

Operational Plan Document for 2015-16

Homerton University Hospital NHS Foundation Trust



1. Strategic context

1.1 Strategy

The Trust continues to pursue the overarching strategic direction it set out in 2014/15 and current national and local drivers reinforce the appropriateness of this approach. The core elements of the Trust's plan are outlined in the document *Achieving Together* and are built on three key priorities: Quality, Integration, Growth.

Reasonable progress has been made to date in pursuing objectives to realise these priorities both within the organisation and in partnership with external stakeholders and following a review of current performance and immediate opportunities and challenges the Trust has re-committed itself to this framework for 2015/16. As a consequence, all internal planning has revolved around developing further plans and interventions to further these priorities.

For an organisation of the Homerton's profile and size a focus on integrating care pathways in conjunction with health and social care partners with a view to achieving improved outcomes and experiences for patients and greater efficiency across providers is a credible means of achieving long-term sustainability. However, as an organisation located in inner London with multiple consequent opportunities for expansion it is equally prudent of us to pursue a growth strategy focused on our core acute and community specialities so as to boost both critical mass in clinical service delivery and to reinforce our financial viability. A successful future for the organisation rests, at present, therefore on a combination of an expansion in provision beyond our core catchment area of City & Hackney and on an innovative and wide-ranging integrated care model within our immediate locality.

Underpinning all the Trust's work has to be a focus on Quality and its ongoing improvement hence its continuation for 2015/16 as our primarily organisational priority.

1.2 National context

We understand that the forecast aggregate year end deficit for 2014/15 in the Foundation Trust sector is £375m, with over half (78) of FTs currently in deficit. It is also expected that this proportion will increase in 2015/16 and beyond. Despite the revisions to the efficiency requirement in the Enhanced Tariff Option, it is clear that, at the national level, the cumulative impact of the implied level of efficiency within the tariff and the impact of underlying cost inflation is becoming increasingly difficult to accommodate.

We also understand that the "Five Year Forward View" offers some medium term options for closing this financial gap which revolve around radical re-profiling of service provision at a local level with opportunities for significant experimentation and innovation. The emergence of the Better Care Fund initiative in 2015/16 offers a potential prelude to these changes with its focus on combining health and social care commissioning to deliver system wide benefits.

The ongoing focus on seven day working, extended working hours, minimum clinical staffing levels and post-Francis governance requirements is also a core part of the Trust's understanding of the national context as, therefore, is the associated need to focus relentlessly on the quality and depth of service provision.

The Trust believes that its strategy is consequently very much aligned with the current key national drivers and places it in a strong position to address them effectively over the forthcoming period.

1.3 Local context

We are also mindful of the significant challenges that the north east London health economy is currently facing and that were identified in the recent review overseen by NHS England (London), the TDA, and Monitor. As a result, we are engaging fully with the Transforming Services Together work programme, established to undertake the next phase of relevant work, with a view to offering constructive and proactive solutions to aid the sector and also to further the Trust's own strategic priorities.

The work undertaken so far has, at a summary level, highlighted the significant challenges for the major providers within the local health economy – Barts Health NHS Trust and Barking Havering and Redbridge NHS Trust – over the next five years. Within this difficult context we, nevertheless, believe there are opportunities for the Trust, particularly with regard to its integration and growth aspirations, and we continue to explore these, as appropriate, with commissioners across the sector.

More locally, we continue to work closely and effectively with City and Hackney CCG to align our strategic and operational plans as far as possible. We are confident that it remains fully supportive of the Homerton and plans to invest c£7m of non recurrent additional funds, over and above the assumed level of funding for demographic and non-demographic growth, in the organisation over the next year. The local health economy, at this point, is therefore reasonably well functioning with sufficient resources to allow for the ongoing stability of both commissioners and providers.

The Trust also continues to build strong relationships with other local stakeholders and is currently working with the Hackney GP Confederation to explore potential future delivery models in line with the general intent outlined in the "Five Year Forward View". A successful outcome in this regard, and greater consequent alignment of primary, community and secondary healthcare, would significantly reinforce the Trust's longer term viability.

In order to reinforce its commitment to locality-wide working the Trust has, and will continue to, actively participate in a series of "Leaders Forums" containing key representatives from all main health and social care organisations within City & Hackney. The focus of the work to date has been on deepening relationships and identifying opportunities for enhanced integration of care with a focus on initiatives that are to the mutual benefit of all parties. One of the key initiatives emerging from this agenda is "One Hackney" – an attempt to better integrate care at GP practice level with a particular focus on frail and vulnerable adults – with the Trust providing c£1m of resource during 2015/16.

The Trust believes that its current local context is advantageous to its strategic priorities and it will therefore be focused in 2015/16 on further pursuing these areas of work.

1.4 Internal context

2014/15 proved to be a broadly successful year for the Homerton with general compliance against the key operational and quality requirements including delivery of all emergency and elective access standards during the winter period. The Trust also finished the year in financial surplus although at a lower level than planned. Whilst the financial environment facing us in 2015/16 is accepted to be extremely difficult with delivering sufficient internal efficiencies to achieve a balanced financial position proving challenging underlying performance is considered to be strong. As a result, the Trust, at this point, does not believe there to be any internal drivers that requires it to reconsider and adjust its overall strategy. At a strategic level, furthermore, it believes that the current local and sector contexts provide it with sufficient opportunity to actively pursue its objectives and focused plans for doing so have been developed by the Trust's three Clinical Divisions ahead of 2015/16.

The one area requiring additional internal attention, however, relates to maternity services. Following an external review of recent maternal deaths and a CQC inspection the Trust will be delivering a

detailed action plan in 2015/16 to address a number of key issues. Full delivery of this will be key to its strategic focus on Quality.

2. Progress against delivery of strategy

2.1 External Delivery

On 23rd October 2014, NHS England published the NHS Five Year Forward View in partnership with Public Health England, Monitor, Health Education England, the Care Quality Commission and the NHS Trust Development Authority. As well as setting out a vision for the NHS's future, it also highlights the significant financial challenge facing the NHS going forward.

For the second consecutive year, Homerton has based its strategy on the three pillars of quality, integration, and growth, an approach that aligns readily with the principles described in the Five Year Forward View.

Working across health and social care boundaries

The Five Year Forward View places considerable emphasis on the need to work collaboratively across health and social care communities. As an integrated care organisation, Homerton has provided both hospital services and many of the community services for Hackney since 2011, helping to overcome some of the traditional barriers experienced by patients who require care across hospital and community settings.

Homerton continues to build relationships with GP practices across the borough through a variety of forums. All Hackney GP practices belong to the City and Hackney Urgent Healthcare Social Enterprise (CHUSE), with which Homerton works in partnership to deliver seamless urgent care between the hospital's Emergency Department and the co-located Urgent Care Centre. Homerton is also in regular discussion with Hackney's GP Confederation (of which all Hackney GP practices are also members), working to develop ways of providing more effective care to realise the benefits of collaboration for our patients.

Reflecting the Five Year Forward View's requirement for cooperation between health and social care, the Hackney Leaders Forum brings together key leaders from Hackney commissioner and provider organisations, including Homerton, Hackney CCG, the GP Confederation, CHUSE, and London Borough of Hackney, and is planning to develop a joint Hackney health and social care commissioning framework.

'One Hackney' is an innovative provider alliance including Homerton, the Confederation, East London Foundation Trust, St Joseph's Hospice, the Tavistock and Portman, and a number of voluntary sector organisations. Hackney CCG has commissioned One Hackney to provide care to the apex of the high risk population pyramid and this pilot will be undertaken in partnership in the year ahead.

Meeting the Forward View Into Action's operational standards

The Forward View Into Action document calls for commissioners and providers to work together to make a 7 day NHS a reality. Homerton and our CCG regularly review our services against the national and also London quality standards. This year, Homerton is investing in our surgical consultant rota to deliver increased consultant contact and twice daily ward rounds of acute emergency surgery patients. We are also revising our acute medicine consultant job plans to ensure daily consultant review of all patients on the Acute Care Unit.

The Five Year Forward View seeks to ensure that those patients who require urgent care receive the right care, at the right times, in the right place by creating urgent care networks that work seven days a week.

Homerton continues to actively contribute to the Transforming Services Together programme initiated by a number of inner North-East London CCGs, which is intended to optimise pathways in relation to urgent and elective care across this geographical area.

Better Care Fund

The establishment of the Better Care Fund in 2013 aimed to improve the coordination and integration of health and social care within defined localities. Although Hackney and City of London have separate Better Care Fund plans, for Homerton, these naturally revolve around similar services, including the Bryning Day Unit, ACERS (respiratory outreach and asthma expansion), and the Adult Community Rehabilitation Team service. In addition, there will also be a focus on the 'One Hackney' provider alliance, which works innovatively to bring together multiple providers to provide care to significantly high risk patients. This work aims to reduce emergency admissions in the year ahead, and will be overseen by the Health and Wellbeing Boards.

Prevention, public health, and staff health

Prevention features prominently in the Five Year Forward View. Homerton is a major employer in Hackney, with approximately 3500 staff: improving our staff health is beneficial at every level, contributing to a healthier Hackney, and supporting our staff to deliver better patient outcomes. Our 'Healthy Homerton' campaign aims to further improve availability and uptake of healthy food, along with supporting staff exercise, with over 350 staff members participating in a six week Step Challenge, and the development of relaxation and stress relief programmes.

2.2 Internal Delivery

Within the Trust operational and business planning for 2015/16 has focused on the organisation's three strategic priorities. As a result, the three Clinical Divisions and all Corporate Directorates have produced plans which will be reviewed by the Chief Executive on a quarterly basis in order to ensure sufficient progress is made in realising the Trust's overarching vision. The plans produced by the three Clinical Divisions, given their disproportionate importance, were agreed by the Trust Management Board and presented to the Board of Directors in March 2015.

Within this context, the main objectives for 2015/16 are best understood as follows:

Quality

- *Increased Nursing Numbers*
The Board of Directors has agreed for 2015/16 phased investment of £2m in increased nursing numbers. This intervention followed a rigorous assessment process conducted throughout 2014/15 and internal validation of the output from relevant professionals. The investment will focus particularly on the Trust's Elderly Care Unit and on enhancing overnight provision across acute wards.
- *Revised Acute Medicine & Emergency Surgery Arrangements*
The Trust is actively considering proposals from the relevant Divisions to reshape acute medicine and emergency surgery arrangements so as to provide increased compliance with the London Quality Standards. This will facilitate the release of Consultant Surgeons from elective work whilst on-call and allow all acute medical patients to be actively reviewed by their Consultant Physician in a structured way every day.
- *Pathology*
A large element of the Trust's capital plan for 2015/16 is associated with building a new Pathology Department. This initiative will allow for a significant environmental upgrade and deliver modernisation of equipment and working practices. Over time the new Department will allow the Trust to deliver more activity in-house, to develop more specialist testing and to offer direct access provision to a greater number of local GPs.

- *Orthopaedic Reconfiguration*
The Trust has launched a significant reconfiguration of its Orthopaedic service which will come to full fruition during 2015/16. This will facilitate, for the first time, dedicated daily trauma lists to improve emergency care, an increase in elective capacity to reduce waiting times and an expansion of sub-specialist expertise across all major joints.
- *Maternity*
Following the Trust's CQC inspection in March 2015 a detailed action plan has been enacted within the Maternity department to address the key learning points. This plan builds on the action the Trust was already taking in response to previous maternal deaths and aims to provide the organisation with the means to assure all interested stakeholders as to the high-quality nature of the service being delivered.

Integration

- *Adult Community Nursing*
Following a survey of local GPs in early 2015 the Trust has developed a targeted plan to improve significant elements of its Adult Community Nursing service. In so doing, it recognises the critical importance of this service to a better integrated local health economy and therefore in better aligning it both with primary care and with secondary care.
- *Health Visiting*
Within the provision of children services the Trust appreciates the pivotal role of Health Visiting in integrating provision across health and social care. The transfer of commissioning responsibility to Local Authorities during 2015/16 and the likely subsequent re-tendering exercise under a revised specification affords the Trust the opportunity to enhance its service in line with local commissioning intentions and work is already underway in this regard.
- *Mental Health*
As a provider of community mental services for both adults and children the Trust is eager to maintain this element of its service portfolio given the potential it affords with regard to integrating currently disparate elements of care. City & Hackney CCG are eager to apply the concept of alliance working to mental health provision so as to drive forward improvements on the basis of partnership and provider-side collaboration. The Trust will consequently work proactively within this framework during 2015/16.
- *Ambulatory Emergency Care*
A key element of the Trust's approach to inpatient efficiency in 2015/16 is to develop its approach to ambulatory emergency care with the support of Emergency Medicine Consultants and Consultant Physicians. The aim at pathway level will be to ensure admission avoidance as far as possible and early and sustainable discharge when necessary. This will require the full and timely integration of acute provision and structured links with community and primary care services.
- *Transitional Care*
An often neglected area of focus is the transitional care for young people entering adult services. In 2015/16 the Trust will therefore prioritise work in this area and place specific emphasis on those young people with long term conditions such as allergy and epilepsy and those with complex and/or continuing care needs. This work will necessitate integration of internal Trust provision but also effective working arrangements with partner organisations across the locality.

Growth

- *Critical Care*
The Trust's critical care capacity has remained at its current level for a number of years and both internal audit work and external benchmarking suggests that an expansion is likely to be required particularly for high-dependency (rather than intensive care) provision. Detailed work is therefore underway to devise an appropriate clinical model and to identify suitable space for an extended unit. Subsequent discussions with commissioners are likely to commence during the 2015/16.
- *Theatre Capacity and Efficiency*
Elective referrals increased across key specialties during 2014/15, with 30% increases in areas like Gastroenterology and General Surgery, and the Trust is in further discussions with GPs and CCGs outside its core City & Hackney catchment area around future service provision. Whilst this is extremely positive in terms of the Trust's desire to grow its turnover, theatre capacity is currently a bottle-neck in terms of maximising additional activity levels. The Trust will therefore re-energise its theatre efficiency work in 2015/16 supported by the appointment of a new Divisional Operations Director for the Surgery, Women's and Sexual Health Services Division. Whilst this work is expected to release additional operating time from within existing resource it will also objectively model the Trust's future surgical requirements (in terms of theatres and beds) so as to inform future capital expenditure.
- *Outpatient Outreach*
The Trust commenced a new approach to outpatient provision in 2014/15 based on running acute clinics from the Sir Ludwig Guttmann Centre (SLG) in the Olympic Park in Newham. With the full support of Newham CCG this has allowed the Trust to physically expand provision into a new catchment area and generate new referral sources. Building on this experience the Trust in 2015/16 will seek to further expand the range of services it offers from the SLG but will also look to redeploy the same approach on other sites. Two possible locations have already been identified.
- *Paediatric Re-Focusing*
The Trust's non-elective paediatric service is based on an ambulatory model with more complex work being transferred to relevant high-volume centres. This model has been further enhanced over recent years by effective community integration. As a consequence, the Trust has experienced a gradual decline in its non-elective paediatric work and therefore in 2015/16 a focus will be placed on developing the range of outpatient and elective service the specialty provides so as to provide viability for the future and increase income streams.
- *CT Provision*
At present the Trust runs one CT scanner which is under increasing pressure by increases in internal and external demand. An element of the Trust's capital plan is therefore focused on providing a second CT scanner and this will progressed during 2015/16. In particular, this will facilitate the repatriation of Cardiac CT work to the Trust with the associated clinical and financial benefits.

The Trust therefore has a significant range of objectives focused on achieving progress against its strategic priorities during 2015/16. Alongside these, however, the Trust will also be taking steps to ensure the continuation of its strong historical operational and clinical performance. At a high-level the key elements will relate to:

- Ensuring compliance with the CQC requirements relating to maternity provision
- Maintaining the actions and focus which improved 62-day cancer performance during 2014/15 whilst accepting
- Addressing high levels of bed occupancy in order to improve inpatient flow and safeguard the 4-hr Emergency Care standard
- Reinforcing internal arrangements so as to ensure continued 18 week compliance

2.3 Enablers

In order to deliver the external and internal objectives and opportunities outlined, the Trust will also be pursuing a number of key enablers during 2015/16. Of key importance in this regard will be the following:

Capital Plan

The Trust is planning a capital plan for the year of around £20m. Within this close to £8.5m is committed to the development of the Pathology Department and close to £1.5m is set aside for expanding CT provision. Approximately half the plan is consequently directly associated with actions designed to significantly further the Trust's strategic priorities. Moreover, a further £2m is set aside for transformational development with the Estates Strategy & Implementation Group likely to prioritise the use of the funding to further the work associated with developing future Critical Care and Theatre capacity. The ACE and RiO enablers detailed below are also funded within the capital plan at a value of a further £1.5m.

Cost Improvement Plan (CIP)

The Trust's CIP plan every year is a key means of underpinning its strategic priorities. A large element of the 2015/16 plan is transactional in nature with significant contributions from procurement initiatives (notably the re-procurement of Soft FM arrangements), headcount reductions in service areas and a continued drive to reduce the organisation's exposure to Agency expenditure. However, the plan also contains some specific transformational gains not least with regard to Theatre efficiency and also a set of clear actions which are designed to have some impact in 2015/16 but also prepare the Trust for future pressures. Key examples in this regard include:

- The implementation of the ACE and RiO changes described below so as to facilitate more electronic and seamless clinical working.
- A concerted focus on addressing internally-generated diagnostic demand, in relation to both radiology and pathology, given disproportionate annual growth in both areas over recent years.
- A clinically led review of discharge arrangements across all medical specialties given rising bed occupancy pressures and an over-reliance on additional bed-stock to manage demand. Not only with this work address processes and work patterns at Consultant level but it will examine the potential of service enhancements such as ambulatory care.
- A fully revamped Theatre efficiency and expansion programme inclusive of surgical bed utilisation so as to yield increased efficient gains from elective work and deliver sufficient capacity to address current surgical demand.

The Trust, via the Medical Director, has agreed non-recurrent funding of £1m with City & Hackney CCG Quality Improvement initiatives within the organisation and this resource will be used, in part, to support expediting these work streams.

IT

Our Information and IT Strategy is based on a best of breed approach using a small number of fit for purpose applications utilising integration engines.

Our digital maturity and progress is measured against our ability to Capture, Share and Use information, reliant on our infrastructure and capability to:

- Capture digital information - using clinical and patient management systems in most care settings, and use PACs for image acquisition, reporting and storage, and developing digital dictation and document scanning solutions;
- Share digital information - is facilitated by our network infrastructure currently being developed to support mobile devices across our 70+ community sites, and our use of integration engines to create integrated patient records. Again significant step change is required to support the development of portal technology and integration /interoperability and collaboration tools for clinicians to enable integration of records across the health community and to deliver online access to patients and carers in that community; and

- Use digital information – facilitated by our diagnostic service order communication and reporting but limited by our continued use of paper, as we increase our ability to capture and share information digitally, we will need to deliver electronic dashboards and whiteboards displaying real time information. We need to develop our analytics, modelling and knowledge tools and our scheduling systems to deliver and manage hospital, community and patient activities, while monitoring patient journeys and allowing better future planning and resource use.

We have an ambitious roadmap to develop and integrate best of breed systems across our acute and community services provision and to meet the joined up data requirements of the local health economy to add value to; efficiency, effectiveness and patient experience as we help deliver the Paperless NHS. Our strategy is to build on our Acute Electronic Patient Record (not part of an LSP contract). The ACE project will deliver paper-lite electronic records with clinical documentation for both nurses and doctors, e-prescribing, electronic whiteboards and dashboards, and integrated vital signs monitoring and alerting and is due to Go Live in July 2015.

We are also replacing our current Community EPR system in June 2015 (the current LSP RiO contract expires in Oct 2015), with Servelec RiO. This will allow us to develop additional functionality such as sending community letters to GP's electronically, much better support for community mobile working facilitating electronic data capture at the point of patient contact, and the ability to integrate electronic pathology test requests with our existing TQuest system replacing paper requests.

We aim to take these systems beyond their use as administrative systems with limited clinical functionality, and develop them as comprehensive clinical systems supporting electronic prescribing with medicines management, elimination of paper through clinical and nursing documentation, medical device integration, and clinical information views to support decision making with the patient.

Additionally we have continued to develop and upgrade our diagnostic service order communication and reporting, upgrading our PACs in April 2015 (replacing our existing NPfIT solution) allowing integrated reporting and viewing on images and we will also be upgrading our Clinisys Pathology system in July 2015 to cope with the additional capacity needed for the new Pathology Laboratory build.

We have started to improve our data quality and patient care by utilising PDS & Spine mini services to enable NHS number tracing in real time, and have implemented Child Protection Information Sharing Service to support child protection decision making.

Across City and Hackney we are setting up a multi-agency IT enabler board to oversee our deployment and development of our existing integration engine and portal (Health Information Exchange HIE) that will support integrated electronic records to provide integration in all care settings beyond the organisation both safely and securely with additional funding provided by City & Hackney CCG.

In order to support these developments, in particular the expansion in mobile technology & associated ways of working (electronic drugs trolleys, mobile devices for community working, laptops and tablets for clinicians, we will be delivering some significant IT infrastructure projects in 2015.

These are:

Wireless network upgrade – expansion across acute site to cover increase in devices and improve resiliency and speed.

Data Storage and Backup Upgrades – increase the amount and speed of data storage and its backup systems, whilst simplifying its technical support and administration demands

Virtual Server Infrastructure Upgrades – increase to capacity and speed to meet local demand and software upgrades to local clinical and corporate systems

Network Upgrades – deliver faster and more resilient networking backbone to support the enhanced IT infrastructure above

3. Plan for short term resilience

3.1 Quality priorities

Overview

The Trust's strategy identifies Quality as one of its three key aims in the delivery of our mission to provide safe, effective care with a transparent, open approach to our communities. The Quality aims are to:

- continuously strive to improve patient safety and provide harm free care;
- provide services based on the latest evidence and clinical research; and
- ensure all patients have an excellent experience of our services by providing person-centred care.

Delivery depends on the development of a strong safety culture, common patient-centred values, and effective leadership to deliver best practice. As part of a transformative approach to health care, these values are being embedded across the organisation through expectations of behaviour, appraisal processes, and values-based recruitment.

The Quality strategic aims also form the basis of the Trust's Quality Account priorities which have been developed in consultation with key stakeholders across the local health care economy.

Quality Account priorities

	Proposed priorities for 2015/16 SAFE	Priority in 2014/15	New Priority	Chosen from feedback
1	To further reduce harm to patients caused by pressure ulcers, falls, urinary catheter infections and Venous thrombo-embolism identified within the safety Thermometer/Harm free care programme	✓		✓
2a	To improve the response to acutely deteriorating patients and reduce failure to rescue focusing on Sepsis and AKI	✓		
2b	To improve the monitoring and escalation of response to High risk women using the MEWS		✓	
2c	Reduction in the number of babies admitted to NICU at term with evidence of severe acidosis		✓	
3	To improve safeguarding adults by asking patients and clients what outcomes they desire from the safeguarding process and these views directly inform the action taken		✓	✓

	Proposed priorities for 2015/16 EFFECTIVE	Priority in 2014/15	New Priority	Chosen from feedback
4a	To reduce the number of patients who are readmitted within 30 days of discharge	✓		
4b	(To include specifics on reducing the number of postnatal readmissions)		✓	✓
5a	Health Visiting Element- Improve maternal mental health by <ul style="list-style-type: none"> Participating in developing and testing a Value Score card for maternal mental health 	✓		✓
5b	District Nursing Element- To improve communication with key stakeholders by :- <ul style="list-style-type: none"> Attending practice meetings Responding in a timely way to referrals 	✓		✓
6	Keep me well, -to improve our integrated pathways between community and acute care focussing on the RICS, Community Paediatric and Ambulatory care services		✓	✓
7	To improve the quality of dementia care for our patients and carers	✓		

	Proposed priorities for 2015/16 POSITIVE PATIENT EXPERIENCE	Priority in 2014/15	New Priority	Chosen from feedback
8	To improve our end of life care and advanced care planning		✓	
9	Improve the effectiveness of discharge from our care for both complex and non complex discharges	✓		✓
10	To improve the management and control of	✓		✓

	pain			
11	To improve the way we communicate and ensure that respect, dignity and compassion – leading by example and taking responsibility for our actions	✓		✓
12	To improve the health and wellbeing of Trust staff and to achieve Excellence (the highest level) in the London Healthy Workplace charter		✓	

The Quality account priorities and quality plan for 2015/16 will form the foundation of the Trust's strategy to deliver improvements in patient and service user care and achieving compliance with key performance and regulatory requirements.

This year we will aim to set further ambitious priorities to drive high quality care and respond to the challenge of meeting the health needs of our diverse community.

Risk assessment and assurance

The Board Assurance Framework tracks strategic objectives, identifies risks in relation to them along with controls in place and assurances available on their operation. This is reported to the Board of Directors and at the Risk Committee, a committee of the Board. Controls and assurance are regularly reviewed as well as progress on actions to limit the risk and form part of the scope of the work of the Trust's Internal Auditors in a number of areas.

The Council of Governors plays an increasingly important and valuable role in representing the interests of the local community and acting as the link between the Board and the membership. We also intend to increase the level of governor involvement in a number of sub-committees within the trust, further strengthening our internal governance arrangements.

3.2 Operational requirements

Overview

The Trust delivered robust operational performance during 2014/15 and, despite significant pressures over the course of the year, maintained compliance with core emergency and elective standards throughout this period. The Trust expects, and is planning to maintain these performance levels during 2015/16 and considers this to be feasible given current resources and trends.

Within this context, however, the Trust faces a number of material challenges which will require careful management. These can be summarised, at a high level, by the following considerations:

- Continued pressure on emergency attendances and admissions despite multiple local attempts to curtail demand;
- Challenges to the management of the 4-hr Emergency Care standard and 18 week standards as a consequence of high emergency activity and bed utilisation;
- Increasing demand for elective services, particularly in certain specialities, but finite operational capacity leading to both activity and waiting time challenges; and
- An upward trajectory in critical care activity within the context of a limited physical departmental foot-print

Operational Business Plans

Divisional and corporate plans for 2015/16 have been developed with these requirements in mind and the Trust is confident that it has the operational capability in place to effectively manage their delivery.

Of central importance in this regard are the following initiatives:

- Strong participation in the local Urgent Care Board to ensure that a system wide approach continues to be adopted with regard to emergency activity throughout 2015/16 so as to mitigate the performance risk for the Trust. Associated with this, the Trust is already in discussion with its local CCG with regard to agreeing resilience funding for the totality of the financial year, rather than purely the winter period, so as to allow for coherent planning and organisation;
- Proactive engagement in the local Better Care Fund and its associated structures by the Chief Executive and Chief Operating Officer so as to promote the Trust's focus on integrated care and to ensure robust discussion and management of delayed transfers of care. The latter proved a significant pressure for the Trust during the latter half of 2014/15 and will require continued and focused multi-agency attention. The Trust, however, is also, given its range of community services, in a position to offer sustainable and imaginative solutions to some of these pressures and is already engaged in doing so;
- The development of a new Estates Strategy & Implementation Group to drive forward a particular focus in 2015/16 on developing additional critical care and theatre capacity so as to alleviate these potential barriers to the maximisation of operational activity, flow and efficiency. Provisions with regard to both space and capital have been made in the Trust's planning assumptions with regard to both developments and the option of using a short-term portable on-site theatre is also being actively explored as an in-year intervention;
- The further development of outreach outpatient clinics to create additional physical resource and also to increase the Trust's geographical reach in terms of attracting elective referrals. To date the Trust has successfully implemented this approach at the Sir Ludwig Guttmann centre in Newham with multiple specialties now delivering clinics on the site which is located outside the Trust's traditional core catchment area of City & Hackney. An expansion of this approach is therefore being planned for 2015/16.

Delivery of these interventions should therefore provide the Trust with significant resilience vis-à-vis the key operational challenges identified for 2015/16. In addition, internal processes are being reviewed and tightened in order ensure operational management resource is sufficiently focused on key areas. Particularly noteworthy in this regard are two specific elements:

- A new focus on theatre efficiency and productivity combining local ownership with external challenge so as to ensure that the flow of elective activity through the Trust's existing resource is as effective as possible thereby assisting continued 18 week compliance;
- A work programme, commencing in May 2015, led by Consultant Physicians to review and adapt the Trust's approach to discharge management given that high bed occupancy was the Trust's single biggest operational challenge during 2014/15. This work will not only focus on internal processes and working patterns but will also embrace opportunities to further integrate discharge pathways with the Trust's adult community services and explore new models of provision with a specific focus on ambulatory emergency care in the first instance

Whilst these plans in totality should place the Trust in a strong position particularly ahead of the 2015/16 winter period the Trust is also developing a range of interventions as mitigation against the risk of their partial delivery. These relate to four main categories:

- Flexibility to utilise an additional 35 acute beds – a capacity increase of 15% against baseline levels – in the event of increased emergency (or indeed elective) activity so as to maintain flow and protect waiting time performance;
- Flexibility to expand critical care capacity out of the Trust's core Intensive Care Unit so as to safely accommodate peaks in demand in a timely fashion;
- The creation of a pool of substantive clinical staff to appropriately staff any additional bed capacity so as to prevent an over-reliance on bank or agency staff in such areas and to maintain operational focus on timely discharging;
- The implementation of arrangements with a range of local independent sector providers so as to allow the Trust to outsource elective activity at relatively short-notice in order to protect 18 week performance. Such arrangements have worked effectively to date with regard to both OMFS and Orthopaedics.

The flexibility in both acute and critical care capacity will be available within the Trust throughout 2015/16 as will the ability to outsource elective work if required. The creation of a dedicated pool of staff occurring during the autumn based on an assessment of need at that point in time. Nevertheless, the Trust considers two fundamental concerns to remain with regard to operational delivery and these relate to:

Staffing

The Trust is increasingly experiencing difficulty in recruiting to long and short term medical posts within Emergency Medicine which makes flexing capacity in relation to demand in order to manage the 4-hr Emergency Care Standard difficult. A continued focus on creating attractive and innovative roles and on building and growing an internal bank of staff available for ad-hoc additional shifts will therefore remain a priority. Current market conditions are nevertheless not favourable.

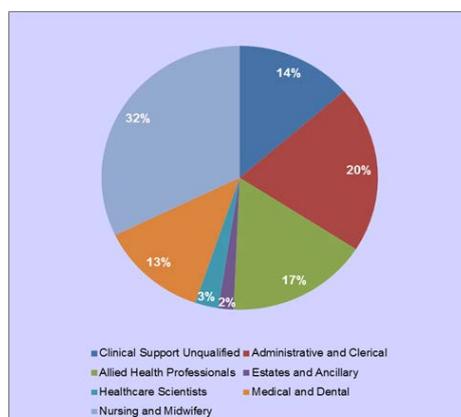
Bed Capacity

Whilst the Trust will focus significantly on enhancing its discharge arrangements and already has contingency plans with regard to additional available capacity, a repetition of 2014/15 bed occupancy levels (above 95% continuously during the winter period) in 2015/16 would prove a material challenge operationally both in relation to emergency and elective work. Close monitoring and rapid intervention if necessary will therefore need to be ensured.

3.3 Staffing

Overview

The Trust employs c. 3,800 staff, representing 70% of our total operating costs, across the following areas:



Source: Homerton analysis

Staff are our greatest asset and, if not managed effectively, our greatest liability. During these challenging times staff are the difference between an organisation delivering high quality patient centred care, cost effectively, and one that is challenged in respect of patient outcomes, financial viability, and registration status.

The unique demographic and ethnic makeup of Hackney and the wider north east London area, along with the planned population growth in and around the Olympic Park, presents considerable growth in demand for the Trust's services. At the same time, the focus on clinical standards has never been so critical and the NHS's financial circumstances so challenging.

Ensuring the Trust has the right numbers of people with the right skills to deliver the highest levels of care is of paramount importance. As such, we will continue to invest time and resources in our workforce to build on the significant and demonstrable progress we have made recently, particularly with respect to an improved appraisal process, values based recruitment and sustained high levels of staff engagement.

Safer staffing

Following publication of the NICE safer staffing guidelines and guidance from NHS England the Chief Nurse and Director of Governance has led a review of in-patient nursing using the Safer Nursing Care Tool (SNCT), allied with clinical judgment, to inform the levels of staffing required. The outcome of the review was reported to the Board in March 2015 and proposed the following changes to the nursing establishment.

Ward	Change to funded establishment (WTE)
Acute Care Unit	+2.8
Cardiology Ward	+1
Lamb Ward	+5.35
Lloyd Ward	+6.38
Edith Cavell Ward	+10.36
Graham Stroke Unit	+1.71
Regional Neuro Rehab Unit	+4.62
Elderly care Unit	+13.78
Priestly Ward	-3
Thomas Audley Ward	-1.8
TOTAL	41.2

As a significant level of investment is required, in order to achieve the staffing numbers identified and a clear detailed and granular plan for delivery is currently being developed.

A parallel review of midwifery numbers, using the Birthrate plus tool, has also been initiated. Initial findings identified an increase in complexity and risk in the local population of women giving birth at the Trust, which requires ongoing monitoring and review.

Seven day services

In 2015 the Trust will continue to work on progressing our plan to achieve the London quality standards and 'seven day working'.

The seven day agenda will undoubtedly have an impact on the way the Trust uses its medical staff, and we anticipate we will need to employ more consultants to provide seven day cover. There will also be increased demand for diagnostic and therapeutic staff to be available for seven days a week. We are considering alternative skill mixes and new roles to help mitigate the financial implications of this (e.g. specialist nurses, and physician's assistants). Furthermore, the additional funds that are being made available by City and Hackney CCG will provide cover in this area.

Temporary staffing

The Trust has implemented a number of initiatives over the last year to reduce the demand for, and cost of, temporary staffing. We have contracted with 4 tier 1 nursing agencies and implemented the 247 time vendor management system. These 2 initiatives have reduced our agency staffing costs by a total of £45,000 per month. Staff vacancy rates are a key driver for temporary staffing demand and over the course of the last year the Trust has focused on driving these rates down. The Trust vacancy rates have fallen from a high of 9.5% in the summer of 2014 to under 5% in March 2015. In 2015 we will be upgrading our electronic staff rostering system, which will provide increased functionality for controlling and monitoring spending on bank and agency staff. We will also continue to refine our recruitment processes in order to ensure we maintain a healthy recruitment pipeline and keep vacancy rates to a minimum. As part of this process we will be running an overseas nursing recruitment project in 2015, through which we aim to recruit a total of 50 nurses.

Current workforce compared to future workforce

The Trust continues to work closely with Health Education England, via the North Central and East London Local Education and Training Board, to help inform education commissioning requirements for the future workforce. We will continue to participate in the cost collection exercise, for all education and training, to inform the future tariff for clinical placements.

In December 2014 we launched an online Performance and Development Review tool which provides the ability to capture staff training and development needs through individual annual appraisals. We will use the training data collected through the new PDR process to develop our future education and training plans for the Trust.

Medical staff - consultants

The focus on safe staffing levels for specialties and seven day consultant cover means that the Trust is planning to grow consultant numbers in line with activity growth projections. In 2014 we increased our consultant numbers in orthopaedics (2 wte) and obstetrics & gynaecology (2wte). In 2015 we plan to recruit 2 additional gastroenterology consultants.

Medical staff – training grades

Health Education England has highlighted the need to shift training places from acute specialties into primary care, community services, and GP training programmes. The Trust has a plan for broadening the Foundation programme to include psychiatry and community placements from August 2015. We will also increase the number of GPVTS trainees over the course of the next few years.

Innovative education and training models

Closer integration across the health and care landscape inevitably requires new models of education and training provision. Together with the GP Confederation and East London Foundation Trust, Homerton participates in the newly approved Community Education Provider Network for Hackney, which is co-chaired by the Trust Medical Director and the Chair of the GP Confederation.

In the coming year, the CEPN will focus on a number of initiatives, including the administering of the Health Education England Locality Fund. In addition, it has recently received funding to support apprenticeships in the community in Hackney, in synergy with a new apprenticeship programme and strategy currently in development at Homerton. The CEPN will also engage a wide variety of organisations to plan how to identify and realise the future health and care workforce requirements for Hackney.

Community – district nursing, health visiting and school nursing

City and Hackney CCG has set targets for shifting activity from the acute setting into community services. As an integrated provider we are uniquely placed to respond to this challenge and potentially win contracts for new services. We are also seeking benchmarking partners for our district nursing services and currently have links with East London Foundation Trust (Newham), Whittington Healthcare NHS Trust (Islington and Haringey) and Your Healthcare Social Enterprise (Kingston).

Health visitors

Target numbers for health visitors are calculated using the NHS London Health Visitor Weighted Deprivation Caseload Model tool. Homerton had a target to employ 99 health visitors by March 2015 and despite recruiting significant additional numbers of staff we are still approximately 30 short of the target. We currently have 16 health visitors in training and plan to take on a further 8 trainees in September 2015. Through the trainee programme and our targeted recruitment campaign we plan to attain our target by the end financial year.

Responsibility for commissioning City and Hackney Health Visiting Service will transfer to London Borough of Hackney from 1st October 2015 and we will be working with our new commissioners to ensure a smooth transition of the service and ensure it continues to develop and meet the needs of the local population.

Scientific staff

In the winter of 2014 the Trust started a programme to redevelop and expand its laboratory services, which is due to run until spring 2016. The development represents that largest building programme undertaken by the Trust for 5 years and will bring considerable additional capacity to the department and – provide opportunities for growing the business. It is anticipated that this will lead to an increased demand for post-graduate scientists who can complete their pre-registration portfolio and develop into band 6 biomedical scientists. The new facility will include increased levels of automation which will in turn lead to staffing efficiencies, however this will be offset by a greater need for staff to deliver not only increased numbers of tests, but increasingly more complex ones.

Diagnostic radiography

Demand for diagnostic radiography is increasing due to a number of factors; an ageing population with increased incidence of cancer and chronic disease; screening programmes and treatment protocols which rely on imaging; and the increased power and availability of diagnostic tools. Whilst the overall supply of new qualified radiographers is good there may be challenges in retaining this workforce and developing their skills to the newly emerging imaging technologies. There will also be an expectation of radiographers working 24/7 to support emergency medicine and facilitate continuity of care. Qualified sonographers continue to be a challenge for the Trust and capacity is supported by the use of agency staff. We will seek to work with other agencies, at both a regional and national level, to address the chronic shortfall of NHS staff in this area.

Administrative staff

Administrative staff are vital to the smooth and efficient running of our services. Many are the first point of contact for patients and as part of the ongoing development of our admin staff we plan to pilot a tailored training programme in the coming year aimed at developing customer care skills, team working and building resilience. We will also continue to use apprenticeship programmes to support the career progression of our admin workforce.

Healthy Workforce

In March 2015 the Trust was reached 'Achievement' status for the London Healthy Workplace Charter and in 2015 we will plan to progress to the top level of 'Excellence'. Initiatives to support achieving excellence status will include

- developing a systematic approach to collating feedback from staff on their health and wellbeing;
- building on our mindfulness pilot to reduce level of stress and improve resilience; and
- further development of our Healthworks initiative aimed at supporting staff to develop a more active lifestyle.

3.4 Financial Plan

Overview

We have a track record of strong financial management and sound underlying financial performance, as evidenced by the delivery of a surplus year on year. As a consequence of accumulating surpluses in recent years, the Trust has been able to embark upon a significant capital investment programme in support of the Trust's overall strategic priorities. However, with growing pressures on expenditure budgets, increases in activity, and challenges in delivering the full QIPP target, the Trust fell short of its expectations in 2014/15, achieving a £0.4m surplus against a £2.6m budget.

The financial projections included within the 2015/16 plan reflect the current guidance available nationally, and the intentions of our local and specialist commissioners. The projections have also been prepared based on assumptions consistent with those used as part of our 2015/16 budget setting process. This supports a modest level of growth and a surplus of £0.5m.

We are participating in a number of ongoing initiatives within the local health economy with the aim of ensuring that high quality healthcare continues to be delivered on a sustainable basis, and enhancing that growth where financially sound opportunities arise.

Contract Status

At the time of writing this document activity baselines have been agreed between the Trust and City and Hackney CCG with regard to the Acute Contract, and the baseline has been priced against the 2015/16 Enhanced Tariff Option. Revised baseline offers have been made to all Associate Commissioners and NHS England.

The City and Hackney CCG Community Health Services contract has been subject to a rebasing exercise in 2014/15 that has recently concluded. This demonstrates how the funding for the portfolio of services is approximately £1.6m below the current budget for delivering the services. Discussions with the CCG over the funding of the contract are on-going, but the 2015/16 plan does not assume any additional funding.

The details of the CCG's proposed CQUIN programme are still under discussion. Discussions have taken place with NHS England and the London Borough of Hackney with regard to the planned transfer of commissioning responsibility of Early Years services in October 2015.

The Trust has assumed the majority of Local Authority-commissioned services to roll-over on existing terms. However, for acute sexual health services, the Trust has received an offer from LBH that has a negative impact of up to 8% for 2015/16. This is reflected in the Trust's downside scenario.

Revenue assumptions for 2015/16

Financial Summary	2014/15 Unaudited £'m	2015/16 Plan £'m
Acute	187.3	194.3
Community	44.2	43.5
Other operating revenues	38.3	40.8
Total Operating Revenue	269.8	278.6
Employee expenses	184.6	192.3
Drugs expenses	13.4	13.8
Other operating expenses	60.6	60.7
Total Operating Expenses	258.6	266.8
EBITDA	11.2	11.7
Net interest payable/receivable	0.2	0.2
Donations		
Depreciation and amortisation	6.3	6.6
PDC Dividend	4.3	4.4
Subtotal	10.8	11.2
Net Surplus for the year	0.4	0.5
Continuity of Services Risk Rating	4	4

The initial plan was to deliver a 1% surplus (£2.7m) with a QIPP target of £11.7m. However, during the planning process it became clear that in view of a number of financial challenges facing the Trust, the target surplus would be reduced to £0.5m. The reduction in expectations of a larger surplus can be seen as follows:

	£'m
Planned surplus	2.7
Enhanced tariff offer	0.8
Reduction in contingency	0.8
Reduction in QIPP delivery	(2.0)
Additional cost pressures	(1.8)
New planned surplus	0.5

In arriving at the new planned surplus of £0.5m, the assumptions relating to income are as follows:

- **Non-recurrent income** – we have included an assumption on non recurrent investment from City and Hackney CCG based on their latest proposal

- **Activity growth** – activity is assumed to grow by an average of 2.2%
- **PbR Tariff** assumptions reflect the changes proposed for 2015/16 using the Enhanced Tariff Offer (ETO)
- **High cost drugs inflation** funding is assumed at 7.2%
- **CQUIN** is assumed at 80% of the total available
- Full year effect of **14/15 service changes** - loss of School Nursing funding (£0.5m) partly offset by additional Children's Services income
- **Deferred income** – it is assumed there will be a further non-recurrent release of deferred income £0.6m in 15/16

The assumptions relating to expenditure are as follows:

- **Non recurrent expenditure** – this reflects our latest estimate of running the non-recurrent projects funded by City and Hackney CCG
- **Inflation** – pay award and incremental drift is 1.7% reflecting the latest pay proposals, non pay 1%, drugs 7.2% and increase in pension contributions from 14% to 14.3%
- **Capital charges** – the impact of the planned capital programme will increase capital charges by £0.4m
- **Activity growth** – the cost of undertaking the activity growth is assumed to be 60% of income
- **Local cost pressures** – current estimate is £1m above 14/15 expenditure levels
- **CNST inflation** – contributions to CNST have increased above the national 34% expectation mainly due to growth in maternity premiums
- **Investment fund** – a discretionary fund of £0.5m has been created
- **Contingency** – set at £1.8m (0.6% of income). Potential commitments against the contingency are Safer Staffing £0.9m and medical locums £0.6m
- **Full year effects of 2014/15 service changes and QIPP**: full year effect of QIPP is £0.5m; loss of school nursing expenditure is £0.4m, and additional costs of Children's Services is £0.2m
- **QIPP target**: £11.7m, but the financial plan assumes that only £9.7m of this total will be delivered.

QIPP requirement

Of the total QIPP target of £11.7m, c£7.0m of schemes have been identified. For the baseline plan, it is assumed that of the unidentified balance of £4.7m only £2.7m will be delivered. The plans to achieve the QIPP are split between expenditure reductions, driven by productivity and efficiency measures, and revenue generation schemes. Of the schemes identified, £2.9m are revenue schemes.

The schemes can be grouped together under a number of themes, as described below:

- **Productivity and efficiency** (£1.0m) - These schemes are predicated on doing more with existing or even less resource often linked with an underlying quality improvement or service redesign. We also plan to reduce waste and unnecessary tasks resulting in improved throughput/activity
- **Management/administration** (£1.1m) - Reductions in costs of back office support functions
- **Service reconfiguration** (£0.5m): This will typically be a merger or restructure of two existing functions
- **Clinical transformation** (£0.3m) - A particularly new and innovative method, scheme or improvement that will lead to quality improvements and cost efficiencies developed internally or adapted from best practice elsewhere
- **New ways of working** (£0.5m) - We are considering a number of new methods in which a service is delivered by usually taking on additional responsibility or developing in-house capability reducing the need for external support e.g. in-house nitrogen generation
- **Improved contracts** (£0.6m) - better value for money and cost efficiencies through better awareness on existing contracts, reviewing and rationalising where applicable and/or through improved procurement and supply chain
- **Activity growth** (£2.9m) - It is assumed that changes in activity flows from both our host CCG and neighbouring CCGs will increase revenue.

Business Development

Since the beginning of 2013/14 there has been a significant increase in the number of community health services being re-tendered by CCGs and Local Authorities, as well as an increase in the number of Any Qualified Provider (AQP) opportunities. To date, the Trust has had reasonable success in AQP bid submissions, but limited success in competitive tenders. The Trust has enhanced its process for preparing bids for tenders and is taking a more pro-active approach to identifying potential opportunities. We expect this approach to increase the Trust's success rate in the competitive tender market place, although the Trust's baseline plan does not assume this.

Capital programme

The position shown below reflects the proposed capital budget for 2015/16 and indicative allocations for the subsequent years.

High Level 5 Year Capital Plan 2015/16 - 2019/20

		Year 1	Year 2	Year 3	Year 4	Year 5	Total 5 Year Plan
Classification	2014/15 Outturn	2015/16	2016/17	2017/18	2018/19	2019/20	£'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Minor Works	251	424	800	800	800	800	3,624
Major Estates	1,489	2,220	900	800	800	800	5,520
Service Developments	4,781	11,466	3,000	3,000	3,000	3,000	23,466
Medical Equipment	2,072	2,762	2,803	2,500	2,500	3,200	13,765
IT	4,582	4,397	1,720	700	700	700	8,217
Slippage		-1,000	1,000				
Headroom		0	0	700	700	0	1,400
Total Excluding Headroom	13,175	20,269	10,223	7,800	7,800	8,500	54,592
Total Including Headroom	13,175	20,269	10,223	8,500	8,500	8,500	55,992

Included in the plan for 2015/16 are a number of significant capital investments, including: completion of the Pathology department's redevelopment; an ACE electronic clinical patient record, a RiO community IT system and associated projects, a second CT scanner. The Trust also plans further strategic developments to the site, and improvements to the electrical infrastructure. The Trust intends to fund these investments from a number of sources, as follows:

Funding:	14/15	15/16	16/17	17/18	18/19	19/20	Total 5 Year Plan
Cash from prior surpluses	2,452	3,864	3,323	1,500	1,500	1,500	11,687
Depreciation	6,278	6,700	6,900	7,000	7,000	7,000	34,600
ITFF Loan	3,741	8,559	-	-	-	-	8,559
Nurse Technology Fund	500	-	-	-	-	-	0
Integrated Digital Care Fund	204	1,146	-	-	-	-	1,146
Total Funding	13,175	20,269	10,223	8,500	8,500	8,500	55,992

Revaluations

During 2014/15 the Trust revalued its fixed assets upward by approximately £2.5m. Due to the unpredictable nature of fixed asset revaluations we have not assumed any further revaluations in 2015/16.

Liquidity

The Trust has historically had a strong liquidity position due to its continued delivery of surpluses over recent years. However the Trust's cash reserves came under significant pressure in 2014/15. This pressure resulted from the commissioners withholding payment on invoices prior to agreement on contracts, and in relation to reported levels of over performance. We have assumed that this situation will slowly improve during 2015/16. We will seek more effective intervention from other parties should it be needed.

Monitor Continuity of Service Risk Rating

The Trust is planning to achieve a risk rating of 4 in 2015/16 as shown below:

Continuity of Service Risk Rating	2014/15 expected	2015/16 plan
Liquidity	3	3
Capital Servicing Capacity	4	4
Overall Rating	4	4

The lower liquidity rating reflects the use of some of the Trust's cash balance for strategic investment in capital projects.

Risks associated with the delivery of the financial plan

There is a degree of uncertainty in relation to where we will conclude our negotiations with commissioners. Other general risks include: increasing competition, uncertainty over whether assumed growth in activity will flow to Homerton; the impact of the Better Care Fund (may also be an opportunity); affordability pressures within the local health system; and, the conclusion of the ongoing strategic review that may result in a shift in local priorities and commissioner behavior, although it is anticipated that this will not impact until late 2015/16 or 2016/17.

The table below summarises the financial planning assumptions that have been factored in the 2015/16 downside scenario.

(£m)	Income	Expd.	Comment
CQUIN	(0.3)	.	Assumed at 75% (80% in base case)
General Income Risk	(2.2)	-	Income assumptions include a level of growth not linked to specific Trust initiatives, for example demographic growth. In addition, we may experience increasing competition as more services are put out to market by commissioners.
Non recurrent income	(0.4)	-	An element of non recurrent investment from the CCG is not yet signed off
Local Authority	(0.7)	-	Contract offer is 8% below the baseline plan
CHS contract proposal from City & Hackney	(0.4)	-	Contract offer is conditional on providing business cases for additional investment that is already assumed in the base case plan

Shortfall in delivering QIPP		(1.4)	This assumes that 50% of the unidentified QIPP included in the base case will be found
Agency costs		(1.0)	There is a risk that agency costs will not be contained within existing budgets
Total	(4.0)	(2.4)	

General opportunities for improving the financial position include: over performance against contracted levels; delivery of other sources of income not included within the plan, including additional service developments that emerge from the business planning process; further additional monies that may be made available in year from the CCG in relation to service initiatives to be identified; and further QIPP identification.

The economic outlook remains challenging and whilst we have a strong platform on which to build, the level of risk in the plan is greater than in previous years. We will be making a concerted effort to attract new GP and other referrals to help us achieve our objective of expanding the organisation, whilst maintaining quality and a sustainable cost base.

4. Board Declarations

4.1 Declarations on sustainability and resilience

As part of the submission of the operational plan, the Board is required to declare whether or not the plan will ensure the sustainability of the Foundation Trust over the coming five years on a clinical, financial, and operational basis. The exact form of declaration required is as follows:

“The board declares that, on the basis of the plans as set out in this document, the Trust will be financially, operationally and clinically sustainable according to current regulatory standards in one, three and five years’ time.”

In making a Declaration on Sustainability, the Board is aware that the items described above will impact differentially over the projection period (i.e. over one, three and five years). In light of our firm foundations, combined with the financial commitments from the CCG, the Board is assured of the Trust’s sustainability over the next one to three years. Projecting five years forward in the prevailing national and local context is, however, far more challenging.

The plan reflects both the current national guidance and is derived from the intentions of our local and specialist commissioners. Realising the required level of efficiency and productivity opportunities will not be without significant challenge, not just for Homerton, but also for all NHS trusts and foundation trusts nationally, although we believe we continue from a position of strength.

It is also worth noting that the Trust’s strategic plan is predicated on a degree of income and activity growth in order to drive greater economies of scale. The plans to deliver this growth continue to be developed and will be further informed by the conclusions of the sector work, as appropriate.

Self Certification

1 Declaration of sustainability

The board declares that, on the basis of the plans as set out in this document, the Trust will be financially, operationally and clinically sustainable according to current regulatory standards in one, three and five years time.

2 Continuity of services condition 7 - Availability of Resources

ETHER:

2a After making enquiries the Directors of the Licensee have a reasonable expectation that the Licensee will have the Required Resources available to it after taking account distributions which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate.

OR

2b After making enquiries the Directors of the Licensee have a reasonable expectation, subject to what is explained below, that the Licensee will have the Required Resources available to it after taking into account in particular (but without limitation) any distribution which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate. However, they would like to draw attention to the following factors (as described in the text box in section 4, below) which may cast doubt on the ability of the Licensee to provide Commissioner Requested Services.

OR

2c In the opinion of the Directors of the Licensee, the Licensee will not have the Required Resources available to it for the period of 12 months referred to in this certificate.

3 Declaration of interim and/or planned term support requirements

The trust forecasts a requirement for Department of Health (DH) interim support or planned term support for the year ending 31 March 2016

Note: If interim support is forecast in the plan period, but was not required in the preceding year, the trust should contact its relationship team by 31 January 2015, and before including any amounts in their plan (unless the DH has already approved the interim support funding). Further information regarding the requirements for trusts forecasting a need for DH funding support can be found in the planning guidance and template guidance.

4 Statement of main factors taken into account in making the above declaration

In making the above declaration, the main factors which have been taken into account, as stated in section 2b above, by the Board of Directors are as follows:

In signing below, the board is confirming that:

To the best of its knowledge, using its own processes and having assessed against Monitor's Risk Assessment Framework, the financial projections and other supporting material included in the completed Annual Plan Review Financial Template represent a true and fair view, are internally consistent with the operational and, where relevant, strategic commentaries, and are based on assumptions which the board believe to be credible.

Signed on behalf of the board of directors, and having regard to the views of the governors

Signature

Name

Capacity

Date

Signature

Name

Capacity

Date