recognition schemes designed to show appreciation to staff in line with Trust values;
- Continue to focus on the engagement of and well-being of staff within the organisation, in particular by focusing on the empowering role of the leader in improving these aspects for their teams;
- Implementing the Trust's apprenticeship strategy to promote apprenticeships as a vehicle for increasing productivity and improving staff retention through career progression;
- Extending scale of leadership development through pilot of NHS Leadership Academy's Mary Seacole Local programme.

The Trust recently won the CIPD Best Employee Engagement Initiative and Overall Winner for 2016 and was also accredited as Investors in People Bronze. Both these demonstrate the success of its people management processes.

The HR team produces monthly reports for each department giving details of performance against workforce performance and wellbeing indicators, including staff survey feedback. Department Heads and HR Business Partners are able to put in place interventions to improve performance, for example if reported stress levels

are high in particular departments an audit is completed to identify the causes of this stress and an action plan is put in place to address these. Consultant productivity is measured by Chiefs of Service as part of the annual consultant appraisal cycle.

4.3 Management of risk

A Local Risk Assurance Framework is in place within the Human Resources Directorate and this captures all workforce related risks, including those relating to vacancy rates and any operational and quality risks related to the bank staff cap. The HR risk assurance framework is reviewed on a monthly basis by the Trust's Corporate Governance Group and significant risks are included on the Trust wide risk assurance framework which is reviewed on a monthly basis by the Trust Board.

5. Finance

5.1 Bridge analysis

At the start of 2017/18 as part of the two year plan the Trust had planned for a surplus of £4.6m or £22.8m after STF. The Trust has recorded a £26.4m surplus for 2017/18 inc STF of £27.2m and Support of £16.6m. NHSI reduced the Trusts' control target by £6m in lieu of a capital to revenue transfer. The underlying deficit position carried forward is £26m, which makes the achievement of recurrent cash CIP target going forward a must do to ensure a sustainable future financial position for the Trust

However, this includes £16.6m of deficit support and £18.6m of STF money.
The achievement of plan for 2017/18 before STF includes the following overs / unders:

- Clinical Income is ahead of plan but does not reflect activity in year because; activity levels for both A&E, elective and non-elective have been much lower that historic trends, running at lower growth rates (1-2%) compared to last year. The contract rules for 2017/18 included a tolerance above which a 50% marginal rate applies to both elective and non-elective activity. This means that financial overperformance has not been as large as the Trust has seen in previous years.
- Costs are also ahead of plan that reflects increases in the acuity of patients particularly within A&E which has meant that escalation capacity has had to be opened particularly during winter. There has also been a shortfall on cash releasing CIP's.
- CIP performance has delivered £28m or 92% against a target of £30.5m. CIP under delivery is mainly the flip side of the cost increases noted above and the fact that certain CIP slippage has been substituted with non-cash schemes. However, agency costs have been contained and are within the NHSI cap meaning some premium element of costs have been avoided. In order to achieve this the Trust has increased its substantive and and bank costs.

2017/18	£m
Planned surplus	**22.8**
Clinical income overperformance	5.5
Release of provisions & y/e agreements	4.2
Reduction in Control Total	-6.0
Under delivery of recurrent CIP	-5.9
Cost impact of overperformance	-4.9
Non-recurrent exceptional items (stock / donated assets)	2.8
Additional STF Bonus	8.0
Closing Surplus	**26.6**
Deficit Support Funding	-16.6
STF	-27.2
NR Income and income provisions used in 2017/18	-9.0
Other net NR income / costs	0.5
Underlying Deficit	**-25.8**

5.2 Income and Expenditure forecast

Moving into 2018/19 itself the start point is the outturn of £26.6m as above, and then there are a number of changes, including changes in the national tariff, cost inflation, new cost pressures and the Trust savings programmes. As a minimum these follow national assumptions where appropriate but are closely aligned to system wide ICS assumptions. There is also an ICS financial position of which these plans are a component part.

The anticipated impact of these changes has been summarised in the table below, with key items described in more detail later. The table provides a bridge between 2017/18 outturn and 2018/19 plan and describes the movements to get to the £33.3m control total target that has been set for the Trust for 2018/19.

	2017/18 FOT	Non Recurrent	Full Year Effect	Inflation	Growth	QIPP/CIP/Savings - STP Workstreams	QIPP/CIP/Savings - Local Schemes	Other	2018/19 Forecast
STP CCG INCOME	390,370	5,488	580	396	6,383	(6,000)	-	(4,046)	393,171
TOTAL NON STP CCG	110,530	750	659	112	1,802	-	-	(698)	113,155
Other Income	123,352	(7,283)	-	114	932	-	2,452	255	119,821
Total INCOME	**624,252**	**(1,046)**	**1,239**	**622**	**9,117**	**(6,000)**	**2,452**	**(4,489)**	**626,147**
Staff Costs	436,161	-	-	7,415	4,340	(4,340)	(21,843)	-	421,732
Drug Costs	58,511	-	-	2,633	734	(734)	(100)	(253)	60,791
Clinical supplies and services	55,857	(3,300)	-	946	642	(642)	(3,352)	223	50,373
Clinical Negligence	24,174	-	-	435	-	-	-	100	24,709
Other non-pay	41,782	(5,363)	1,760	688	214	(214)	(3,257)	7,093	43,631
TOTAL EXPENDITURE	**616,484**	**(8,663)**	**2,688**	**12,117**	**5,930**	**(5,930)**	**(28,552)**	**7,163**	**601,237**
Depreciation	17,798	-	-	-	-	-	-	531	18,329
PDC and Financing	11,161	-	-	-	-	-	-	2,431	13,592
Impairements	1,800		-	-	-	-	-	14,100	15,900
NET SURPLUS / (DEFICIT)	**(22,992)**	**7,617**	**(1,449)**	**(11,495)**	**3,188**	**(70)**	**31,004**	**(28,714)**	**(22,911)**
Deficit Support	22,594	(8,794)	-	-	-	-	-	-	13,800
STF	27,041	(8,435)	-	-	-	-	-	7,559	26,165
Impairements excluded from Control Total									15,900
SURPLUS / (DEFICIT)	**26,643**	**(9,612)**	**(1,449)**	**(11,495)**	**3,188**	**(70)**	**31,004**	**(21,155)**	**32,954**

I&E Bridge Analysis

5.3 Financial planning assumptions: basis for calculations

The 2018/19 I&E plans have been calculated using the following assumptions:

5.3.1 Bridging Items

Non-Recurrent Items and Full Year Impacts

The 2017/18 position includes a number of one-off non-recurrent items: £16.6m deficit support and £6m reduction in control total - the overall benefit will reduce to £13.8m in 2018/19 and STF Funding is non-recurrent. In addition to this £7.2m of income reductions (eg shortfall on CQUIN etc) need to be reversed out to get to a 2018/19 baseline underlying position. There are full year impacts of ambulatory care, IV lounge and renal. The bulk of the adverse impact on 2018/19 is due to the arrangements relating to stroke provision provided by Royal Surry County

Inflation and Growth

Inflation is £11.5m for 2018/19 which currently is modelled at 1% pay award plus 0.75%for increments and pay awards. It has been assumed any cost pressures due to the national pay award currently being negotiated with national unions will be funded so there will be a nil impact.

Growth within the ICS has been set to be flat (assumed a 1.2% growth is matched to an equivalent reduction due to QIPP schemes) this is based on current growth rates and QIPP ambitions. Overall the growth rates are close to those assumed by commissioners. The net increase in the table above is due to non-ICS commissioners resulting from STP plans for repatriation and also because full PbR currency will be used for any commissioners outside the ICS.

CIP and Other

CIP assumption for 2018/19 is £31m the detail of which is provided below. Other adjustments include prudent provisions for CQUIN achievement at less than 100%, reversals of year end income deals not matched to activity and general unavoidable cost pressures. In addition to this, increases in depreciation and capital charges due to a large capital programme will be incurred.

A large impairment will also be incurred when the new ED at Wexham becomes operational. For internal reporting, impairments of £15.9m will reduce the surplus from £33m to £17m because they are a real charge to the I&E. However, for external monitoring to NHSI impairments are ignored in the calculation of the control total because they are deemed to be not something the Trust can influence. The table above shows the external monitoring target as that is what the Trust will be held accountable for.

5.3.2 Budget setting and internal consistency

For 2018/19 budgets have been built bottom up and based on forecast outturn as at month 10 adjusted for non-recurrent items. To this a process of executive challenge and peer review has been undertaken to overlay unavoidable cost pressures and efficiency targets. The plan has involved input from Contracts, Strategy, Finance, Information and Workforce. A planning workstream has been in place to triangulate the various elements from section outputs. The position has been shared with ICS colleagues and is consistent with and forms an integral part of the ICS submission.

Internally the overall CIP target has been set at 5% or £33m. This includes a £2m contingency for slippage and so a £31m CIP is assumed in the plan. This is based on the original NHSI tariff inflator and flat growth assumptions based on current activity levels and the level of surplus that is required to be generated in 2018/19 to achieve the issued control total for the Trust of £33m surplus.

All CIP is assumed to be cash releasing in order to be able to deliver a long term sustainable balanced I&E position across a longer term financial modelling period.

5.4 Financial planning assumptions: ICS plans, income and activity

5.4.1 ICS plans and activity

Negotiations with ICS partners are at an advanced stage and an ICS wide financial and operating plan has been agreed which has been ratified by the ICS Delivery Board (March 2018). The ICS Plan includes the FHFT plan described in this paper which incorporates the financial numbers as shown in the I&E Bridge Analysis table above. The current submission has an assumed system balance based on provider / commissioner activity expectations and QIPP ambitions to reduce secondary care activity.

Based on the ICS submissions contract values, principles for variations will be agreed with CCGs which will form the basis of contracting into 2018/19. The currency to be used is yet to be determined but it is likely that, in the short time available to finalise agreements, that PbR will be used as a proxy and work will commence on a replacement mechanism to run in shadow form ahead of full implementation in 2019/20. Agreements on risk sharing and control total management have yet to be finalised but all ICS partners are committed to ensuring that the shadow ICS delivers its control total target and the principles of this will be reflected in a memorandum of understanding between the partners.

Conversations with NHSE on specialised commissioning are at much earlier stage and roll forward national assumptions have been assumed. Non-ICS commissioner contracts have been assumed at forecast outturn but follow national assumptions more explicitly and use higher than local growth figures (1.2% compared to flat growth) plus elements for repatriation in line with the ICS strategy.

Both commissioners and provider are aligned on the basis for a forecast outturn for 2018/19 and have identified some key issues that impact the 2018/19 contract values:

- **Growth**. National planning assumptions set out average growth assumptions (1.1% for A&E, 2.3% NEL, 3.6% Elective & 4.9% OP). The Trusts in year growth has been much less than historic trends and less than prior years. ICS QIPP plans are geared around restricting growth within the ICS and increasing re-patriated work for both NHS and private activity. The Trust's financial modelling is based on ICS plans and agreed risk sharing for variances against these assumptions. The position between commissioners and the Trust is shown in the table below. The small remaining differences are being reconciled and an aligned position will be agreed for the final submission due at the end of April. Income impacts resulting from growth rate changes and activity profiling will also need to be adjusted. The purpose will be to bridge the activity and income assumptions and therefore move to a balanced overall ICS submission.

Acute contracts within the system reflect the system-wide plans, with the higher levels of activity planned within Frimley Health set to reflect repatriation levels and growth from neighbouring systems. Planned growth assumptions for the system and the Trust are presented in the tables below:

System-wide plans

	2016-17 Growth	2017-18 Growth	2018-19 Planned Growth
A&E Attendances	2.2%	1.8%	0.1%
Non-Elective admissions	7.1%	-1.7%	-0.7%
Elective Admissions	5.7%	-1.4%	0.6%

Frimley Health NHS Foundation Trust

	2017-18 Growth	2018-19 Planned Growth
A&E Attendances	0.0%	1.1%
Non-Elective admissions	0.0%	0.3%
Elective Admissions	-1.0%	0.0%

- **QIPP**. The Trust has made the financial planning assumption that QIPP will be delivered that aligns to system wide ICS wide plans. This restricts growth as described above. For non ICS contracts for NEL but there will small EL and NEL growth above QIPP equivalent to 1.2%.
- **Women's services**: The development was completed during 2017/18 and the growth assumptions assumed within the original business case have been applied within the financial modelling. The impact of repatriated work from out of area as a result of the refurbishment and redesign is £0.5m over two years.
- **Southern Health (SH)**: the for adult community services from SH is to be extended for another year with confirmation of a further year to be confirmed. The service will expand to cover tissue viability and ERS at Home.
- **Stroke Decommissioning:** Commissioners have given notice to move certain stroke services to an alternative care setting. A reduction in services to the value of £1.6m has been accounted for.
- **ED Wexham Park and Heatherwood Hospital**: the build of a new ED unit at Wexham Park is due to open in December 2018 work on Heatherwood Hospital may commence in the latter part of Q4. The capital charges, PDC and assumed income gains have been included as part of the overall demand and capacity assumptions.

5.4.2 Income

Moving from one year to the next, contract negotiations tend to include the Trust asking for activity growth to reflect historic trends, and CCGs asking for activity reductions to reflect their schemes for moving activity out of hospital (QIPP). Under ICS the income for the system is fixed (£1.2bn) and all partners are committed to and must work under a different basis i.e. to understand the cost base within the system for providing services. To this end system commissioner and providers have agreed system wide financial plans that align commissioner acute spend values to Trust income values. These are shown in the overall tables above which shows the system wide plans alongside the FHFT plans. Underpinning this 'capped' level of system income will have to be a risk share protocol for any over or underperformance at the Trust. This risk-share will be shaped in such a way as to ensure that all parties are clearly aware of all activity levels and financial risk is managed at a system control level.

CQUIN has been built in at 80% achievement (£1.2m reduction to income levels) and a CQUIN reserve held by commissioners of 0.5% has had to be allowed for (2.6m reduction in income). This is similar to the treatment employed in prior years.

Other Income is based on a 1.6% increase which reflects the ambition to continue to develop private patient services across both main sites including overseas patients.

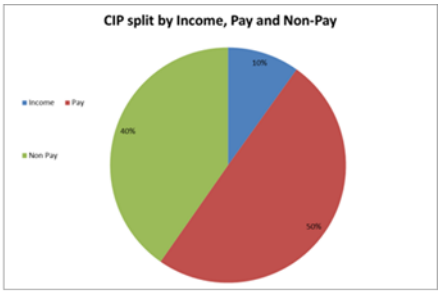
5.5 Cost improvement programme

All other things being equal, the Trust CIP (clinical efficiency) comprises the difference between the Trust income and cost pressure expectation (cost increases e.g. inflation). From the figures this works out to be £31m or 5%. As FHFT has a significant underlying deficit, non-recurrent measures used in 2017/18 plus in year pressures, the CIP target is significantly above the usual national expectation of 3%.

However, the Trust has set an internal target of £33m which effectively creates a £2m CIP contingency which is to be used as buffer for less than 100% delivery. The assumption is that all CIP will be cash releasing and this is considered critical if a long term balanced position is to be achieved.

The following tables (as at 30 April 2018) show the total by directorate and phasing through the year. In this analysis CIP targets of £33m have been issued to directorates of which £28.7m has been identified to date. However, within this total there are £2.3m is non-cash releasing. These schemes need to be replaced with cash releasing schemes. Therefore a total of £26.4m can be counted meaning the balance is the subject of a series of Trust wide opportunities and scope for further identification. These ideas need to be translated into firm plans as a matter of urgency. This represents a significant element of risk in the 2018/19 overall plan.

Directorate	CIP Target £000	Identified CIPs £000	% Identified
5FINST Finance & Strategy	1,128	819	73%
5HRCOR Hr & Corporate Services	2,575	3,000	117%
5MEDFP Medicine Frimley	3,915	2,835	72%
5MEDIR Medical Director	93	0	0%
5MEDWP Medicine Wexham	3,559	2,200	62%
5NURSE Nursing & Quality	391	178	46%
5OPSFP Operations Frimley	1,624	740	46%
5OPSWP Operations Wexham	974	952	98%
5OTHPL Orthopaedics & Plastics	1,401	1,123	80%
5PAMAG Paeds Mat & Gynae	2,862	1,580	55%
5PATH Pathology	1,474	1,350	92%
5PRIPA Private Patients	298	324	109%
5RADIO Radiology	1,110	509	46%
5RESCH Research & Development	69	0	0%
5SURG Surgery	2,341	2,075	89%
5TCCA Theatres Crit Care & Anaes	3,088	3,614	117%
5TRBRD Trust Board	33	0	0%
Procurement	3,316	2,790	84%
Drugs	2,750	594	22%
Grand Total	**33,000**	**24,683**	**75%**



Row Labels	Sum of Total (£k)
Admin/Back Office Staff	2,177
Agency & Locum	2,691
Estates & Facilities Staffing	579
Medical Staffing	1,876
Nursing Staffing	1,757
Other Clinical Staffing	1,643
Clinical Supplies & Services	1,927
Corporate Non-Pay	771
Estates & Facilities Non-Pay	1,705
Other Non-Pay	938
Pathology	887
Pharmacy	594
Procurement	2,790
WLI	670
Theatre Utilisation	1,500
Other Income	1,332
Private Income	384
Clinical Income	461
Grand Total	**24,683**

Directorate	CIP Target £000	Identified CIPs £000	% Identified	Shortfall	Risk Adjusted Value	Vs. March
5FINST Finance & Strategy	1,128	2,538	225%	1,410	2,165	1,720
5HRCOR Hr & Corporate Services	2,575	3,249	126%	674	1,891	249
5MEDFP Medicine Frimley	3,915	3,771	96%	-144	1,955	935
5MEDIR Medical Director	93	6	7%	-87	0	6
5MEDWP Medicine Wexham	3,559	2,513	71%	-1,046	1,545	313
5NURSE Nursing & Quality	391	260	67%	-131	219	82
5OPSFP Operations Frimley	1,624	794	49%	-829	458	54
5OPSWP Operations Wexham	974	1,026	105%	52	768	74
5OTHPL Orthopaedics & Plastics	1,401	1,296	92%	-105	812	173
5PAMAG Paeds Mat & Gynae	2,862	1,589	56%	-1,273	973	9
5PATH Pathology	1,474	1,350	92%	-124	1,262	0
5PRIPA Private Patients	298	333	111%	34	246	9
5RADIO Radiology	1,110	630	57%	-479	623	122
5RESCH Research & Development	69	0	0%	-69	0	0
5SURG Surgery	2,341	2,239	96%	-102	1,438	164
5TCCA Theatres Crit Care & Anaes	3,088	3,713	120%	625	1,299	99
5TRBRD Trust Board	33	0	0%	-33	0	0
Procurement	3,316	2,790	84%	-526	1,370	0
Drugs	2,750	608	22%	-2,143	608	14
Grand Total	**33,000**	**28,704**	**87%**	**-4,296**	**17,633**	**4,021**

Cost improvement schemes

From the above it can be seen that Procurement initiatives (including drugs) and control of agency feature significantly in the total programme. The Procurement Transformation Plan, approved by the Board, continues to be reviewed regularly. Since publishing in October 2016, the Procurement department has been accredited to Level 1 of the NHS Standards of Procurement (awarded in Aug 2017), the first in the South East to achieve the Standard. The department continues to make good progress with improvements noted against all Carter metrics. CIP schemes for 2017/18 have been achieved in full with planning for 2018/19 well underway. The department regularly makes use of the PPIB (Purchasing Price Index Benchmarking) tool and other spend analytics tools to identify best national pricing and challenge suppliers.

The Trust is fully committed to comply with NHSI price and wage caps and has introduced internal approval processes that mean only executive directors can approve agency staff. The Trust's agency ceiling is £23.8m and this will prove a challenging task.

The ICS System is required to deliver an efficiency programme totalling £60.6m for 2018/19. As part of the final draft of the ICS plan savings of £56.6m have been identified within the year of which FHFT £31m is included.

Commissioner Efficiencies	2017-18 FYE £'m	2018-19 In Year £'m	Total £'m	Total %
East Berkshire	4.0	7.9	11.9	2.0%
North East Hampshire & Farnham	0.0	9.4	9.4	3.1%
Surrey Heath	0.0	4.8	4.8	3.9%
Total Commissioner Efficiencies	**4.0**	**22.1**	**26.1**	**2.4%**
Provider Efficiencies	**2017-18 FYE £'m**	**2018-19 In Year £'m**	**Total £'m**	**Total %**
Frimley Health	0.0	31.0	31.0	4.9%
Berkshire Healthcare	0.0	1.9	1.9	1.9%
Surrey & Borders	0.0	1.6	1.6	4.4%
Total Provider Efficiencies	**0.0**	**34.5**	**34.5**	**4.9%**
Total Frimley ICS	**4.0**	**56.6**	**60.6**	**3.5%**

5.6 Capital

Capital plans largely follow the strategic spending as outlined in the Acquisition FBC and reflect the Trust's 5 year Clinical Strategy. Key strategic developments include:

- **Heatherwood site redevelopment:** The redevelopment of Heatherwood will provide modern facilities for planned care within an elective setting and allowing non-elective capacity at the Trust to be managed at the main sites. Additional capacity for private patients will be created and some additional NHS services for example the creation of a local lithotripsy facility.
- **Emergency Department and Ambulatory care at Wexham Park Hospital:** This project allows for the co-location of the emergency department and assessment facilities at the front of the hospital, providing improved quality of accommodation and supporting the provision of enhanced ambulatory care which should result in efficiencies for the Trust such as reduced length of stay and which also supports the ICS plans for reduced acute admissions.
- **Diagnostic facilities at Frimley Park:** The bulk of the spend will be incurred in 2018/19 to provide 3 permanent MRI units and additional 2 CT scanners and breast screening facility. This will enable the Trust to not have to rely on the temporary units and so represents better value for value and improved patient experience that comes from a dedicated facility.

The phasing of spend over the five year period is slightly altered given the delay in starting the projects subject to business cases. Heatherwood Hospital has experienced planning permission delays and the ED build has been redesigned to accommodate a ground breaking clinical model that aims to offer the shortest possible stays for emergency patients. This slippage has been rolled forward into 2018/19 and beyond. The overall forecast spend is £81.5m for 2018/19 of which nearly £21m is to be spent on estates infrastructure at both acute sites. The Heatherwood build is part funded through land sales (+£40m) and the balance to come from an optimal use of own capital and ITFF loan facility.

The IT strategic programme is allocated over £21m over the next five years which will be primarily focused on the integration works to embed a common infrastructure for the whole hospital and to also act as enablers for the ICS transformation projects in particular the development of an Integrated Care Record. Medical equipment at H&W will be £4.3m in 2018/19 and £4m at FPH to reflect the historical underfunding at these sites.

The five year plan is shown in the table below.

Capital 5 Year Plan	Year Ending 31/03/2019 £'000	Year Ending 31/03/2020 £'000	Year Ending 31/03/2021 £'000	Year Ending 31/03/2022 £'000	Year Ending 31/03/2023 £'000	5 Year
Heatherwood redevelopment	11,686	25,500	32,900	19,497		**89,583**
Heatherwood backlog maintenance	525	500	500			**1,525**
Hwd Block 40	4,122					**4,122**
WP EDAR (Trust Funded)	18,459					**18,459**
WP EDAR (PDC Funded)	5,197					**5,197**
WP Backlog (PDC Funded)	16,306					**16,306**
WP Backlog (Trust Funded)	2,232	12,184	5,540	10,930	6,712	**37,598**
FP Diagnostic Unit	3,329	17,297	11,900			**32,526**
FP Estate	6,268	3,866	1,847	7,450	6,250	**25,681**
WP IT (PDC Funded)	2,478	0	0	0	0	**2,478**
WP IT (Trust Funded)	0	2,867	2,500	1,500	1,500	**8,367**
IT Integration (PDC Funded)	2,000	0	0	0	0	**2,000**
FPH IT	654	2,467	2,500	1,500	1,500	**8,621**
WP Equip (PDC Funded)	4,311	0	0	0	0	**4,311**
WP Equip (Trust Funded)		2,715	1,500	1,500	1,500	**7,215**
FPH Equip	4,000	1,500	1,500	1,500	1,500	**10,000**
TOTAL	**81,567**	**68,896**	**60,687**	**43,877**	**18,962**	**273,989**

5.7 Risk ratings and liquidity

The anticipated capital programme has been included within the financial model on the basis of the current 5 year plan with movement in phasing due to slippage on key elements during 2017/18. The worsening I&E position will impact upon underlying cash generation, however in anticipation of full STF receipts for the latest financial model indicates a cash position of £100m at the end of the planning period.

	Forecast Outturn 31/03/2018 Year Ending	Plan 30/04/2018 YTD	Plan 31/05/2018 YTD	Plan 30/06/2018 YTD	Plan 31/07/2018 YTD	Plan 31/08/2018 YTD	Plan 30/09/2018 YTD	Plan 31/10/2018 YTD	Plan 30/11/2018 YTD	Plan 31/12/2018 YTD	Plan 31/01/2019 YTD	Plan 28/02/2019 YTD	Plan 31/03/2019 YTD
Capital Service Cover rating	1	3	1	1	1	1	1	1	1	1	1	1	1
Liquidity rating	1	1	1	1	1	1	1	1	1	1	1	1	1
I&E Margin rating	1	4	2	1	1	1	1	1	1	1	1	1	1
Variance From Control total rating	1	1	1	1	1	1	1	1	2	1	1	2	1
Agency rating	1	1	1	1	1	1	1	1	1	1	1	1	1
Plan Risk Ratings after overrides	1	3	1	1	1	1	1	1	1	1	1	1	1

Apart from month 01 where phasing of the plan vs actual impacts the I&E margin all risk ratings have been calculated as a '1' which is the top level and is the ratings at each quarter and year end.

5.8 Sensitivity analysis

The Trust has built an acceptable level of prudency into the plan.

- For financial modelling purposes, the Trust has assumed that QIPP broadly equals (and therefore cancels out) growth in line with ICS plans to limit activity increases and maintain the relatively flat growth seen in 2017/18.
- It should however be noted that the contract values that have been included in the plan include 80% CQUIN (quality plans) delivery of 2.5% of contract value. This is to provide an element of cover for in-

year risk given that 100% achievement (for example) would provide in excess of a £2.6m additional income.

- The plan does include £2m of CIP contingency anticipated to offset potential under delivery or additional in-year cost pressures. However, the Trust currently has £5m of unidentified cash releasing CIP going into the Q1 of 2018/19.
- As mentioned above the Trust is engaged in work to ensure the 5 year plan is significantly improved in year. The Board will be presented with a plan that outlines actions that are being taken to reduce the level of unidentified CIP given full cash releasing CIP of £31m is needed to achieve the issued control total and ensure no adverse impact on future years I&E>
- In line with the arrangements agreed with the DoH, £13.8m of deficit support revenue has been included in the plan. This represents 100% of the maximum that can be obtained, in line with the agreed risk-share arrangements. In additional to this the full amount of the Provide Sustainability Fund incentive of £26.1m has been included.

6. Membership and elections

6.1 Governor elections, engagement and training

6.1.2 Membership of the Council of Governors

In 2017-18 the membership of the Council of Governors comprised 37 governors until 1 November 2017 when the numbers of governors reduced to 22. The Board and Council of Governors agreed a reduction in the numbers of governors in April and May 2017.

6.1.3 Composition of the Council of Governors

As required under the NHS Act 2006, the majority of the Trust's governors are publicly elected. Public governors nominate themselves for election within their local constituencies which are based on local authority boundaries. As at 31 March 2018, there were 15 elected public governors.

Staff governors are elected by way of self-nomination and constituency voting. As at 31 March 2018, there were three staff governors in post.

Stakeholder governors are appointed by partnership or stakeholder organisations. As at 31 March 2018, there were three stakeholder governors in post.

In total there are 15 public governors including one governor from the Rest of England category (Outer Catchment Area). These 15 governors are elected across nine constituencies.

6.1.3 Training

New and prospective governors receive induction training from the Chairman and company secretary. Additional training opportunities arise from NHS Providers and other network providers such as GovernWell, and we encourage our governors to make full use of them.

The Council of Governors regularly received updates from the Board of Directors on the strategy and performance of the organisation.

6.2 Membership strategy

The Trust runs a full programme of events and communications to recruit and engage with its 27,000 members. Each year, a series of events is held in each different membership constituency with a presentation

on the Trust from a member of the Executive team and a clinical presentation on a service or condition by a senior clinician. These are very popular with audiences of 80 – 160 being the norm. Governors host these events offering members and the public an opportunity to discuss matters face to face with them.
The Trust also publishes a newsletter which is distributed to members, both staff and public, highlighting the latest developments across the Trust for those unable to make the events. This is also supplemented by membership information and online recruitment via our website.

Members are also encouraged to become involved with the Trust through other routes – volunteering, fundraising, careers events etc. They are also involved in public engagement work – for example members were recently invited to participate in the development of women's and children's services at Wexham Park Hospital.

Following the creation of Frimley Health a successful drive to recruit members on the former Heatherwood and Wexham Park catchment areas was undertaken. The longer term model will be to grow membership slowly and steadily over time, maintaining an optimum number. Focus will shift from the number of members to the diversity of membership reflecting the new catchment population.