Homerton University Hospital NHS
NHS Foundation Trust

Annual plan

2008/9

Contents

Section one

Past year performance

1.1 Chief Executive's summary of the year

The importance of Homerton Hospital to health care for London and Londoners was underlined in 2007/8. The volume and complexity of emergency and maternity work which we undertake in this hospital has long been recognised; this year has seen a marked increase in our elective surgical and specialty base. Patients, GPs and commissioners are choosing to use our services.

The activity of the hospital continues to increase: 110,000 attended our Emergency Department for treatment in 2007/08, an increase of 7% from two years ago. Elective admissions have risen from just under 11,000 to just under 13,000 in the same period. Maternity admissions were higher than ever.

Although most of our patients came from Hackney or the City, increasing numbers are coming from much further afield to receive specialist care. The services we provide for critically ill newborn babies and women with high risk pregnancies are expanding, and we now support several surrounding hospitals in delivering care to these groups of patients. We are rehousing our expanding fertility service in a purpose built area. We continue to develop HIV services and research, and provide the leadership for the North East London Tuberculosis Network. We have recently been approved as a provider of obesity services (including surgery), and serve several Primary Care Trusts for the new bowel cancer screening service. Our neuro-rehabilitation unit serves a very large area, extending into Essex and further afield.

The Annual Report will give a comprehensive account of progress last year; this section provides a summary of the highlights.

Service expansion

The most significant expansions have been within our surgical specialties, in particular bariatric (obesity), orthopaedics, urogynaecology and maxillo-facial surgery. Bariatric services warrant a special mention in that this service achieved national recognition. We are now one of the designated providers for commissioners in London and the South East following a very rigorous inspection process.

The Bowel Cancer Screening Programme, coordinated and provided by Homerton, was launched this year as part of national pilot programme, and has already detected dozens of cases of early cancer which would otherwise have presented much later for treatment.

Performance

The changes above reflect not just the quality of the services themselves but also the hospital's performance as a whole over the year. Our wait times are far shorter than many other hospitals – the average wait for a routine out-patients appointment is just 3.5 weeks and no-one now waits over 5 weeks -

and we already far exceed key milestones for achieving the Department of Health '18 week referral to treatment' target.

We had just nine cases of MRSA bacteraemia and we are well ahead on the target for reducing cases of clostridium difficile. Our policy for reducing the latter has been disseminated nationally. Patients and the public can be strongly reassured that we are doing everything in our power to reduce the risk of hospital acquired infection. The other key performance targets for emergency care waits and cancer treatment times were also fully met.

Our financial performance has also been sound and we find ourselves at year end in a position, as a foundation trust, to re-invest into the hospital. The surplus we have generated is supporting the costs of new facilities and equipment for patient care.

The Trust had no regulatory breaches and was rated 'excellent' by the Healthcare Commission for use of resources and 'good' for its service.

Clinical leadership

Strong clinical leadership is of fundamental importance and the service developments referred to here have come about because of strong clinical leaders. It has been particularly heartening to see nursing and midwifery consultants leading service development such as bowel screening and the health inequalities programme identified below.

Our clinical academics have continued to drive service improvement through the creation of new knowledge, and to put the Homerton on the research map. We have translated research into practical action and much of the research activity at Homerton focuses on the specific health needs of the communities we serve. For example, as a result of research we have introduced better monitoring for patients with abnormal fetal traces. In perinatal care, we have led on a major national study (Epicure) examining the outcomes of extremely preterm babies.

Innovation

Homerton's profile in healthcare innovation was also further enhanced this year. The ***'****Taking Care 24/7'* project funded by NHS National Workforce Projects has allowed us to stream-line the care of medical, surgical and orthopaedic emergency patients, admitting them to the care of a single specialist team and unit. It has also enabled Homerton to be amongst the first to achieve the 2009 EU Working Time Directive requirement for doctors in training two years ahead of schedule. The learning from this project is the focus of much national interest.

In 2004, Homerton developed and implemented an integrated Electronic Patient Record (EPR) with advanced functionality. Within the last year we were formally adopted by the London Programme for IT. EPR development is now being taking forward for LPfIT on the Homerton site using our expertise and experience to shape London's future EPR.

For Homerton itself, our EPR is allowing us to use information to effect change in a way we never previously have. We can now extract information from the system in a much more useful way than we could. As an example, we know that patients wait for investigations before going home, but with paper systems this has been difficult to assess and deal with. We can now measure precisely when investigations are ordered, when they are carried out and when the result is available. This will over time allow us to reduce unnecessary waits for patients and reduce the length of time they need to stay in hospital.

Reducing health inequalities

As an acute provider serving a deprived population much of our work is a response to the consequences of health inequalities. This has been a concern for many years, and is now featuring heavily in government policy. We have always tried to address these issues, and this year has seen significant developments. In particular, in collaboration with City and Hackney PCT, Hackney Council and local strategic partnership, we have been able to play a pro-active and positive role. On behalf of these agencies we have led the Reducing Infant Mortality Project (RIMP) in Hackney, which has been overwhelming well received locally is now gaining national acclaim.

Members and governors

As a foundation trust, we have a Council of Governors comprising publicly elected representatives of the people we serve and our staff and appointed partner governors. The Council has discharged its statutory duties skilfully, including the appointment of two new non-executive directors. It has acted as the eyes-and-ears of the patient, steering through important changes, such as the new visiting policy, on their behalf. Its scrutiny of the evidence in support of our Annual Health Check compliance declaration has been diligent. The governors have more than fulfilled the requirements of their role. I cannot thank them enough for the work they do on behalf of the community served by the hospital.

As with every year, the ultimate thanks must go to the staff of the hospital. We would be nothing without them.

Nancy Hallett
Chief Executive
May 2008

1.2 Summary financial performance 2007/8

The Trust had a successful year financially with a year end surplus of £7.6m, compared to a planned surplus of £1.8m, and substantially better liquidity than expected with a year end cash balance of £27m.

Overall, the Trust over-performed against its contracted activity targets. Although general patient activity income from City and Hackney PCT, our main commissioner, was below plan, the PCT provided additional funding of £2.4m towards capital spend in March. The Trust overperformed on elective activity for most PCTs and activity levels for local PCTs, other than City and Hackney, were significantly above plan. Non patient activity income for HCAS and education and training were also above plan. In planning for 2008/09, the Trust has worked with City and Hackney PCT to model expected activity and the PCT has also been helpful in ensuring that activity levels for other PCTs have been set at realistic levels.

Looking at expenditure, there was an overspend of £0.6m on theatre costs reflecting the higher than planned surgical activity. Other areas of expenditure came in close to plan and there were some unused contingencies at the end of the year relating to restructuring costs and some slippage on planned developments. For 2008/09, theatre budgets have been reviewed and capacity plans have been developed and translated into budgets to bring these into line with contract activity.

A comparison of planned and actual performance in 2007/08 is shown below.

£m	2007-08 plan	2007-08 actual	2007-08 variance
Income			
- clinical	128.9	132.8	3.9
- non-clinical	18.1	23.6	5.5
Total income	147.0	156.4	9.4
Expenses			
pay	-94.0	-95.6	-1.6
non pay	-41.4	-44.0	-2.6
Total Expenses	-135.4	-139.6	-4.2
EBITDA	11.6	16.8	5.2
Net surplus	1.8	7.6	5.8

The Trust achieved £6.3m against its cost improvement target of £7.2m; in view of the better than expected financial performance some planned schemes were not pursued. The Trust will be continuing a rigorous programme management approach to ensure savings in 2008/09 do deliver agreed amounts. In addition, the financial plan for the new year contains £0.5m provision for slippage. The clinical board (our main

management group) will review the achievement of savings plans on a regular basis and agree any remedial action early in the year.

Cash flow has been very positive for three reasons:

- Early payment of contract income by City and Hackney PCT (monthly payments at the beginning of each month rather than the middle and advance payment for the first two months of 2008/09 to avoid problems with the PCT's move to Shared Business Services)
- A higher surplus than planned
- Slippage on the capital programme.

As a result the Trust earned £0.8m interest on funds held on deposit and the balance sheet has been strengthened significantly with net current assets at the year end of £5m compared to net current liabilities of £7m at the end of March 2007.

The Trust complied with the cap on private patient income and will continue to do so in 2008/09.

1.3 Other major issues

1.3.1 Healthcare for London

The Trust participated in the consultation on the future of health care in London and our formal response is available on our website. We look forward to continuing to play a major role within London's new health environment.

The advent of polyclinics will provide an opportunity for the hospital to provide services from a community site or increase its already established role in community provision. The local population continues to expand as a consequence of rising birth rate and new arrivals to the area. In addition the chronic burden of ill health in east London remains an issue. The growth in demand for both primary and secondary health care in Hackney will certainly continue.

The opportunity and challenge is to work with local partners to ensure optimal provision of care for all.

1.3.2 Healthcare Commission (HCC) Maternity Review

As a major provider of maternity care we were concerned by our HCC rating in the review of maternity services undertaken this year. Along with all of London's maternity centres, with the exception of one, we were rated less well than the country as a whole. This finding has served to bring a much needed focus onto maternity provision in London which we welcome strongly. Some important lessons have been learnt from the review, not least those relating to the availability of data and the interpretation of the information

related to it. We also recognise the areas which must be the focus for service improvement. Our action plan is robust and progress against it measurable.

93% of the women surveyed described their care in labour and at birth as 'good, very good or excellent' and this gives us the confidence and assurance that the basics of the service are right.

1.3.3 Patient survey

The conventional method employed by the NHS for capturing information about a patient's experience is a postal questionnaire (in English). In this year's survey, as with other years, the response rate for Homerton was very low, the second lowest rate in the country.

This low response rate is disappointing, as was the reported experience in some of the categories. It is surprising that cleanliness was reported as an issue given that the hospital has one of the lowest Healthcare Associated Infection rates in the country. Furthermore, the HCC unannounced hygiene inspection made no recommendations for improvement.

Information collected by other methods shows the hospital in a far more favourable light. For example City and Hackney PCT commissioned a telephone survey of patients which highlighted Homerton as the greatest driver of satisfaction with health services in the locality. Debate is now opening up about the optimal means of assessing patient and user satisfaction for populations such as that served by the Homerton and this we welcome.

That said, we do not need a survey to tell us what patients want. They want to be treated swiftly and effectively, with courtesy and respect and in a decent environment. This we must and will continue to strive to do.

1.3.4 London 2012 Olympic and Paralympic Games

Homerton is the designated receiving hospital for the London 2102 Olympic Park, which will be situated just 3km from the hospital. Homerton is represented on the LOCOG Medical Advisory group and the doctor leading our preparations will form part of a LOCOG group attending Beijing this year. We have been visited by doctors from a Beijing hospital last year, and received another visit this year from the official Beijing medical delegation.

Section two

Future business plans

2.1 Strategic overview

Homerton is clear about its future – that is to continue to be a major provider of health services for the expanding population of Hackney and an important provider of services for populations across London and south east England.

This does not mean that change will not or should not occur. London is set to see radical change over the next decade – change we welcome and wish to be part of.

The populations of Hackney and east London will continue to expand, maternity and child care needs will remain high, and poor health status prevail. Planned investment in community and primary health services will be key in the drive to address health need in Hackney. However, population growth and exposure of unmet need subsequent to expansion of primary care services will continue the demand for 'hospital' services.

As stated above, we sit at a point of some potentially significant changes in London. The future of community service provision is much debated, as is the advent of polyclinics and we await the strategic review of London's health services. These are issues Homerton is actively considering. Homerton already provides a range of community services, both from the hospital site and community locations, and is well placed to expand its base in this area.

Centralisation of highly specialist services, such as multiple-trauma, is something that is already happening in this part of London, with networked arrangements for transfer of patients between centres.

The pathologies and health behaviours which prevail in this part of London present problems and issues outside of the norm. What is specialist for some may be relatively normal for us, and we need to ensure that this is factored into any planning arrangements. For example, HIV levels are projected to rise year-on-year in Hackney, with a preponderance of women affected there will be a consequent effect on not just HIV services but HIV maternity services.

As previously stated, our sight is very much on an event just beyond this review period, namely the 2012 London Olympic and Paralympic Games. This year the Homerton clinician leading on 2012 planning forms part of a LOCOG (London Organising Committee for the Olympic Games) health planning group visiting Beijing.

In forming our Corporate Objectives for 2008/9 we are mindful of the above. We are though highly conscious of the fact that strategically one of the most important things any hospital can do is to ensure that

its runs its services and business to optimal effect, capitalising on strengths, diminishing weaknesses and adapting to an ever changing world.

Whilst the next section of this document focuses on the development of specific services and systems to support these, there are two particular areas which Homerton will advance its thinking on over the coming year. These are the workforce and quality of care. Our current workforce strategy was produced at the time we became a Foundation Trust in 2004. It has stood us in good stead but is ripe for review – we must assure ourselves that we will have the workforce we need for our future.

The drive for improvement in service quality must be at the core of everything we do. For Homerton there may be two issues here. Firstly there is the real issue of becoming safer and better in everything we do for the patient. Secondly though, for us, is the issue of being able to demonstrate that we have done this. Conventional measurement tools may have limited value in judging patient satisfaction for the population served by Homerton. This is explored in more detail in 2.2.6.2.

Homerton's corporate objectives for 2008/9 are expressed as follows and are primarily designed as an easy reference source as to the areas for attention in the year ahead:

1. To meet the requirements for the top rating in the HCC Annual Health Check, with a particular emphasis on reducing the time patients wait
2. To have solid evidence of increasing patient satisfaction
3. To foster a skilled and productive workforce, which has pride in its work and its organisation
4. To continue our focus on cleanliness, ensuring full compliance with the HCC Hygiene Code
5. To consolidate and further build financial and business acumen in the organisation
6. To promote the clinical services we provide, expanding these and developing new services as appropriate to integrate into the future shape of London's health services
7. To operate the hospital effectively during the biggest building programme undertaken on site in a decade - the new Perinatal and Fertility centres
8. To ensure that Homerton is fully prepared for its role as Olympic Hospital for the London 2012 Olympic Park.

2.2 Service development plans

2.2.1 Introduction

Our service development plans are set out below and relate not just to the range and volume of services we offer but also to the methods of delivery and improvement plans.

Our overarching aim is to ensure that all of our clinical services are fit for purpose and high quality, and to expand or extend our service base in defined areas.

2.2.2 Clinical Services

2.2.2.1 Clinical Service: 2008/9 priorities

The following established services are highlighted below as major development programmes already agreed for this year:

Bariatric (Obesity) surgical services: The recent designation of Homerton as a designated provider of bariatric services further underpins the Trust's aim to develop a selected range of specialist services. The designation also confirms the strength of the established service as well as its potential to expand to meet commissioners' requirements. An increased number of major surgical procedures for obesity management were undertaken at Homerton last year and service growth is anticipated.

Elective surgery: A number of other key surgical services saw increases in demand last year, including trauma and orthopaedics and maxillo-facial surgery. During 2008 these services will be expanded to ensure that the increased demand can be accommodated and the opportunity for additional activity is capitalised upon.

Perinatal services: The success of the established perinatal services, coupled with the Trust's financial strength, is allowing us to invest further in this important service area. The Perinatal Centre build, which will run over this year and part of next, is one of the biggest building projects the Trust has undertaken. The Centre is a key component in ensuring that the Trust achieves its long term aim to become one of the top centres for neonatal and maternity care in London.

Fertility services: Our successful Fertility Unit will move to a new building during 2008, providing expanded and improved facilities. This will allow us to respond to increasing commissioner demand; redesign the service to ensure waiting times are reduced in line with, and beyond, 18 week target requirement; and capitalise on the potential for increased activity.

Bowel cancer screening and Endoscopy services: The Trust gained accreditation to be a Bowel Cancer Screening Centre in 2007. We will build on this success in 2008 by expanding the screening service and developing further our endoscopy services.

2.2.2.2 Activity projections

Overall activity projections for the period 2008/11 are given below and reflect City and Hackney PCT's Commissioning Strategic Plan.

Activity projections 2007-2011

Clinical activity	2007-08 plan	2007-08 actual	2008-09 plan	2009-10 plan	2010-11 plan
Elective	12,140	12,890	13,070	13,201	13,333
Non elective	27,590	27,850	25,000	25,250	25,503
Outpatient	184,590	183,140	187,740	189,617	191,514
Other	716,430	794,300	794,366	803,484	811,518
A&E *	75,800	81,240	75,610	73,616	71,602
*** NOTE**: In addition there are c30,000 attendances at the Homerton-based PUCC					

2.2.2.3 Clinical Services: development of new services and functions to reflect a new health care environment

The last few years have seen changes to and strengthening of health care commissioning, and increased options for patients in choosing where they have treatment. Homerton has effectively responded to these changes and must continue to do so.

Whilst continuing to look at developing our traditional service base, Homerton will also consider opportunities in community service provision. The current review of health care in London will bring changes. The advent of polyclinics brings a new and exciting feature to the health landscape. The rationalisation of specialist acute service must also be considered.

This 'new environment' is the one we must respond to actively.

2.2.2.4 New services in a new health care environment

A sharp delineation between hospital and community services does not serve patients well and health planners and providers are seeking models which break this boundary down. The Trust will further its plans to develop, provide or manage services which integrate traditional primary and secondary care services, working closely with PCTs and PBC groups to do this.

The Homerton-based diabetes team already provide an excellent model of integrated care and proposals for similar developments in chronic respiratory care, pelvic dysfunction, and maternity care amongst others are being considered.

The Trust will look to expand its base in the provision of community services and has engaged in discussion with commissioners about this. We currently provide continuing care of the elderly services both from a residential home and in the patient's home; specialist neuro-rehabilitation in the home; community midwifery services in the home and community centres, amongst other community services.

The polyclinic model will allow for a further blurring of hospital and community boundaries and we will be working with local commissioners to consider the best option for such provision in Hackney. Transfer of service from the hospital to a polyclinic could impact on the hospital but only if undertaken in an unmanaged or poorly coordinated manner. There are also significant opportunities for the Trust to develop services within or to develop and manage polyclinics.

Highly specialist services also the subject of scrutiny, with the Healthcare for London review bringing early attention to multiple-trauma and stroke services. The Trust has well developed specialist neuro-rehabilitation and stroke rehabilitation services and the focus on the trauma and stroke pathways across London is welcomed and potentially provides us with an opportunity to develop further in these areas.

2.2.2.5 New or enhanced functions in a new healthcare environment

The following functions will be developed to ensure the Trust is appropriately equipped to thrive in the current climate:

Marketing function: The Trust aims to capitalise on the opportunities provided by 'free choice'. The focus this year will be on maintaining and improving our reputation among GPs and the PBC Consortia in City & Hackney and promoting the hospital across the wider patient community. Referral patterns will continue to be closely monitored including those of GPs from surrounding PCTs.

Informatics function: The informatics systems the Trust now has in place allows for the capture of a significant volume and range of robust data. The year ahead will see the emphasis increasingly on converting data to information and driving decisions accordingly. A re-structuring of the

informatics function is underway to support this, as is the programme to give managers and clinicians the confidence and capability to work within this new environment.
Clinical management systems: The Trust has one of the most advanced Electronic Patient Record (EPR) systems in the country. A significant improvement in its functionality will be made possible this year as we upgrade the code base from which it operates. Amongst many things, the new code will allow all important connection to the 'Choose and Book' electronic system.

The Trust will work closely with the London Programme for IT to develop further functionality such as electronic prescribing.

Referral management: To operate successfully in a new healthcare environment the Trust needs to improve communication and information flows to GPs. This is with respect to both timeliness and quality of information provided. By March 2009 no GP will wait longer than five days for a discharge summary.

2.2.2.6 Clinical Service – Strategic positioning 2009/12

On review of our clinical services it is clear that there are a number for which there is significant strategic potential. In the year ahead, the Trust anticipates that programme to actively develop the following services will be progressed:

Centre for HIV and Research: We have a large HIV practice. Unlike other centres, over half of our patients are women and our specialist HIV maternity practice is well established. Public health projections indicate that HIV rates will rise markedly over the coming years in the local population. Most people affected will have concurrent social care needs and the provision of on-site tailored support services is an objective for us.

The HIV research programme co-located with the practice has significantly raised the profile of the service here and as part of our academic strategy we seek to increase support for it.

Neuro-rehabilitation: As stated above, as London considers how best to provide acute stroke and multiple-trauma care, there is enhanced focus on neuro-rehabilitation care. Homerton's established neuro-rehabilitation service and unit is well placed to respond.

Pathology: The case for retaining a broad range of pathology services on-site is strong. The integration of our three current CPA fully-accredited laboratories onto a single floor, coupled with greater automation of test processes, will allow us to provide an even more cost effective and responsive service than current.

2.2.3 Additional services – supporting core business

Whilst the Trust major service base is in clinical services, it has important strengths in other associated areas, in particular teaching and training.

2.2.3.1 Teaching and training services/contracts

Homerton receives significant income (£9.7m in 2008/09) for the training of health care professionals. Our new academic facilities mean that we have been able to expand and promote the range of specialist post-graduate courses we can provide.

There is emerging evidence that the use of advanced patient simulation facilities can improve the performance of clinicians both in carrying out procedures and managing emergency situations. A new state-of-the-art simulation centre will be opened in our Education Centre this year allowing expansion of the range of post-graduate skills courses offered.

2.2.3.2 Innovation and research

As a member of the central and east London comprehensive local research network, Homerton continues to support research in areas relevant to local health need including HIV, respiratory disease, neurorehabilitation and neonatal care. To secure future research and development income and research infrastructure costs, Homerton aims to increase the number of patients recruited into the Comprehensive Research Network clinical trials. We also aim to secure future research activity funding by increasing the number of collaborative research projects between ourselves and our academic partners to secure funding via Research for Patient Benefit project grants and NIHR research programmes.

2.2.4 Improvement plans

It is essential that the Trust continues to improve the effectiveness and efficiency of the way it provides its services. The Trust will focus of the following four service improvement programmes in 2008/9 with the overall aims of eliminating unnecessary waits and reducing stays in hospital; increasing performance and productivity; and improving satisfaction for patients and staff.

2.2.4.1 Productive ward

The Trust will be implementing the *Releasing time to Care: the Productive Ward* programme. This well tested programme, which is supported by the NHS Institute for Innovation and Improvement, is designed to reduce the time nurses and midwives spend on activities that take them away from direct patient care, thus improving effectiveness and efficiency of care.

2.2.4.2 Emergency pathway

During 2007 the Trust introduced significant changes to the management of patients admitted as an emergency. These included the development of an Acute Care Unit (ACU) and associated Acute Care Team (ACT) and the early achievement of the 2009 European Working Time Directive hours target for doctors in training. These changes were made under the umbrella project 'Taking Care 24/7', a National Workforce Programme initiative.

Further refinements will be made to the Taking Care 24/7 programme during 2008/9, and an associated programme developed on our medical specialty wards. The Productive Ward programme referenced above will support this.

Clinical leaders have been designated to lead each aspect of the programme and clinical information systems will be developed to allow for ready capture of relevant data.

Elimination of unnecessary in-patient waits and consequent reduction in length of stay and bed occupancy, and improved alignment of specialty beds will provide direct evidence of the programme's success. Patient experience and clinical outcomes will also be tracked throughout.

The Trust will continue to achieve the emergency care target of 98% of patients being seen and treated within four hours.

2.2.4.3 Elective pathway

A programme of service improvement and redesign of the elective care will take place this year. In part this will be to support achievement of the 18 week target by assisting with reducing delays and improving patient pathways; the focus will on ENT, Orthopaedics, Podiatry, Fertility and Bariatric surgery services.

Specific reviews will focus on productivity and efficiency. Work on improving patient flows through the operating theatres will be undertaken, with the aim of reducing delays and improving utilisation. Aligned to this are projects to improve the pre-admission and scheduling processes.

A programme of work will be undertaken in the outpatient department. This will focus on improving the patient experience, reducing waiting times and moving to a centralised system for managing outpatient bookings and enquiries.

Project leads have been assigned for each of the above initiatives and action plans are currently in development.

The Trust achieved the March 2008 access targets for both admitted and non admitted pathways. Maximum waiting time of 11 weeks for inpatients, five weeks for outpatients (with an average of less than four weeks) and six weeks for diagnostics were achieved last year.

The Trust's ultimate aim is to have all patients seen within two weeks of referral. To this end further reductions of waiting times have been agreed with the contract with City & Hackney PCT this year. Inpatient waits will reduce to five weeks by end of September. Outpatient waits will be maintained at a maximum of five weeks moving to an average of two weeks by September. Diagnostic waits will be maintained at six weeks or less.

Access targets for cancer and sexual health will continue to be a focus.

2.2.4.4 Service line management

Having developed service line financial reporting last year the Trust will develop service line management in the year ahead, using this as the means for addressing financial, activity and quality performance and encouraging ownership of overall performance by clinical and service teams.

2.2.5 Resource – human and capital

2.2.5.1 Money

Details of the Trust's financial projections are set out in the detailed financial tables and summarised in the section on operating resources. In summary, the Trust aims to build on the strong performance in 2007/8, continue to achieve operational efficiencies and prepare for the opportunities and challenges ahead, in particular Healthcare for London and the change in the PbR tariff. We aim to continue making surpluses to reinvest in patient services.

2.2.5.2 Workforce

As referenced above Homerton needs to refresh its Workforce Strategy. Through this we need to address present and future workforce needs and requirements, and the further development of leadership in the Trust. This is an important piece of work and needs due consideration. There are however priorities for the year ahead which must be addressed outside of the strategy development.

The first of these is for 100% staff to have a current appraisal and personal development plan, using the national Knowledge and Skills Framework (KSF) for those eligible. During 2007/8 the Trust put the framework in place to allow this to happen. The second is the full implementation of our employee health management (EHM) service to replace our occupational health service. Integral to this is a structured programme of staff health improvement being run in conjunction with the Department of Health and an independent health promotion organisation, Vie Health. This is a preventive programme which staff will be encouraged to join. The EHM service will address reported ill health in the workforce.

2.2.5.3 Buildings and equipment

The perinatal redevelopment, starting this year, is the most significant on Homerton's site for some years. The capital programme also includes new accommodation for fertility services. Details are shown in 2.4.

2.2.6 Patients and public

2.2.6.1 Quality of care

We chose to focus on two specific areas of importance to patients in the year gone – the management of hospital acquired infections and the reduction of wait times. This we did successfully. How far the increase in patients choosing to come to Homerton for planned care correlates to this we cannot know but it is reasonable to assume it had an impact. We need to maintain our strength in these areas and sharpen our focus in others.

The issue of wait time has already been addressed. With regard to MRSA and C difficle, over the past five years the hospital has shown year-on-year reductions in incidents and is confident it will maintain its position as a hospital with one of the lowest infection rates in London. In 2007/8, Homerton had just nine cases of MRSA bacteraemia and the 2008/9 target is for no more than 12 cases. The C difficile target is not expected to be finalised with Department of Health until June. Current information suggests that the Trust will be expected to achieve a 10% reduction from its 2007/8 outturn of 80 attributable cases over the three years to March 2011, this will mean a target of 72 cases by that date.

An additional major objective for 2008/9 is to increase the number of single sex wards in the hospital. Our governors have repeatedly stressed the importance of gender segregation for patients. This year we will increase from one to five single sex general wards, whilst continuing to meet Department of Health requirements for separate sleeping and bathroom areas elsewhere in the hospital.

The other determinants of a good quality experience are sometime harder to measure although the concept is well understood. These include being treated with dignity and respect; being kept well informed about your condition and treatment; and being looked after in a safe and decent environment. Clinical outcomes and clinical risk are a given for patients but programmes to track and drive clinical effectiveness are integral to all quality programmes.

The Trust's 2008/9 action plan for addressing quality of care focuses on both clinical outcome and the patient experience.

2.2.6.2 Measurement and evidence of quality

Measuring quality of care is an area of particular interest to Homerton. In standard English-language postal questionnaires of self-reported satisfaction, Homerton achieves results that are sometimes difficult to interpret. For reasons that are not understood, the hospital consistently has very low response rates to such questionnaires and we had the second lowest for the country in this year's patient survey. In addition, patient-reported events are sometimes at variance to recorded data or contradictory.

Work by IpsosMORI and others suggests that hospitals like Homerton serving young, inner City, ethnically fractionated communities are disadvantaged by these survey methods.

In telephone surveys a more favourable picture of the hospital evolves. A key objective for the Trust is to find an appropriately specific and sensitive tool for assessing quality. A false recording - whether adverse or favourable – is unhelpful for both staff and community. It is our intention to undertake a multilingual telephone survey of patient satisfaction in the year ahead. The work we commenced in 2007/8 on the Patient Experience Tracker has had considerable acclaim and we will extend the programme in this year. The Patient Experience Tracker is an electronic tool which provides high volume real-time information on the experience of patients.

The Trust of course does not need a measurement tool to know what patients want. It is quite clear what they need and expect. Measurement is an all important issue but it needs to be kept in context – it is the constant drive to improve quality that is paramount.

2.3 Operating resources required to deliver service development

The Trust agreed all contracts for patient services by the end of February and the positive joint working with City and Hackney PCT contributed to the agreement of realistic activity levels with other PCTs. 2008/09 is the third year of the current contract. Recognising the need to prepare for adoption of the standard national contract in 2009/10, the Trust agreed a number of transitional changes with City and Hackney PCT as lead commissioner and the PCT has supported these moves with one-off funding. The contract does not contain any financial penalties and incentive payments have been agreed for A&E performance.

The Trust has been able to negotiate significantly higher contract income for 2008/09 than expected in the early stages of the budget setting process for the year. City and Hackney has agreed to provide 1% growth for population change and 1% general growth, through its coordinating commissioner role the PCT has also persuaded other London PCTs to include similar growth in their contracts on top of forecast outturn in 2007/8. Specialist consortia have also funded increases in contracts for HIV, NICU, fertility and neuro-rehabilitation.

This funding has enabled the Trust to address cost pressures and have a modest development fund of £2m which is being used for a mix of recurring and non-recurring investments, including the revenue costs of the business cases for perinatal and fertility expansion.

All directorates were asked to find cost improvements of 3% equivalent to £3.8m, of this total £3.3m has been identified so far and plans are being implemented. The Trust is holding a £0.5m contingency for slippage.

A summary of saving schemes are shown below:

	£m
Drugs savings	0.5
Diagnostic testing savings	0.5
Staffing reviews	0.7
Facilities	0.7
Other non-pay categories	0.4
Income generating schemes	0.5

Within its financial plans the Trust has included income and expenditure relating to perinatal and fertility expansion. The impact of the recent achievement of preferred provider status for bariatric surgery has not yet been quantified and is not included. We have assumed 2% transfer of outpatient activity into the community and transfer of A&E activity to the Urgent Care Centre rising to 40% over this period. Beyond 2008/09 it is assumed that 1% population growth will be reflected in contracts, as shown in the City and

Hackney Commissioning Strategic Plan, which also shows higher increases in demand for diabetes and HIV services.

As part of its contract negotiation with City and Hackney PCT the Trust has reviewed the funding needed in 2008/09 to meet 18 week wait targets. Overall the levels of outpatient and inpatient elective activity are very close to outturn in 2007/08. Outpatient contract numbers also reflect some anticipated demand management initiatives by the PCT and the impact of tariff changes relating to maternity (N12s) which have transferred activity from inpatients to outpatients.

Budgets reflect agreed activity levels. In particular theatre budgets have been increased to match contracted activity. A high level summary of operating expenses is shown in the following table:

£m	2007-08 plan	2007-08 actual	2008-09 plan	2009-10 plan	2010-11 plan
Operating expenses					
Pay	94.0	95.6	102.6	104.8	107.9
Drugs	6.4	7.3	7.6	8.5	9.5
Other	34.9	36.7	36.2	37.4	40.2
Total	135.3	139.6	146.4	150.7	157.6
CIP savings	7.2	6.3	3.8	4.5	4.5

Assumptions relating to the two future years are set out below. In particular the Trust anticipates uncertainty next year due to the change of national tariff. Healthcare for London presents both opportunities and challenges which are gradually being clarified through consultation and discussion with PCTs and Practice Based Commissioners.

Key assumptions	2009/10	2010/11
PbR tariff inflation	1.0%	2.5%
Non PbR clinical income	2.0%	2.5%
Other income	2.0%	2.5%
Reduction in MFF		-3.0%
Pay inflation	2.4%	2.25%
Drugs inflation	10.0%	10.0%
Other cost inflation	3.0%	3.0%
CIP savings (£m)	£4.5m	£4.5m

2.4 Investment and disposal strategy

The Trust has a capital investment programme for 2008/09 which is more than double spend in the previous year. In total, investment of £11m is planned based on a realistic assessment of the pace of progress on major schemes and on anticipated spend on maintenance/equipment replacement allocations and the agreement of business cases for unallocated funds.

The most significant project is the redevelopment and expansion of perinatal and maternity facilities. The maternity element will enable the Trust to deal with the increasing birth rate and provide a better environment for all mothers and babies. The perinatal element will increase capacity so that babies requiring intensive care, currently sent out of the Perinatal Network, can be repatriated. It will also mean that babies requiring level three support do not have to be cared for in hospitals that do not have appropriate facilities. The development is supported by Perinatal Network. The Board agreed the business case for this in March this year and building work is starting on site in May. The project cost is £10.8m spread over two years (£4m in 2008/9) with a completion date of December 2009.

A business case for relocating fertility services has also been approved by the Board. This will enable the Trust to maintain compliance with HFEA requirements and provide more suitable patient facilities. This scheme has a cost of £1.38m, is starting in May and will be completed in September 2008.

The balance of the capital programme comprise £1.75 on projects agreed/ started last year, including specific items such as a new X-ray machine which are being funded from the surplus generated last year. It is also planned to use £2.8m for areas where regular investment is required for new/replacement equipment, the refurbishment of one ward each year, maintenance of plant and buildings and IT. There is also at present an uncommitted sum of £1m and potential projects including the reconfiguration of pathology and outpatient facilities and the front entrance which are being evaluated.

The Board will be reviewing the strategic direction of the Trust this summer and the service priorities confirmed will inform the estates strategy for the Trust. This will also have to reflect opportunities and risks from Healthcare for London and the aspirations of local commissioners.

At present the expectation is that capital spend will be at a similar level, £11m, in 2009/10, reducing to £7m in 2010/11. However the strategic review will inform decisions about whether the funding available from capital charges and surpluses should be supplemented by borrowing.

The Trust had been intending to borrow a further £4.8 to support the Perinatal development but this is now being funding from free cashflow and the surplus generated last year.

INVESTMENT and DISPOSAL STRATEGY

£m	2007/08 plan	2007/08 actual	2008/09	2009/10	2010/11
Investment in buildings	2.7	2.1	8.0	9.5	6.0
Investment in other assets	2.9	1.9	3.0	1.5	1.0

2.5 Financing and working capital strategy

The Trust currently has a working capital facility of £11m and will retain this in 2008/09. This facility was not utilised at all last year. The level of the facility is equivalent to 27.4 days operating expenses, the Trust plans to increase this facility to 30 days for 2009/10 as cashflow is expected to be tighter following the move of PCTs to Shared Business Services.

The Trust is not planning any borrowing in the immediate future and we will review longer term borrowing requirements later in the year as strategic plans are clarified.

The Trust will comply with the ratios set out in the Prudential Borrowing Code as shown below:

PBC Ratios	Limit	2008/09	2009/10	2010/11
Maximum Debt/ Assets Ratio*	25%	3.5%	3.1%	2.9%
Minimum Dividend Cover	> 1x	3.4x	3.1x	3.2x
Minimum Interest Cover	> 3x	50.1x	51.8x	56.3x
Minimum Debt Service Cover	> 2x	24.4x	25.3x	27.5x
Maximum Debt Service to Revenue	< 3%	0.3%	0.3%	0.3%

* Limit is 25% with a risk rating of 4 and 15% with a risk rating of 3.

Section three

Risk analysis

3.1 Governance risk

3.1.1 Commentary on governance risk

Homerton foresees minimal risk against the seven governance elements defined in the Monitor Compliance Framework. Having examined each of the governance risk areas, the self-assessment risk rating is considered to be green, as robust plans are in place to mitigate the risks.

Structure of constitution: the structure of the constitution remains but will be subject to review during 2007/8 to assess the impact of the inclusion of the four newly-created outer constituency boundaries; Southwark, Lambeth, Westminster and Epping Forest District. The Constitutional Review Committee will consider the relative merits of a more fundamental constituency review, which changes the outer constituency boundaries to a patient constituency. This will have to be approved by the membership as per the constitution.

Representative membership: the Trust continues to evaluate the membership in terms of size and constituency and has an effective membership recruitment plan for 2008/09. The governors will work to the work plan outlined in the Membership Development Strategy 2007-2010.

Appropriate Board roles and structures: in 2007/08, the Board recruited two replacement non-executive directors and a Finance Director. The new Board members were chosen to complement the existing team and provide a good balance of skills and competences in line with Monitor's Code of Governance. There is a planned vacancy for a finance non-executive director and recruitment has commenced for this position.

Service performance: the Trust has a good record of achieving national standards and targets. A focus on national core standards and targets within the Trust's corporate objectives enables us to retain an appropriate focus on the delivery of high quality care to patients. Careful review of performance against these key targets will be required to ensure a consistent governance rating of green.

Clinical quality: the Trust has effective arrangements in place for the purpose of monitoring and improving the quality of care provided to patients. The Board has declared compliance against the core standards and hygiene code as part of the 2007/8 Annual Health Check.

Effective risk and performance management: Homerton's performance management and risk management arrangements are robust. The Trust has a compliance and regulatory framework to support business delivery, regulatory and compliance requirements. The clinical management teams are structured so that the individual services and the functions they provide come together as inter-reliant business units in a highly structured regulatory environment. The business units are supported by information, finance,

clinical governance and human resource functions. Within the framework, a regulation and compliance unit is responsible for ensuring that reporting and performance monitoring frameworks are in place. A strategy unit provides a structured approach to determining risk and assessing strategic options.

The risk register is reviewed along with planning and performance every three months as part of performance review process by the Performance Committee. Risks are reviewed regularly by the management executive and Risk Committee. Key strategic risks, controls assurance and gaps in assurance identified in the board assurance framework are reported quarterly to the Board. The Board receives the action plan update.

Cooperation with NHS bodies and local authorities: Homerton continues to work closely with NHS bodies, City and Hackney PCT, GPs and practice-based commissioning consortia, universities and the local authority. Regular meetings are held with our main commissioners in relation to the monitoring of in-year performance. The relationship with our host borough's Local Strategic Partnership, known as Team Hackney, has gone from strength-to-strength and has taken forward initiatives that support the local community.

3.2 Mandatory services risk

3.2.1 Commentary on mandatory services risk

Mandatory services continue to be provided in line with the Terms of Authorisation. There were no significant issues arising in 2007/8 and we do not anticipate any in 2008/9.

If City and Hackney PCT is successful in reducing activity through the introduction of demand management initiatives, the Trust would be hard pressed to reduce its fixed costs within the same timescales. The Trust will continue to attract new business through its marketing strategy for example bariatric, neonatal and fertility services and develop new markets.

3.3 Financial risk

3.3.1 Commentary on financial risk rating

The financial plans contained in this document lead to the overall risk ratings shown below. The overall rating reduces from 4 to 3 in 2010/11 due to the lower level of cash that is expected to be held in that year. This reflects the use of cash to support planned capital investment and changes in PCT cash funding patterns.

FINANCIAL RISK RATING	2008/09		2009/10		2010/11	
Metric	**Actual**	**Rating**	**Actual**	**Rating**	**Actual**	**Rating**
EBITDA margin	7.4%	3	7.4%	3	7.7%	3
EBITDA, % achieved	144.3%	5	144.3%	5	144.3%	5
ROA	4.3%	3	4.5%	3	4.9%	3
I&E surplus margin	1.3%	3	1.3%	3	1.6%	3
Liquid ratio	87.9	5	39.8	5	33.8	4
Weighted Average		3.7		3.7		3.5
OVERALL RATING		**4**		**4**		**3**

3.3.2 Financial risk

The Board Assurance framework highlights the two biggest financial risks:

Firstly that financial discipline will not be retained at a time when more resources are available. This is estimated as having an impact of up to £1.5m and it will be mitigated by the following actions:

- Rigorous management of savings plans through a central programme
- Regular review of performance against budgets through internal performance review and review by the Clinical Board and the Finance Committee and the requirement for prompt action if adverse variances arise
- Strict control of staff appointments against funded establishments
- The issue of a budget guide and a programme of training for budget holders
- Development of SLM to spread organisational understanding of costs and income and net profitability of services.

The second biggest risk is that all income due is not recovered through accurate coding and billing. This is estimated as having an impact of up to £0.5m, some of which is reflected in current income levels. The Trust is investing in additional coders, training for medical and other staff who are involved in coding. The development of SLR so far has also highlighted areas where coding needs to improve to ensure that the complexity of work undertaken is properly taken into account in coding. In addition to these actions the Trust is also setting up a project to prepare for the changes in the tariff in 2009/10 and the implications of the 130% increase in items on the national tariff.

Further risks include the loss of A&E income as activity transfers to the urgent care centre and growth built into contracts not materialising. On the positive side the Trust will market its elective services to local PCTs

and GPs to capitalise on its very low waits and there is likely to be slippage on the use of development funding agreed.

The Trust also has a general contingency of £1.5m built into its plans.

3.4 Risk of any other non-compliance with the terms of authorisation

There are no other significant risks identified in addition to those in the Board Assurance Framework.

3.5 Presentation of risk

Please see appendix one for the Board Assurance Framework.

Section four

Declarations and self-certification

4.1 Board statements

The Board of Directors confirm that the attached declarations and Board's statements are true.

4.1.1 Clinical quality

The Board of Directors is required to confirm the following:

☒ The board is satisfied that, to the best of its knowledge and using its own processes (supported by Healthcare Commission metrics and including any further metrics it chooses to adopt), its NHS foundation trust has and will keep in place effective arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to its patients.

4.1.2 Service performance

The Board of Directors is required to confirm the following:

☒ The board is satisfied that plans in place are sufficient to ensure ongoing compliance with all existing targets (after the application of thresholds) and national core standards and with all known targets going forwards.

☒ The board is satisfied that plans in place are sufficient to ensure ongoing compliance with the *Code of Practice for the Prevention and Control of Healthcare Associated Infections* (including the Hygiene Code).

4.1.3 Risk management

The Board of Directors is required to confirm the following:

☒ Issues and concerns raised by external audit and external assessment groups (including reports for NHS Litigation Authority assessments) have been addressed and resolved. Where any issues or concerns are outstanding, the board is confident that there are appropriate action plans in place to address the issues in a timely manner;

☒ All recommendations to the board from the Audit Committee are implemented in a timely and robust manner and to the satisfaction of the body concerned;

☒ The necessary planning, performance management and risk management processes are in pace to deliver the annual plan;

☒ A Statement of Internal Control ("SIC") is in place, and the NHS foundation trust is compliant with the risk management and assurance framework requirements that support the SIC pursuant to most up to date guidance from HM Treasury (www.hm-treasury.gov.uk); and

☒ All key risks to compliance with their Authorisation have been identified and addressed.

4.1.4 Compliance with the Terms of Authorisation

The Board of Directors is required to confirm the following:

☒ The board will ensure that the NHS foundation trust remains at all times compliant with their Authorisation and relevant legislation;

☒ The board has considered all likely future risks to compliance with their Authorisation they face going forwards, the level of severity and likelihood of a breach occurring and the plans for mitigation of these risks; and

☒ The board has considered appropriate evidence to review these risks and has put in place action plans to address them where required to ensure continued compliance with their Authorisation.

4.1.5 Board roles, structure and capacity

The Board of Directors is required to confirm the following:

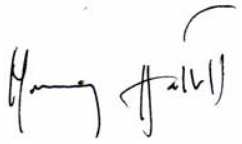
☒ The board maintains its register of interests, and can specifically confirm that there are no material conflicts of interest in the board;

☒ The board is satisfied that all directors are appropriately qualified to discharge their functions effectively, including setting strategy, monitoring and managing performance, and ensuring management capacity and capability;

☒ The selection process and training programmes in place ensure that the non-executive directors have appropriate experience and skills;

☒ The management team have the capability and experience necessary to deliver the annual plan; and

☒ The management structure in place is adequate to deliver the annual plan objectives for the next three years.



In capacity as Chief Executive & Accounting Officer

In capacity as Chairman

Signed on behalf of the Board of Directors, and having regard to the views of the governors.

Section five

Membership

5.1 Membership report

Overall membership totals in the public and staff categories have increased over the past year. The Council of Governors have adopted a prudent approach in estimating new membership for 2008/9, with priority being given to increasing the membership with particular attention focused on increasing the number of Outer Constituency members. This is reflective of the Council of Governor's decision last year to ensure a more balanced membership and a new set of priorities for 2007-2010 as outlined in a revised Membership Development Strategy.

5.1.1 Total membership including outer constituency:

	At year start (April 1)	**At year end (March 31)**	**Increase**
Public (Hackney and City)	3893	4214	321
Public (Outer)	420	487	67
Staff	1273	1447	174
Total	5586	6143	557

The following numbers relate to the Hackney and City constituencies:

5.1.1.2 Membership size and movements

Public constituency	**Last year 2007/08**	**Next year (estimated) 08/09**
At year start (April 1)	3893	4214
New members	391	500
Members leaving	70	70
At year end (March 31)	4214	4644
Staff constituency	**Last year**	**Next year (estimated)**
At year start (April 1)	1273	1449
New members	213	246
Members leaving	37	100
At year end (March 31)	1449	1595
*Data 432 members being found to be invalid and removed from the database.		

5.1.1.3 Analysis of current membership

Public constituency	**Number of members** N = 4,214	**Eligible membership (% representation)**
Age (years):		
0-16	31 (0.74%)	3,223 (1.64%)
17-21	56 (1.33%)	16,335 (8.33%)
22+	1,303 (30.92%)	176,455 (90.02%)
Not Stated	2,911 (69.08%)	-
Ethnicity:		
White	1,861 (44.16%)	129,015 (65.82%)
Mixed	144 (3.42%)	5,988 (3.05%)
Asian or Asian British	366 (8.69%)	14,243 (7.27%)
Black or Black British	811 (19.25%)	40,750 (20.80%)
Other	180 (4.27%)	6,014 (3.07%)
Not Stated	852 (20.22%)	-
Socio-economic groupings		
ABC1	3,078 (73.04%)	102,292 (52.76%)
C2	0	18,155 (9.36%)
D	292 (6.93%)	33,718 (17.39%)
E	798 (18.94%)	39,716 (20.48%)
Not stated	46 (1.09%)	-
Gender		
Male	1,778 (42.19%)	92,655 (47.27%)
Female	2,366 (56.15%)	103,358 (52.73%)
Not given	70 (1.66%)	-

The detailed tables attached do not allow for a ‘not stated’ category of response, therefore these members have been included in the formula driven cells. A similar approach has been taken to tie up characteristics of eligible membership to the total.

5.2 Membership commentary

5.2.1 Constituencies

The Trust embraces the concept of a wide membership base, with no limit on the number of people who can register.

5.2.2 Public

Membership of the Trust is drawn from three core constituencies. The public constituencies are defined in terms of people, including patients over the age of 16 who live in the borough of Hackney, the City of London and the Outer area. The Outer constituency includes residents from Camden, Islington, Tower Hamlets, Newham, Barking, Havering, Redbridge, Waltham Forest, Haringey, Enfield and Waltham Forest, Westminster, Lambeth, Southwark and Epping Forest District. The Trust has no patient constituency. Current and former patients are eligible to become members in the public constituencies. The Trust is able to identify self-declared patients on the membership database.

No changes have been made to the constituencies for membership of Homerton University Hospital NHS Foundation Trust although the Board of Directors and Council of Governors will consider the relative merits of a more fundamental constituency review which may result in changes the outer constituency boundaries and introduce a patient constituency. As more neighbouring trusts achieve FT status membership catchments will overlap, which may discourage or dilute membership participation. This will have to be approved by the membership as per the constitution.

5.2.3 Staff

Staff membership is via an opt-out scheme 68% (1,449) of staff are currently members. The annual turnover of staff in the Trust during 2007/8 has been 11.2%. New employees and leavers are collated monthly and added to the membership database. The staff constituency is divided into two classes, clinical and other staff, to ensure a broad range of staff would be elected to the Council of Governors, to represent the interests of different staff groups. Staff on permanent contracts or those who have worked for the Trust for at least 12 months, including contracted staff, are eligible for membership.

5.2.4 Staff membership profile

Staff clinical: **1106**

Staff other: **343**

5.2.5 Membership analysis

Gender: broadly reflect local population

Age: It is difficult to make meaningful comparison as over 66% members did not give their date of birth on the membership form. However, there has been an increase in the number of fully completed membership forms and it is expected that this data will improve over time.

Ethnicity: City and Hackney Census data is used for the comparison as the majority of Homerton's patients live in the borough and over 80% of the public members are in the Hackney constituency. The Trust's membership is broadly reflective of local population.

5.2.6 Membership growth

The Council of Governors and Board of Directors have given a clear commitment to the development of a membership that is representative of the diverse communities the Trust serves. The governor working group for membership development is responsible for membership development activities. The group meets regularly and supports the following membership activities:

- design and content of Homerton Members News and revised membership recruitment leaflet
- membership recruitment
- governor promotions at hospital and community events
- membership lectures
- new members meetings.

5.2.7 Future membership

The Membership Development Strategy 2007-2010 has five main objectives. These are:

- to increase the number of active, informed members who are representative of our patients and local community **(a larger membership)**
- to strive for the composition of membership to reflect the diversity of the local community **(a diverse membership)**
- to engage the local community through community visits to a wide range of groups and stakeholders **(an inclusive membership)**
- to ensure members receive appropriate communications to improve their understanding about the affairs of Homerton and its relationship with the local community **(an inclusive membership)**
- to ensure that Homerton is accountable for its performance to the members **(an informed membership).**

Each of these objectives has a number of actions that outline the steps that will be taken in order to achieve the objectives. In addition, the governors have begun to develop a range of performance indicators, so that progress and achievement can be tracked throughout the year. Sample indicators include:

- number of new members per month
- number of new members from harder to reach groups
- number of community visits and events in 2008/9
- % increase in number of outer constituency members
- improved members webpage and increased hit rate
- attendance at annual members meeting and new member events.

The Trust has set a relatively small target membership projection for next year. The aim will be to increase the membership profile in the Outer Constituencies and increase the membership profile from the harder to reach groups locally. A series of recruitment campaigns for the aforementioned constituencies will be planned during 2008 based on catchment-specific information provided by Membership Management Online. The Trust acknowledges that communicating a message of membership promotion within these two target areas may not yield a large membership take-up.

5.2.8 Involvement of members

The identification and involvement of members in the activities of the Trust is integral to involvement and successful engagement. There is a wide spectrum of membership involvement from information giving to more formal consultation with governors and members. Member and governor involvement is outlined below:

- Patient and Involvement Group
- Homerton Disability Forum
- Homerton volunteer programme
- schools link initiative
- focus groups that provide feedback on service delivery and design
- maternity services liaison committee
- Patient Environment Action Team visits
- critical reading groups
- faith group meetings
- Patient Experience Tracker
- Essence of Care initiatives
- membership questionnaires
- patient user groups.

The Trust has reviewed and is currently consulting on its Patient and Public involvement Strategy. The new arrangements confirm the PPI Committee as a sub committee of the Council of Governors responsible for oversight of all involvement activity be it member or non-member activity.

5.2.9 Governors

The Council of Governors comprise of twenty six governors under the leadership of the chairman. There are fourteen public governors, six staff governors and six partnership governors. The Council of Governors meet in full session on four occasions through the year with, in addition, three seminars, two additional joint Board and Council of Governors meetings and the Annual Members' Meeting. The Council of Governors appointed two non-executive directors in April 2008 and will select a new non-executive director in the autumn. The governors have also appointed a new external auditor for the Trust. The Remuneration Committee will review non-executive pay during 2008/9.

Each year the governors spend time reviewing achievements and focus on the priorities ahead, in light of the Trust's strategic plan, corporate objectives and their participation in the Annual Health Check. Priorities for 2008 also focused on the membership development strategy already referred to in this plan. The governors have prioritised the following areas for the coming year and will work with the Board of Directors to:

- improve the patient and service users experience of care with a focus on customer care, communication and mixed sex accommodation
- develop maternity services through the Reducing Infant Mortality Project and Perinatal Centre development
- learn lessons from the Maternity Services Review, Emergency Care Review and Patient Survey findings.

5.2.10 Election of governors

Election turnout

Date of election	Constituencies involved	Election turnout%
August 2007	Public: Hackney (5), Public: City (1) Staff Clinical (1)	20.5% Uncontested Uncontested
January 2008	Staff Clinical (1) Staff other (2)	10.5% uncontested

Elections will take place in June 2008 and will be held in accordance with the election rules. It will be conducted by the Electoral Reform Balloting Service on behalf of Homerton. The following four seats will be contested:

Hackney Public	2
Outer	1
Staff	1

Two elections have been held during 2007/8.

Section six

Financial projections

As separate document

Section seven

Supporting schedules

As separate document

Appendix

Assurance framework

Board Assurance Framework 2008 - 2009

Risk ID Lead Director Date added	Summary/description of risk	Likelihood	Key Control	Source of Assurance	Gaps in control	Gaps in assurance	Summary of Risk Treatment Plan	Risk Treatment update
Corporate Objective 1: To meet the requirements for the top rating in the HCC Annual Health Check, with a particular emphasis on reducing the time patients wait to be seen.								
1.1 COO Apr 08 Core target Governance	Failure to achieve key access targets: - 62 day cancer target - 4 hour wait Emergency care target and rolling 13 week target - 18 week wait project milestones, Dec 2008	 H 	Monthly performance scorecard indicators and tracking Cancer office review Monthly performance scorecard indicators and tracking Daily position reports Monthly performance scorecard indicators and tracking Project plan	Monitor governance ratings Monthly balance scorecard metrics As above As above Project milestones National access target times for treatment achieved: 90% admitted before Dec 2008. 95% not admitted before Dec 2008	Early warning escalation Correlation between internal and external data reports. DOH/ Monitor information		All breaches to be investigated and Recommendations and remedial actions stated. As above Project plan in place	Risk treatment carried over from 07/08. On target Risk treatment carried over from 07/08. On target Project plan on track
1.2 Dir of Hr & Env. Dir of Corp Dev. Apr 08 Governance	Trust may be exposed to action under legislation if it fails to identify gaps in legislative and compliance systems and process.	 M	Corporate performance monitoring committee Single equality scheme and action plan. Procedures and policy manuals. Monitor Compliance Framework	Workforce data Legislative compliance Regular reports to Board and its committees. Web site information Regular reports to Board and its committees. Health and Safety Reports ERIC return. Compliance with regulations and legislation.	Compliance register		Continue to develop compliance register to include all compliance, legislative and accreditation risks, visits, inspections and current status of action plans. Update key schemes and procedures Single equalities scheme and action plan signed off by the Board by June 2008.	New risk for 08/09. Compliance Register under development with key compliance dates for 08-09 included.
Corporate Objective 2: To have solid evidence of increasing patient satisfaction.								
2.1 Dir. of Nursing Med Dir Apr 08 Governance C14, D11,C16,C17, C20,C21,D8	Failure to deliver against public expectation as measured by patient surveys and improving patient experience in all areas.	 H	Monthly performance score card indicators. Patient and Public Involvement committee. Council of Governors Clinical Governance Committee Board of Directors	Patient survey action plans Patient experience tracker (PET) Number of complaints Members feedback Compliance with core standards PALS data	Current bed configuration		Essence of care programme. Patient experience tracker. Quarterly directorate reporting. Maternity review action plan. Develop KPI's. Beds Review to be complete by June 2008	Introduction of customer care project to cover all aspects of patient experience including referred patients. Maternity Action Plan in place
2.2 Dir. of Corp Dev Governance C14, C16, C17, D8	Failure to achieve balanced, active membership in outer constituencies.	 M	Monthly performance score card. Membership management online database (MMO). Membership Development Committee.	Membership growth figures Election turnout Level of engagement			Implement PPI Strategy. Work to target under represented constituencies. Review constitution and consider introduction of patient constituency.	New risk for 08/09. To be reviewed by Council of Governors and Board at joint meeting in July 2008.

Risk ID Lead Director Date added	Summary/description of risk	Likelihood	Key Control	Source of Assurance	Gaps in control	Gaps in assurance	Summary of Risk Treatment Plan	Risk Treatment update
Corporate Objective 3: To continue our focus on cleanliness, ensuring full compliance with the HCC Hygiene code.								
3.1 Dir of Nursing. Med Dir. Apr 08 HCC Core target, C4 NHSLA Risk mgt standards: 5.1.6, 5.2.7	Failure to maintain strong position in reducing Hospital acquired infections.	M	Monthly performance scorecard. Induction and mandatory training. Infection control policies. Infection control governance. Antibiotic policy	Ongoing surveillance. Monthly balanced score card metrics. Board reports. Health care commission rating. Compliance with Hygiene Code. Infection Control Committee.			Investigation of hospital acquired bacteriaemia. Monthly directorate reporting framework in place reflecting risk. Training programme in place.	Revised risk for 08/09. Currently on target
Corporate objective 4. To foster a skilled and productive workforce, which has pride in its work and its organisation.								
4.1 Dir HR&E. Dir Corp. Dev Apr 08 C8, D7 Governance	Failure to respond to staff survey findings.	H	Staff survey Team brief Staff appraisal data	Staff survey Staff communications Human resources workforce report Staff turnover rates	Strategic Workforce Committee	Staff survey action plan	Implement Communications Strategy and staff survey action plan and measure performance against targets. Review associated HR and training and development targets for inclusion in balanced Score card. Establish Workforce Committee	New 08/09. Awaiting staff survey action plan to address priority areas for development.
4.2 Executive Team Dir. HR&E	HR and Workforce systems processes fail to address high risk areas: Sickness and absence monitoring Occupational Health Management Disciplinary and Appeals Procedure Staff Appraisal Specialist/technical recruitment	H	Policies and procedures Workforce KPI's Performance monitoring. Monthly scorecard. Project plan Executive team	Workforce data Staff Survey Key post recruited Adequate numbers of competent staff Compliance with HCC standards			Policy review in place. Launch of new occupational Health management service. Participation in DOH initiative to promote healthy workplace. Develop workforce strategy outlining plans to address recruitment and skills deficit. Develop plans to recruit to key specialist/technical posts.	New risk 08/09 Workforce Committee to meet in June.
Corporate Objective 5: To consolidate and further build financial and business acumen in the organisation.								
5.1 Dir of Finance Apr 08 Financial Risk HCC: Use of resources	Current positive financial environment leads to a weakening of financial discipline with reduced focus on budgetary control and the under achievement of planned savings	M	Financial and internal control systems. Savings programme. Oversight by finance committee. Performance management process. Systematic monitoring	Monitor financial risk rating of 3 or 4 Monthly report to Board of Directors and Clinical Board. Expected outcome achieved.	Development of service line management to inform decisions about future investments/savings from individual clinical services		Cost reduction plan for 2008/09 in place.	New risk

Risk ID Lead Director Date added	Summary/description of risk	Likelihood	Key Control	Source of Assurance	Gaps in control	Gaps in assurance	Summary of Risk Treatment Plan	Risk Treatment update
5.2 COO Apr 08 Financial Risk	Trust fails to recover all income due because of problems coding all activity.	H	Staff training. Clinical coding systems Oversight by Clinical Board. Finance committee	Internal and external Audit Audit Committee Regular financial reporting. Regular sample testing of coding.	Discharge summaries	External verification of clinical coding	On going data quality audit. Coding plan in place inc. training and investment. Discharge summary KPIs agreed in contract.	Risk carried over from 08/09. Stafffing levels have bee increased.
Corporate Objective 6: To promote the clinical services we provide for people, expanding these or developing new services as appropriate. To consider how these services and the Homerton best integrate into the future shape of London's health services.								
6.1 COO Apr 08 Financial Risk HCC: Use of resources	Failure to capitalise on expanding elective base.	H	Business planning process Strategic plan	BSC and performance monitoring framework			Business Development strategy in place 08-09. Dr Foster marketing tool. Internal market share targets. Service line reporting	New risk 08/09
6.2 COO Apr 08 Financial Risk HCC: Use of resources	Delay with upgrading to new EPR code base resulting in failure to realise benefit from Choose and Book and other systems development	H	Internal reporting. Staff training. Report to Clinical Board.	Income and activity data. Contract monitoring. Go Live.			Project plan in place.	Revised risk carried over from 08/09
6.3 Chief Executive Apr 08 Terms of Authorisation HCC: Use of resources	Failure to capitalise on the opportunities presented by the review of Healthcare for London	H	Oversight and review by BOD. Partnership arrangements	Regular strategic updates.			Track and seek to influence London Strategic Review.	Risk carried over from 008/09
6.4 Dir HRE April 08	Inadequate parking and access for patients and staff	H	Usage monitoring	Patient and staff feedback Complaints Comparative data			Risk carried over from 08/09	Review of implementation and impact of restrictions in Q1.
Corporate Objective 7: To operate the hospital effectively during the biggest building programme undertaken on site in a decade. This involves the construction of the new Perinatal and Fertility centres								
7.1 COO Dir. HR&E	Failure to maintain focus on core business and performance during the building programme	M	Monthly performance reports. KPI tracker Board of Directors Clinical Board Building schemes management	Performance ratings Balanced score card metrics Compliance with TOA			Project plans in place for building programme.	On track
8.1 BoD Apr 08	Failure to adequately prepare and respond to lessons from the Beijing games.	L	Regular report to Board.	Current designation maintained			Regular Board update	On track

This BAF forms part of the integrated Risk Register
** denotes emergent risk.* ***Any Italic bold text indicates statements which have been added as an update for the most recent quarter***
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CONSEQUENCE	LEVEL	LIKELIHOOD	LEVEL	RISK SCORE (CxL)	RISK
None/insignificant	1	Rare	1	1 - 3	Low
Minor	2	Unlikely	2	4 - 6	Moderate
Moderate	3	Possible	3	8 - 12	High
Major	4	Likely	4	15 - 25	Significant
Catastrophic	5	Certain	5		