



Strategic Plan Document for 2014-19

York Teaching Hospital NHS Foundation Trust

Strategic Plan Guidance – Annual Plan Review 2014/15

The cover sheet and following pages constitute the strategic plan submission which forms part of Monitor's 2014/15 Annual Plan Review.

The strategic plan must cover the five year period for 2014/15 to 2018/19. Guidance and detailed requirements on the completion of this section of the template are outlined in Section 5 of the APR guidance.

Annual plan review 2014/15 guidance is available [here](#).

Timescales for the two-stage APR process are set out below. These timescales are aligned to those of NHS England and the NHS Trust Development Authority which will enable strategic and operational plans to be aligned within each unit of planning before they are submitted.

Monitor expects that a good strategic plan should cover (but not necessary be limited to) the following areas, in separate sections:

1. Declaration of sustainability
2. Market analysis and context
3. Risk to sustainability and strategic options
4. Strategic plans
5. Appendices (including commercial or other confidential matters)

As a guide, we would expect strategic plans to be a maximum of fifty pages in length.

As a separate submission foundation trusts must submit a publishable summary. While the content is at the foundation trust's discretion this must be consistent with this document and covers as a minimum a summary of the market analysis and context, strategic options, plans and supporting initiatives and an overview of the financial projections.

Please note that this guidance is not prescriptive. Foundation trusts should make their own judgement about the content of each section.

The expected delivery timetable is as follows:

Expected that contracts signed by this date	28 February 2014
Submission of operational plans to Monitor	4 April 2014
Monitor review of operational plans	April- May 2014
Operational plan feedback date	May 2014
Submission of strategic plans (Years one and two of the five year plan will be fixed per the final plan submitted on 4 April 2014)	30 June 2014
Monitor review of strategic plans	July-September 2014
Strategic plan feedback date	October 2014

1.1 Strategic Plan for y/e 31 March 2015 to 2019

This document completed by (and Monitor queries to be directed to):

Name	Anna Pridmore
Job Title	Foundation Trust Secretary
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Tel. no. for contact	01904 721418
Date	30 June 2014

The attached Strategic Plan is intended to reflect the Trust's business plan over the next five years. Information included herein should accurately reflect the strategic and operational plans agreed by the Trust Board.

In signing below, the Trust is confirming that:

- The Strategic Plan is an accurate reflection of the current shared vision and strategy of the Trust Board having had regard to the views of the Council of Governors;
- The Strategic Plan has been subject to at least the same level of Trust Board scrutiny as any of the Trust's other internal business and strategy plans;
- The Strategic Plan is consistent with the Trust's internal operational plans and provides a comprehensive overview of all key factors relevant to the delivery of these plans;
- All plans discussed and any numbers quoted in the Strategic Plan directly relate to the Trust's financial template submission; and
- The 'declaration of sustainability' is true to the best of its knowledge.

Approved on behalf of the Board of Directors by:

Name (Chair)	Alan Rose
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Signature



Approved on behalf of the Board of Directors by:

Name (Chief Executive)	Patrick Crowley
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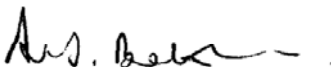
Signature



Approved on behalf of the Board of Directors by:

Name <i>(Finance Director)</i>	Andrew Bertram
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Signature

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1.2 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.

Confirmed

This plan was approved by the Board of Directors at the June 2014 meeting. In approving the strategic plan the Board fully debated the risk to delivery; including specifically the challenge of the national efficiency programme and the implications of sustained commissioner activity reductions.

This plan includes nationally prescribed efficiency assumptions. The first year of this plan (2014/15) is in fact the fifth year of a sustained 4% year-on-year national efficiency requirement. This assumption continues through to 2018/19. By the close of this plan the Trust will have faced 9 years of 4% efficiency requirements. This efficiency requirement is cumulative in nature and grows by 4% in each year of the plan.

In addition to this requirement to maintain activity levels for considerably less income, the Trust is facing activity reductions from commissioners who are actively seeking to manage within their allocated resources. The Board of Directors recognises the challenge the Trust will face to further reduce costs in line with reduced income levels associated with these activity reduction plans.

To deliver this plan will require continued engagement with all commissioners, including; Clinical Commissioning Groups, NHS England and Local Authorities. The Board of Directors is committed to both clinical and financial sustainability of service provision and will be working collaboratively with all commissioners and stakeholders to ensure long term service provision for the population we serve. Notwithstanding the national efficiency requirements and planned activity reductions, this work will need to consider a full review of the agreed portfolio of services provided by the Trust, the agreed model of service delivery, costs of these services and appropriate reimbursement mechanisms. Without longer term commissioner support and engagement, it is likely that local provision of services that are not financially viable will be threatened.

The Trust is working with partners to redesign pathways and transform the way it provides services. Community Hubs will ensure more effective deployment of resources across the patient pathway, promoting co-ordinated management of patients with long term conditions to avoid unnecessary admissions. Together with initiatives such as the separation of acute and elective work, the planned Acute Assessment Unit, 7 day working and Liaison Psychiatry (mental health collaboration), these plans will reduce the need for inpatient beds.

The financial climate and the pressure predicated in this plan will place an enormous strain on the organisation. The difficulties and challenges the Trust will face are recognised and are well understood. The organisational form of our provider neighbours and the configuration of service delivery across North Yorkshire will most likely play a role in the sustainability of services. The Board are alert to this fact and continue to play a leading role in shaping and influencing relationships.

The national agenda will require the Trust to deliver £96m of savings over the life of the plan. Whilst a significant proportion of these savings are identified there remains much work to do to identify and deliver the full savings requirement. In this regard the Board discussed and welcomes the work being undertaken by Monitor and the Trust Development Authority to assess the deliverability, quality impact and the safety risk of such a sustained national efficiency requirement.

1.3 Market analysis and context

Background and Vision

Background

York Teaching Hospital NHS Foundation Trust has placed strategic planning at its core for a number of years. The Integrated Business Plan 2012-2017 set out the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust in order to preserve and maintain services in York and Scarborough and the surrounding areas. This sustainability has been and continues to be further enhanced through partnership working with the other Providers, Commissioners and Local Authorities in the area.

The Trust has regular patterns of engagement with the Clinical Commissioning Groups (CCG), Health & Wellbeing Boards and City of York Council and North Yorkshire County Council in developing a service planning approach which is sustainable and beneficial to the wider community.

Partnership working with Acute Trusts in the region is also paramount to developing a range of services, which are both cost effective and also provide greater choice to patients. There is continuing engagement with NHS England around the planning and delivery of specialist “secondary care plus” services which involves in some cases network/alliance arrangements with neighbouring Acute Trusts eg: Hull and Harrogate. However, there will also need to be a consistent approach in working with CCGs and Local Authorities to encourage standardisation and transformation of services across the locality.



Local Authority Boundaries

Working across organisational boundaries is one of the Trust's strategic frames ensuring co-operation and partnership working. The Trust's intention is to drive forward quality, safe and sustainable services through collaboration with others to provide choice together with locally based services wherever practicable. The Better Care Fund (formerly the Integration and Transformation Fund) has been created to facilitate integrated planning between Health and Social Care. The Trust is a standing member of York's Health & Wellbeing Board, which also includes representation from City of York Council, Vale of York CCG, Leeds and York Partnership Foundation Trust, Adult Social Services and various voluntary organisations. The Trust is also represented at the North Yorkshire Health and Wellbeing Board.

Mission, Vision & Values

Mission

The Trust reviewed the mission and objectives during the year and confirmed the mission to be: *To be trusted to deliver safe, effective and sustainable healthcare within our communities.* The objectives fit into four strategic frames and are:

- Improve quality and safety - To provide the safest care we can, at the same time as improving patients' experience of their care. To measure our provision against national indicators and to track our provision with those who experience it.
- Develop and enable strong partnerships - To be seen as a good proactive partner in our communities - demonstrating leadership and engagement in all localities.
- Create a culture of continuous improvement - To seek every opportunity to use our resources more effectively to improve quality, safety and productivity. 'Where continuous improvement is our way of doing business'.
- Improve our facilities and protect the environment - To provide a safe environment for staff, patients and visitors, ensuring that all resources are used as efficiently as possible.

Vision

The vision of the Trust following the completion of the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust (SNEY) is to be a healthcare organisation that is recognised locally and nationally as delivering outstanding clinical services that meet the needs of its varied population and supports services that matter to patients. The vision is underpinned by three key goals:

- To be an effective and sustainable provider of general acute, community and appropriate tertiary services.
- To remove uncertainty in relation to healthcare services particularly for the population of the East Coast of Yorkshire.
- To extend genuine public involvement opportunities from being part of an FT, giving the population of the East Coast the opportunity to be heard more formally through membership.

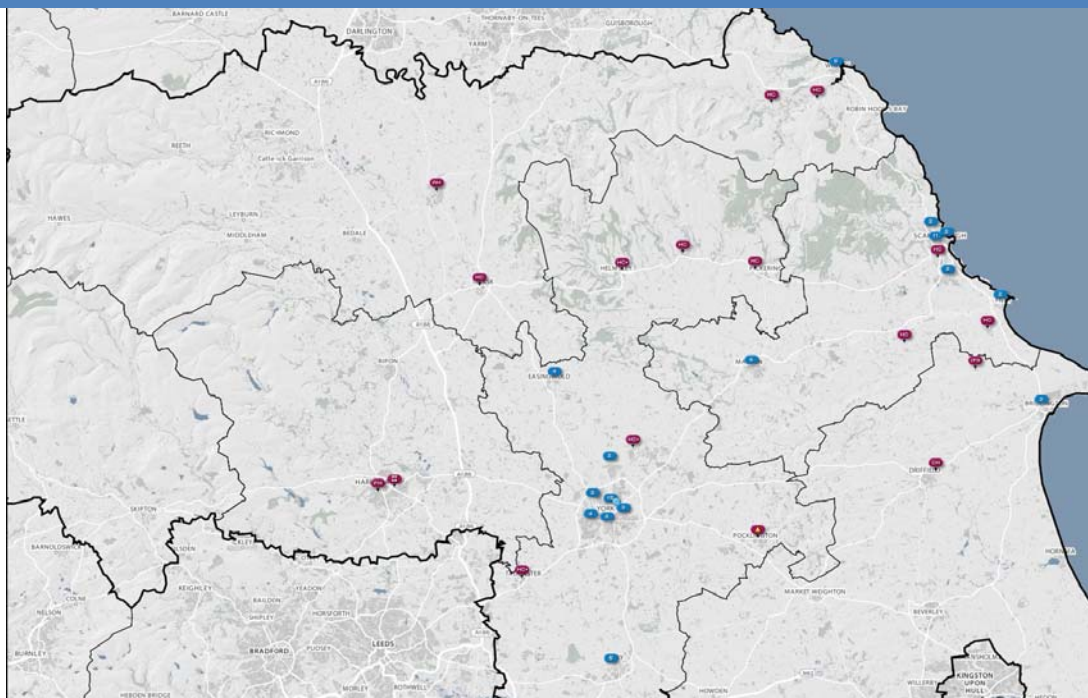
Values

A review of historic organisational development activities at both organisations has been undertaken and alignment of existing organisational values has been approved by staff across both organisations. The following values have been agreed to be adopted by the enlarged organisation.

- ▶ Caring about what we do ("caring with pride")
- ▶ Respecting and valuing each other
- ▶ Listening in order to improve (always seeking to improve)
- ▶ Always doing what we can do to be helpful

Trust Profile

YTHFT was formed as an NHS Trust in 1992 and authorised as a Foundation Trust on 1 April 2007. The Trust has an annual turnover of over £400m and employs over 8,000 staff working across sites and in the community. The Trust includes 3 acute hospitals in York, Scarborough and Bridlington, 3 community hospitals at Selby, Malton and Whitby, and rehabilitation hospitals in York and Easingwold.



York Teaching Hospital NHS Foundation Trust: Site Locations

In April 2011, YTHFT took over the management of most community based services in Selby, York, Scarborough, Whitby and Ryedale. These included some community nursing and specialist services as well as Archways in York, St Monica's in Easingwold, The New Selby War Memorial Hospital, Whitby Hospital and Malton Hospital. The majority of YTHFT's clinical income arises from contracts with Vale of York CCG and Scarborough & Ryedale CCG.

Each year the Trust sees the following activity:

Data Item	2013/14
A&E Attendances (Excluding MIU)	130,000
Outpatient Appointments	434,000
Inpatients	123,000
Operations and Procedures	65,000
Babies Delivered	5,000

In July 2012 YTHFT acquired SNEY, which had a turnover of £121m in 2010/11. SNEY consisted of a catchment area of 1000sq kms, one of the largest in England with a population of only 180,000 and four hospital sites, Scarborough, Bridlington, Malton* and Whitby* (*Community Hospitals). SNEY had a challenging financial history for at least 10 years that led to short term cost cutting decisions and in consequence difficulties maintaining performance, significant estates backlog maintenance and issues with recruitment and retention of staff.

Clinical Quality and Safety

YTHFT has maintained a full unconditional licence from the Care Quality Commission (CQC). The licence is an endorsement from the CQC that the outcomes YTHFT delivers for patients are of the standard and

quality they would view as acceptable.

During the year YTHFT has continued to drive the implementation of the quality and safety. It continues to work with national and international experts in the field and whilst proud of its progress will continue to push for the best possible results across all aspects of our care.

Overview of Performance

This year has been a challenging one in respect of performance. However, the Trust has worked closely with commissioning partners in order to resolve the issues of long waits in the 18 week pathways of some specialties, and the experience of some patients waiting over 52 weeks for treatment. This approach has seen good progress being made and reinforces the importance of partners working towards the common goal of improved health outcomes.

Whilst the Trust experienced a rise in incidences of Clostridium Difficile, (C Diff) during the year, a significant amount of work has been undertaken to identify the cause of this and the actions required to improve our performance. Actions have included a visit and feedback from Public Health England, an improved antimicrobial prescribing pathway, raised awareness across the Trust, evaluation of cleaning standards and increased use of Hydrogen Peroxide Vaporised fogging. As a result, reductions in C Diff infection rates are now being seen.

The Trust has had to deal with increasing numbers of attenders in the Emergency Department, which has resulted in the need for the Trust to revisit its emergency care pathway. This work has been overseen by our Acute Care Board and has involved the appointment of Advanced Clinical Practitioners, who will enhance early clinical decision making and timely access to treatment. This approach has already seen an improvement in Emergency Department waiting times in the period January – March 2014.

Finance

The Trust continues to operate within the context of the difficult national economic situation and its impact on the NHS. In addition, although the commissioning landscape changed with effect from 1st April 2013 the CCGs (particularly the Vale of York CCG) that composed the Trust's former main commissioner (North Yorkshire & York PCT) continue to be severely financially challenged, which has wider implications for the whole of the local health economy.

At the end of the last financial year, YTHFT reported an income and expenditure deficit of £1.0m. This position is after a technical adjustment for impairments of £3.7m, restructuring costs of £1.0m, and donated asset income of £0.6m all of which are discounted by Monitor in their assessment of the Trust's underlying performance. The underlying operating I&E position after discounting these issues is a surplus of £3.1m. The Trust has an actual cash balance of £25.3m. The underlying Income and Expenditure position places the Trust ahead of its operational plan. CIPs achieved at the end of March total £26.2m. The CIP position is £2.8m ahead of plan.

Workforce

YTHFT has managed workforce efficiency and the delivery of improvements by ensuring that the quality and productivity of staff remains strong. The Trust has seen five years of year on year improvement in attendance rates following the decision to implement a robust sickness absence monitoring process. This process was introduced at SNEY following the acquisition and it has seen a dramatic reduction in sickness rates following a rigorous approach to management. Teamed with the sickness monitoring has been a Wellbeing Strategy which encourages staff to take responsibility for their own health and wellbeing.

Recruiting the right people with both the right skills and behaviours has been key. YTHFT has developed a

strong reward and recognition package to attract and retain good staff and has developed innovative approaches to recruitment. Benefits can be evidenced in the form of the Trust's participation in events such as the Global Corporate Challenge. The Trust is now moving towards recognising its ageing workforce and the alternative approaches required to support these staff in terms of ageing rather than ill health. The current focus is on enabling strategies to help the Trust manage differently.

A new educational strategy is being developed looking to incorporate a changed approach to staff responsibility in terms of their compliance with statutory and mandatory updates. We are also starting to look at how we deploy the use of webinar and webex provision to create greater access for our community based staff. The recognition that the geographical spread of the organisation presents specific access issues is being actively reviewed through the fairness forum.

Information Technology

The integration of York and SNEY provided a major challenge for the Systems and Networks Services. A major part of the integration with SNEY has been to:

- Create a single converged voice and data network spanning both acute and community services.
- Deploy a single electronic patient record across all the Acute and Community Hospitals and enabling Community Teams to access that record.
- Consolidation of back office systems and the integration of standalone clinical applications.

A significant element of the Strategy has been to migrate from disparate stand alone systems to a single electronic patient record. These achievements were made in addition to the continued development, maintenance and support of the existing systems and network.

Estates and Facilities

The take over of management of most community based services in Selby, York, Scarborough, Whitby and Ryedale in April 2011 and the acquisition of SNEY in July 2012 has led to a significant increase in estate especially in terms of backlog maintenance. 6-facet surveys have been completed for all Trust sites together with an engineering compliance audit and action plans. A major amount of work and investment is underway to upgrade and maintain existing buildings whilst also focusing on new developments, energy management, integrating two teams and harmonising policies and procedures.

Market Assessment

Demographics and Trends

North Yorkshire is the largest county in England with a predominantly rural landscape. The general health of the population and life expectancy is better than the England average, but there are also areas of deprivation. The majority of the population is white (over 96%) with small proportions of Asian, black and other ethnic groups.

The main area of growth is in the elderly population (65+) in all areas covered by the Trust (York, Scarborough, Selby, Ryedale and East Riding of Yorkshire) and is also reflected by the forecasts of the Trust's main CCGs. Projected population changes are available on request. Inherent with this increase in the elderly population will be the rise in the number of dementia cases and challenge to provide for the complex needs of this section of the population with limited finances over a large geographical area.

Summary PESTLE Analysis

The summary PESTLE shown below highlights a number of external factors impacting on the Trust.

Working collaboratively with Regional and Local Health Economy partners will help to reduce the impact and provide sustainability for the area.

POLITICAL	ECONOMIC
<ul style="list-style-type: none"> ▶ 2011 White paper ▶ Any qualified provider and need to drive patient choice ▶ Consequences of acquisition for SNEY ▶ North Yorkshire Review 2011 ▶ NHS England publication 'The NHS belongs to the people: a call to action' 	<ul style="list-style-type: none"> ▶ Real term reduction in income over next 4 years with NHS expected to make £20b savings ▶ Historic financial deficit across health community ▶ Rising cost of drugs/equipment & labour ▶ Loss of income/activity to through termination/re-tendering of contracts
SOCIAL	TECHNOLOGICAL
<ul style="list-style-type: none"> ▶ Ageing population ▶ Population increasingly expect to be involved in care and have information on outcomes ▶ Large employer within North Yorkshire ▶ Formation of 'health watch' England 	<ul style="list-style-type: none"> ▶ Technological advances in delivery of care ▶ Tighter clinical guidelines to drive improvements in outcomes ▶ Advances in specialist areas means some may now be delivered closer to patients ▶ Ongoing IT requirements to support integration and development
LEGAL	ENVIRONMENTAL / ETHICAL
<ul style="list-style-type: none"> ▶ Increased regulatory regimes 	<ul style="list-style-type: none"> ▶ Carbon reduction requirement ▶ Expectation of public openness and accountability ▶ Patient centred service

Competitive Environment

National Context

The NHS was challenged to deliver annual efficiency gains of 4% to deliver £20 billion over five years in 2011. The NHS England publication 'The NHS belongs to the people: a call to action' sets out the challenges facing the NHS and calls for radical transformation to provide sustainable high quality services in light of the possible £30 billion gap in investment, population growth and continual rise in patient expectations. Evolution of medicine and technology has led to people living longer with greater needs in relation to long term conditions and an increase in dementia.

One of the key themes is partnership working between health and social care to enable more streamlined, efficient and effective services to be provided. However, this partnership working will need to be carefully delivered due to differences in funding, management, culture and the fundamental difference of a free service versus one that is means tested.

Nationally, the drive is to provide specialist services through the continuing development of centres of excellence, which will provide the expertise to maximise survival rates in relation to rare, serious and life-threatening conditions.

The Local Health Economy

It is recognised in the Local Health Economy that fundamental change to working practices is required to continue to maintain services in a difficult financial climate whilst driving up quality and focusing on patient safety. The Trust provides a comprehensive range of acute, specialist and community services to approximately 530,000 people living in and around York, North Yorkshire, North East Yorkshire and Ryedale. This presents a challenge especially in terms of consistency of provision and is compounded by the number of CCGs and Local Authorities and other organisations involved in the planning.

Achieving a balanced budget and organisational sustainability in the coming years, with the continued focus on further efficiencies and funding pressures will be challenging and require committed focus and engagement with all partners across the locality.

Expectations on providers from CCGs to provide greater efficiencies whilst transforming care and maintaining quality and safety, are significant. The financial challenge is set within a context of increasing demand across all sectors including an elderly population whose needs are changing together with higher patient expectations across the board. Health and social care integration has been identified as an area which could provide opportunities for joined up pathways for patients whilst reducing duplication and the risks of patients falling between separate services.

The Better Care Fund has been set up to acknowledge the two main factors facing health and social care; an ageing population and an increasing number of people with long term conditions. The fund provides a financial incentive to Councils and NHS organisations to make joint plans to deliver integrated care. Community models will play a significant part of the short term financial and service sustainability solution for the Local Health Economy and these feature heavily on the agenda for the Trust and both leading CCGs and are the cornerstone of the use of the Better Care Fund.

Development of community hub models to deliver improved health and wellbeing linked to long term condition support will be the first step to managing long term condition patients proactively and closer to home. This will reduce admissions and lengths of stay and free up capacity within the Trust to concentrate on acutely ill and elective patients. However, initiatives like this will take time to scope, pilot and fully implement leading to increased operational costs in the short term before benefits can be built on and fully realised as a part of long term sustainability.

Increasing demand will also be a significant challenge. Developments are planned in a number of areas to tackle the balance between demand and capacity, but resources are finite and will require continual prioritisation to ensure the maximum benefit is realised from the workforce, finances, estate options and skill enhancements. Delayed transfers of care also provide a significant challenge and risk for the Trust due to capacity issues in care homes and the availability of packages. The Trust is working proactively with the Local Authority and Social Services to reduce the impact and associated risk.

Commissioning Context

Since the acquisition of Scarborough & North East Yorkshire Healthcare NHS Trust (SNEY) in July 2012, YTHFT has had two main commissioners, Vale of York Clinical Commissioning Group (CCG) and Scarborough & Ryedale CCG, but also has contracts with East Riding of Yorkshire CCG and Hambleton, Richmondshire & Whitby CCG who sit on the periphery.

Vale of York Clinical Commissioning Group (VoYCCG) - VoYCCG serves York, Selby, Tadcaster, Easingwold and Pocklington. This area covers 35 GP practices, has a population of nearly 337,500 and is a mix of city and rural settings.

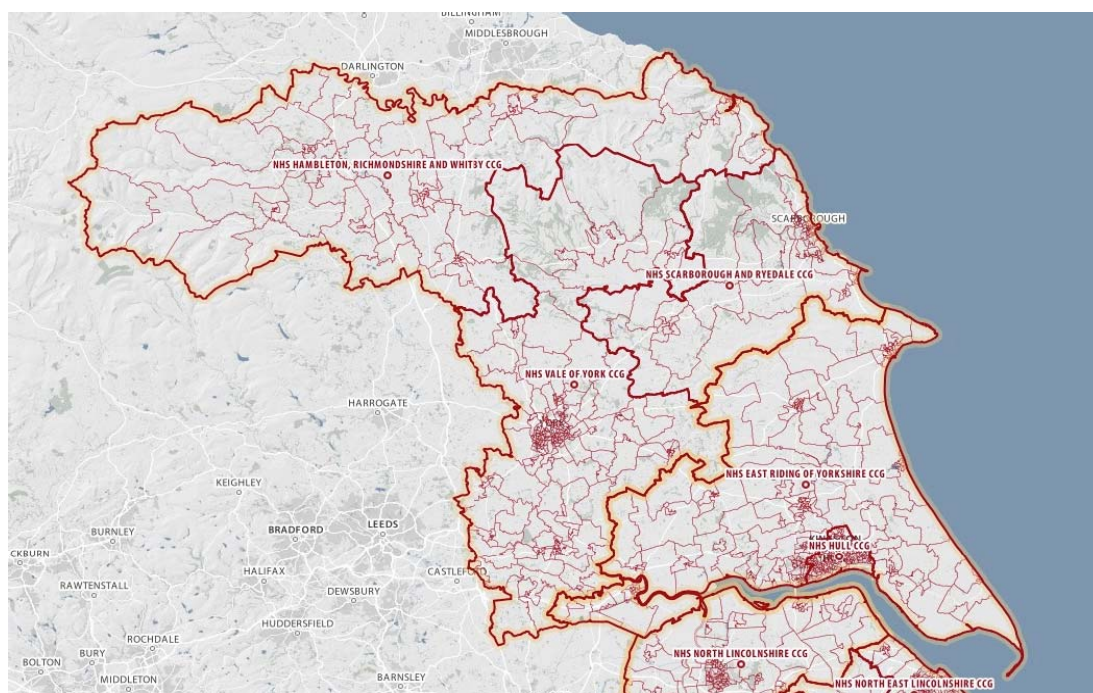
Scarborough & Ryedale Clinical Commissioning Group (S&RCCG) - S&RCCG has sixteen GP

practices based in the Scarborough & Ryedale area to meet the needs of around 118,000 local residents, of which, some 21.9% are aged over 65. The aging population together with areas of high deprivation and an influx of people at holiday times presents a significant challenge.

East Riding of York Clinical Commissioning Group (ERoYCCG) – ERoYCCG has 38 GP practices in a geographical area of approximately 1,000 square miles covering both rural and urban areas. The resident population is approximately 335,887.

Hambleton, Richmondshire and Whitby CCG (HR&WCCG) – HR&WCCG has 22 GP practices serving a population of around 142,000 people.

Specialist Commissioning - There is continuing engagement with NHS England around the planning and delivery of specialist “secondary care plus” services which involves in some cases network/alliance arrangements with neighbouring acute Trusts eg: Hull and Harrogate. However, there will also need to be a consistent approach in working with CCGs and Local Authorities to encourage standardisation and transformation of services across the locality.



York Teaching Hospital Foundation Trust: CCG Boundaries

Threats and Opportunities from local commissioning intentions

The Trust contracts with several Clinical Commissioning Groups (CCGs) in North, East and West Yorkshire, NHS England and two Local Authorities. This presents the Trust with both opportunities and threats as follows:

Threats	Opportunities
<ul style="list-style-type: none"> The different commissioners may take varied approaches to commissioning and contracting for services with different outcome requirements being required of the Trust for the same service. Commissioners are taking differing approaches to the application of CQUIN to the different contracts. 	<ul style="list-style-type: none"> The introduction of the CCGs allows the Trust to think differently about commissioning and provide opportunities to identify savings and change how services can be designed to more closely to reflect the commissioner's desires. The Trust will be working with different commissioners and a greater number of

- There are many financial penalties built into the standard contract for Never Events and National Quality Requirements and these present an increasing financial risk to the Trust.

Local Commissioning Strategy

- The Trust's two main commissioning CCGs (Vale of York and Scarborough/Ryedale) have inherited significant deficits from the North Yorkshire and York PCT and have a significant QIPP programme to achieve and then remain in balance over the next 3 years. In particular the CCGs will continue to focus on outpatient follow up ratios as a means to achieving cost efficiencies.
- Vale of York CCG has signalled its intention to competitively tender some services currently delivered in an acute setting with the intention of moving these to community setting and making cost efficiencies.
- Vale of York and Scarborough CCGs are trying to introduce local financial penalties for local quality initiatives.
- Vale of York CCG has signalled its intention to commission an integrated health and social care service during 2014. This will include some services provided by the Trust.

stakeholders. This will provide the Trust with an opportunity to be imaginative about the provision of services.

- The local NHS treatment centre currently run by Ramsay healthcare is due for re-tendering in 2014.
- The inherited deficit remains a challenge, but is a driving opportunity for the health and social care providers in the area to work together and find collaborative solutions to the challenges.
- Vale of York CCG has signalled its intention to commission an integrated health and social care service during 2014/5. This will include some services not currently provided by the Trust.
- The Trust welcomes the opportunity to be involved in market testing exercises. This will allow the Trust to consider how a service is delivered and how it can be improved and be more efficient.
- The introduction of financial penalties will sharpen the expectations of the Trust and enhance the opportunity to work closely with the commissioners.
- There are opportunities as a result of competition to win business from other providers and this is welcomed by the Trust.

The Threats and Opportunities presented by CCGs competitively tendering services highlighted above will have little or no impact in 2014/15. The CCGs have given notice to the Trust in relation to community contracts.

Tertiary Services and Clinical Alliances

YTHFT has had a range of significant clinical alliances in place with Harrogate and District NHS Foundation Trust and Hull and East Yorkshire Hospitals NHS Trust (HEY), which ensures that an appropriate range of services is available across the health economy. These alliances provide support for the delivery of secondary care services and some tertiary care services across the region. YTHFT is committed to developing strong partnerships and clinical alliances to help provide effective and sustainable healthcare with our communities. A number of tertiary services that are not provided locally by YTHFT are delivered predominately by the tertiary centre at Leeds.

Other Providers

Independent Sector Providers - The main Independent Health Sector Provider in the York area is the Nuffield Hospital in York. The Nuffield Hospital offers a range of elective, diagnostic and outpatient services, supported by in-patient beds. The Nuffield Hospital is now a recognised provider of choice for General Practitioners. YTHFT enjoys a productive relationship with the Nuffield Hospital, calling on it occasionally to supplement capacity, although recently there has been no requirement to activate this support.

The Ramsey Healthcare Group runs the Independent Sector Treatment Centre facility at Clifton Park in York, having won a competitive tender process in 2009 for a three-year contract. Currently, YTHFT has a secondment arrangement with Ramsey, supplying Consultant Orthopaedic Surgeons and Anaesthetic staff to undertake routine Orthopaedic and some General Surgical procedures.

Whilst the routine surgical activity, formally carried out in YTHFT is undertaken at the Treatment Centre, YTHFT recovers its costs through a secondment arrangement with Ramsey under the auspices of a Service Level Agreement.

YTHFT would consider if the opportunity were to arise, to bid for the management of the facility for the duration of the new contract when tendered in 2014. The Ramsey organisation's future intentions are unknown at the current moment in time but it is likely that they and several other providers will also be interested bidding for the service.

At present there is no private provider working in the Scarborough/Bridlington area for the Trust to work with.

Impact of other Trusts in the Local Health Economy

Harrogate and District NHS Foundation Trust (HDFT) - Harrogate has a reputation for effective delivery of services and accessibility for patients to the west of the YTHFT patch. The aspirations and plans of the two organisations are managed in a mutually beneficial way through a clinical alliance arrangement.

There are strong partnerships in a number of clinical specialties including Vascular and Breast Surgery, Urology, ENT, Maxillofacial Surgery, Ophthalmology and Renal Medicine. Further areas for collaborative working to generate economies of scale, improved care pathway outcomes are being reviewed.

Hull and East Yorkshire NHS Trust (HEY) - HEY has strong links established with the Hull/York Medical School and through clinical partnerships in Neurosurgical and Vascular services.

It is seeking to ensure continued sustainability for their Cancer Services Centre and there have been productive discussions around establishing patient choice options for tertiary cancer work on the eastern side of the patch. There has also been recognition of the York/Scarborough linkages for non-tertiary cancer service activity that previously went to Hull from Scarborough. Further areas for collaborative working to generate economies of scale and improved care pathway outcomes are being reviewed.

Leeds Teaching Hospitals NHS Trust (LTHT) - YTHFT has strong service linkages with Leeds across a number of specialist services. The strategy will be to continue to explore repatriation of services previously provided at Leeds where it makes sense for them to be provided locally given in house capability and capacity and patient access issues. LTHT has acknowledged that there are certain specialties where repatriation would benefit them in freeing up capacity for more specialist areas of work (including Laboratory Medicine, Hepatitis C and HIV services).

Leeds and York Partnership NHS Foundation Trust (L&YPFT) - Leeds and York Partnership NHS Foundation Trust provides specialist mental health and learning disability services to people within Leeds, York, Selby, Tadcaster, Easingwold and parts of North Yorkshire. YTHFT are working in partnership with L&YPFT to develop a hospital mental health liaison service which will provide the right level of support and treatment for patients with mental health needs admitted into acute care.

Market Share and Segmentation

YTHFT aspires to be the main provider for acute hospital services to its local community. It currently achieves this with few significant flows to neighbouring Trusts from its core population and no growth in these outflows.

As YTHFT develops its portfolio of services, some opportunities for growth exist and these are being actively pursued, namely:

- ▶ The development of “secondary care plus” services for the wider 500,000 North Yorkshire population. In recent years, the intention has been to secure the catchment base for this aspiration through the Clinical Alliance with Harrogate in the west and the Malton/Pickering/Pocklington corridor of population in the north and east. With the acquisition of SNEY and the integration of clinical services across the two previously separate organisations, this aspiration is now a means by which core services are being strengthened.
- ▶ Discussions with HEY and HDFT colleagues are progressing regarding developments in Plastic Surgery and Sexual Health and potential opportunities in relation to Renal Medicine, Paediatric Surgery and Laboratory Medicine.
- ▶ The opportunity to attract additional elective work from other providers (e.g. Plastic Surgery and ICD device cases from Leeds).
- ▶ Provision of clinical support services to neighbouring NHS Trusts and independent sector providers (e.g. Laboratory services).
- ▶ The termination of community contracts will pose a challenge for the Trust, however, collaborative working with the CCGs will provide opportunities to develop the Community Hubs, initially at Malton and Selby.

The actions above are predicated on the maintenance of a positive and productive working relationship with colleagues in the Clinical Commissioning Groups.

Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

A SWOT analysis allows for the enlarged organisation to demonstrate consideration of a range of factors in determining the service plans; providing the rationale. A SWOT influences planning by gaining an understanding of current position and future requirements.

The High Level SWOT analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ Strong FT with good performance history ▶ Services are well regarded ▶ Strong relationships between managers and clinicians ▶ Effective clinical and corporate governance structures, systems and processes ▶ Strong training and development; well supported as is research ▶ History of clinical alliances that support service delivery ▶ Breadth of senior management team ▶ Consistent leadership and track record of achievement across all areas ▶ Acquisition provided critical mass 	<ul style="list-style-type: none"> ▶ Historic financial challenges of Local Health Economy ▶ Geography of North Yorkshire area can be challenging and add to costs ▶ Multi site delivery of services ▶ Recruitment difficulties in some specialties

which increased sub-specialisation capability	
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Increased scale of organisation ▶ Increased range of services ▶ Larger clinical teams allowing for increased sub specialisation ▶ Ability to improve range of clinical skills and competencies ▶ Increased critical mass in specialties that would have been under threat due to smaller than required numbers. ▶ Movement of activity to community settings will allow right sized acute hospitals and some separation of acute and elective work. ▶ Play a role in supporting tertiary services in HEY thereby supporting more local services for significant parts of the population ▶ Opportunities to expand patient choice 	<ul style="list-style-type: none"> ▶ Notice served on community contracts ▶ Lack of clarity regarding changing future commissioning intentions ▶ Some poor estate on both sites ▶ Potential poor perception on impact on patient choice ▶ Challenging financial climate ▶ Potential increase in demand from increasing elderly population ▶ Challenge of delivering year on year CIPs

1.4 Risk to sustainability and strategic options

Strategy & Risk

Strategic Priorities

The Trust's has four strategic frames which provide a framework and consistency approach for developments.

The key organisational strategic frames are:

- Improve quality and safety - To provide the safest care we can, at the same time as improving patients' experience of their care. To measure our provision against national indicators and to track our provision with those who experience it.
- Develop and enable strong partnerships - To be seen as a good proactive partner in our communities - demonstrating leadership and engagement in all localities.
- Create a culture of continuous improvement - To seek every opportunity to use our resources more effectively to improve quality, safety and productivity. Where continuous improvement is our way of doing business.
- Improve our facilities and protect the environment - To provide a safe environment for staff, patients and visitors, ensuring that all resources are used as efficiently as possible.

Aligned to these strategic frames are a number of continuing priorities and key developments for future sustainability of the organisation.

- Continuation / enhancement of integrated clinical team working across the York/Scarborough Hospital sites/communities
- Developing separation of acute and elective capacity
- Redefinition of role/purpose of Community services/hospitals
- Co-operation/Partnership Working with other organisations

Integration - the Transforming Community Service agenda and the acquisition of SNEY has led to the phased integration of clinical and corporate directorates, together with a programme of estate works to ensure Scarborough and Bridlington Hospitals are fit for purpose. An ongoing part of the integration will be the programme of works which will allow the redevelopment of Scarborough Hospital to align acute services and provide a new outpatient unit and new paediatric facilities. Integration continues to involve

- single directorate clinical and management structures,
- standardised governance and clinical protocol arrangements,
- the sharing of expertise and capacity,
- developing access to sub-specialised services across the patch,
- redesigned service pathways generating improvements in care,
- economies of scale and streamlined recruitment processes to attract and retain skilled staff.

Integration of the clinical and corporate services areas is progressing well and the new organisation will continue to evolve and develop over the next few years as services and departments align. The Trust is committed to the continuation of this integration work across sites and the communities in order to enhance the services provided.

Acute and Elective Care Separation - the integration has also provided an opportunity to separate out acute and elective care at Scarborough with the intention of developing Bridlington Hospital as an elective care centre. The growing demand for acute services, especially during Winter months is outstripping capacity and impacts the Trust's performance to deliver elective, planned care in a timely manner. This

development will increase capacity for elective work and reduce the number of operations being cancelled, which will greatly enhance patient experience.

The vanguard of this work will be the movement of orthopaedic elective work to Bridlington during 2014/15 supported by a programme to develop a service which provides outpatients, treatment and rehabilitation all co-located for ease of access. A mobile laminar flow theatre will be procured as a precursor to another theatre being built to further develop the capacity required. This work will need wide public engagement to ensure that travelling distance becomes a minor issue heavily outweighed by quality and patient safety. Once elective orthopaedics is embedded, scoping will start to see what other specialties will benefit from this acute/elective split. There will also be opportunities to work with GPs and neighbouring acute trusts to facilitate maximum utilisation of the facilities and site.

The focus on acute/elective care separation on the York Hospital site will revolve around the development of a revised acute care and assessment triage model including the amalgamation of the Short Stay Unit and the Acute Medical Unit. An Acute Board Strategy is driving through the preparatory work to establish an Acute Assessment Unit. This will be further enhanced by the review/reconfiguration of the bed base which is taking place and will include the reduction of surgical bed stock and more use of day case twenty three hour and extended care beds and an increase in elderly bed stock.

The Acute Board Strategy underpins work which has been started to explore 7 day working initiatives that will enable the Trust to function at a higher level on evenings and weekends to facilitate faster diagnosis and discharge. The Acute Board has been replicated at the Scarborough end of the patch to ensure lessons from the work at York are learnt and developed for use at this site. The key development on the East Coast will be the work to transform Bridlington Hospital into an elective care centre.

The Acute Board Strategy is about ensuring that patients are cared for in the right place at the right time. As part of this strategy a bed reconfiguration is planned to take a pragmatic approach to collocation of areas with a reduction in capacity. The proposal makes some bold assumptions on how the NHS will work in the future with integrated health and social care, community frailty services and community step up, step down facilities or care at home.

The proposal is predicated on the expectation that delayed transfers of care will be reduced and more patients cared for in an interim bed. Through the successful implementation of these developments we expect that there will no longer be a requirement of patients to be nursed outside their speciality bed base (out-lie). It also assumes that the length of stay in surgical specialties will be reduced due to adopting enhanced recovery principles with all surgical patients and laparoscopic procedures where appropriate becoming the norm.

Community Services/Hospitals - redefinition of the role and purpose of community hospitals and services is a key priority for both the Trust and CCGs and is being driven forward by the Community Hub model which will be trialled at Malton and Selby in the first instance. The Trust needs to work in partnership with CCGs to identify those patients who can be safely managed in the community, promote self-care initiatives including patient education and self management, exercise and rehabilitation. This work will help to ensure that the focus remains on acute and elective care and patients are not admitted inappropriately and that discharge arrangements are co-ordinated and provide a seamless service from secondary to primary care.

A number of initiatives are being piloted and implemented as an opportunity to design new and innovative care including early supported discharge for stroke patients and improving the early diagnosis of dementia by ensuring staff are trained to assess patients and able to refer onto the most appropriate clinician. The Trust is seeking to develop high quality integrated end of life care by working in partnership with others to support patients and their families and providing more choice.

Learning from the integration of York and Scarborough has identified opportunities to work more flexibly in the community in such specialties such as Diabetes to ensure that patients get the expertise, care and education they need to ensure that hospital treatment and outpatient care is not the first option.

Integration of primary and community care will be a key component of the Emergency Department Strategy, with the scoping of options to work with partners to:

- Transfer acute capacity to community provision, particularly the integration of urgent and emergency care units across Scarborough and Ryedale
- Defining the role of community hospital
- Improving the collective, system wide benefits for patients requiring urgent or emergency care across the spectrum of primary, community, secondary and tertiary care services
- Improving the provision of stroke care

Alliance and Partnership Working - there is a corporate commitment to pursue Alliance and Partnership working with other organisations. In respect of neighbouring acute/community trust organisations (e.g. Harrogate and Hull Trusts) there are potential benefits in terms of mutual service sustainability (through pooling of population numbers and shared expertise and manpower) economies of scale and improved patient pathways.

Examples of services that are being looked at include Oncology, aspects of General Surgery, Ophthalmology, Renal Medicine and Sexual Health. Partnership/Alliance Boards involving senior managers and clinicians from the respective organisations are overseeing developing work programmes. Similarly, partnership working with CCG colleagues via Care Collaborative meetings is being pursued to promote integrated Hospital/Community care working and more effective deployment of resources across the patient pathway. In the long term, the Trust is looking at ways to enter further partnership working involving North Lincolnshire & Goole in order to enhance sustainability and strengthen regional ties and access to services.

The Trust is aware of the need to enhance current mental health and dementia provision. Currently there is a service level agreement in place with the Leeds and York Partnership Foundation Trust (LYPFT) to provide psychiatric input and a dementia assessment tool is being used which generates referrals as appropriate. To further enhance the service being provided, detailed discussions are being held with LYPFT and the CCGs to look at a model for liaison psychiatry service on the York site in the first instance. This will be a phased model and will include direct input into the Emergency Department to ensure patients with mental health needs are assessed and treated in a timely manner. This work is progressing at some pace and it is hoped that a presence will be secured in the Emergency Department by late Autumn. Liaison psychiatry discussions are being progressed at the Scarborough site between the Trust, Tees, Esk & Wear Valleys NHS Foundation Trust and Scarborough & Ryedale CCG.

A joint working group has been set up and the aspiration is to provide a model called Rapid, Assessment, Interface and Discharge (RAID), which has been used successfully in other parts of the country. An additional development has been the agreement with the CCG for the future provision of a Band 6 Registered Mental Health Nurse to work with the York Emergency Department from the Winter Pressures funding.

Commissioning Priorities

NHS England sets out a number of essential elements for a sustainable health economy in 'Everyone Counts: Planning for Patients 2014/15 to 2018/19':

- Quality
- Access
- Innovation
- Value for money

Quality and safety underpin the Trust's ultimate objective 'to be trusted to deliver safe, effective and sustainable healthcare within our communities'. The Trust continues to develop an open, honest and responsive approach to patient experience and feedback evidencing its commitment to learn from internal factors and external reports such as Francis, Keogh and Berwick.

The Trust places great emphasis on infection prevention and control by working with other agencies in order to continually improve practice and measures of hygiene. Governance systems within the Trust ensure that infection prevention is given a high priority at senior committee and board level and evidences a senior team who are committed to raising standards and empowering both patients and staff to provide safe, quality care.

Safeguarding – the Trust has a structure in place for both safeguarding adults and children with the Chief Executive being the children's lead and the Director of Nursing leading on the adult safeguarding agenda. The framework is supported by named leads for nursing, midwifery and paediatrics at York and Scarborough. Following the acquisition of SNEY, a whole system review will take place to simplify policies and procedures, making them easier for staff to use and this will be underpinned by a programme of training. The Trust is currently collaborating with a number of agencies to look at the provision of a North Yorkshire Sexual Assault Resource Centre to further improve child protection in the area.

Staff satisfaction plays a key part in the Trust's strategy going forward, ensuring that staff have the appropriate skills and training to provide a quality service and are recognised for outstanding performance and delivering a service that goes beyond that which is expected.

The separation of acute and elective care will allow appropriate focus to be given to each flow ensuring that optimal care is provided whether the case is routine or complex. This approach will be facilitated by provision of 7 day services which is also a key element of local commissioning strategies to provide Community Hubs to enhance patient safety and experience. A number of clinical directorates are exploring options to extend working hours and improve skill mix to enable a move towards the provision of 7 day services. The aim to separate services along with the increased critical mass that is due to the acquisition of Scarborough will enable the Trust to look at providing a range of specialised services or to be part of an inter-Trust network in order to meet NHS England's specification requirements.

Access – The Trust is spread over a large geographical area especially since the acquisition of SNEY. The acquisition was predicated on providing enhanced patient choice and access across North Yorkshire and is being built on with partnership working that extends across the region and looks at securing access and choice for patients in the long term.

Research and innovation have always played a major role in the provision of the Trust's services. A well developed and structured research focus continues to evolve which capitalises on partnerships with other organisations in and around the region. Innovation is encouraged and can be evidenced in new approaches such as the Community Hubs which will be piloted in two areas.

Value for money, effectiveness, efficiency and procurement – The Trust has a proven record of implementing resource management cost improvement programmes aimed at delivering efficiencies, to support the Trust in making outstanding use of its available money, staff, equipment and premises. Good resource management provides clarity of focus and is usually linked to improved patient care. The work involves linking across the Trust to identify and promote efficient practices.

The Trust recognises the need to work collaboratively with local partner organisations in order to ensure a whole system approach to transforming and integrating services. A number of elements common to partner organisations are being developed collaboratively based on local commissioning priorities.

Reduced First to Follow up Appointment Ratios - this work was initiated in 2013/14 and will continue to develop. The Trust has undertaken a significant amount of work to scope and implement a reduction in follow up appointments across specialties. This has culminated in a number of 'condition registers' that

have been developed by Trust clinicians, in essence to provide a safety marker, which the Trust can use as a default position. These condition registers have been opened up to scrutiny and clinical discussions to ensure the right safety lines have been drawn. The next steps will enable commissioners to make decisions on what specialty follow up appointments are commissioned and which can be devolved into primary care for GP follow up.

Community Hubs - Community hubs will provide the model to integrate health and social care enabling funding and skills to be shared and prioritised, providing rapid assessment and diagnosis. This will strengthen community services and provide a more consistent approach to the implementation of model care pathways and management of elderly patients and those patients with long term conditions. Community hubs will provide an opportunity to work collaboratively on information systems to enable information and records to be shared to support joint care delivery between primary and secondary care.

Vale of York CCG have developed a five year plan which will drive their approach to local hubs and providing a central point of access. The Trust is working with the CCG to develop a pilot which will be sited at Selby Community Hospital which will provide urgent multidisciplinary team assessment, initial treatment and a care plan to support any ongoing care. There will also be proactive identification of patients with the intention of working with patients to develop and implement individual care plans. This pilot will explore ways to 'wrap' services around primary care creating an effective interface between primary and secondary services enabling patients to be supported in the locality.

A major project area for Scarborough and Ryedale CCG is also the provision of a community hub at Malton enabling support to be provided in the community including rapid assessment and diagnosis of frail elderly patients. The aim is to strengthen the support in the community around elderly care, those patients with dementia and develop services that care for patients at the end of life in the most appropriate setting. The community hub development at both hospitals could also include planning for a rehabilitation facility for major trauma, stroke and neurosurgical patients.

These models need to be set up and worked through to enable full implementation over the next two years. This will provide a blueprint for working towards a long term future, which sees more care provided in community settings and more capacity for acute secondary care. There are risks in relation to short timelines and integrated working with Health and Social Care inherent in this work, which have been acknowledged and will require mitigation.

7 Day Working – 7 day working has been highlighted as a priority both nationally and locally to improve patient safety and offer greater patient choice. The Trust is already in the process of exploring options for providing services on a 7 day basis to improve diagnostics and aid clinical decision making. This will enable better discharge planning, shorten length of stay and reduce unnecessary admissions. There is recognition that diagnostics are crucial to secondary care and a significant proportion of primary care and a business case has been submitted by Radiology to start the process to achieve enhanced services. The intention is to fully utilise staff and equipment at weekends and evenings to ensure optimal patient management. 7 day working will also help to facilitate the community hub implementation enabling greater access to diagnostics and subsequent planning of care and treatment closer to the patient's home.

7 day working will provide a challenge for the Trust both in the short and long term. This will fundamentally change working practices and will test both funding availability and the ability to recruit the numbers of specialist staff required.

Urgent Care - The CCGs have signalled an intention to move towards greater integration of urgent and emergency care to ensure patients access the right care at the right time. The Trust plays an integral role in delivering these services and this will represent both a challenge and opportunity to work in partnership with primary care.

The emergency and urgent care service at York is developing an acute assessment model ensuring early

and appropriate access to senior clinical assessment and a more holistic approach to the delivery of acute care for patients. Patients will be assessed by the ED consultant and will obtain early access to diagnostics, 'see and treat' pathways, patient admission to the appropriate ward area or admission to an assessment unit. All specialties will be involved in staffing the assessment unit from a medical and specialty nursing perspective.

Community Diabetes – The Trust is working with Vale of York CCG to explore pathway redesign and the development of a Community Diabetes Team. The new model will reflect changing expectations of patients and the current Department of Health ethos of offering care closer to the patient's home. This will allow the Trust to align services provided at York and Scarborough and transfer routine follow up care into community based services.

Operational Requirements and Capacity

The Trust has determined that we must ensure that all decisions both operationally and strategically reference patient safety, quality of service and efficient use of resources, patient safety being the number one consideration. Business planning has been undertaken in the clinical directorates together with the drafting of strategies looking at the next three to five years recognising the requirement for continued efficiency savings. The directorates have looked at elective, non elective and outpatient activity in relation to forecast outturn, commissioning intentions and growth implications to assess capacity together with potential gaps. One of the biggest impacts and adjustments has been the work done in relation to new to follow up outpatient activity which the Trust has driven in collaboration with the CCGs. Pressures on capacity and planning have been captured and any extra capacity which is required has then been identified and added into the planning phase.

The clinical directorate strategies which are being drafted feature the directorates current position, aspirations and priorities. The strategies reflect the themes underpinning the strategic frames and focus heavily on:

- further/full integration/alignment of services between Scarborough and York
- partnership working with Hull and Harrogate
- work to treat patients out in the community
- work focussed on the acute strategy

These strategies will be built on further to reinforce the links between organisational and directorate strategies and will be monitored through the creation of implementation plans.

In order to support the high number of large scale transformational initiatives, the Corporate Improvement Team will continue to be developed to enhance service development across the Trust. A need for dedicated service improvement support was identified following the acquisition of SNEY and works by sustaining and maintaining skills used by staff within services to drive change. A key development has been the movement of elective orthopaedic work to Bridlington.

Workforce planning and considerations, will play a major role in the next few years and are led by the Director of Corporate Development /interim HR who works closely with the sub-committee of the Board, and chaired by a Non Executive Director. The workforce strategy will continue to build on work already being undertaken whilst scoping new opportunities to innovate and transform staffing. This will include expanding the Trust's values based recruitment and continuing to focus on recruiting volunteers, sickness absence monitoring, and health and wellbeing to enhance and support the workforce. There will be a renewed focus on ensuring current staff remain able to perform in line with role requirements, through performance development and a considered talent development approach targeted at the most senior leaders across the organisation.

Shortages in some staff groups is an ongoing concern especially in terms of nursing and medical

workforce. Initiatives are being led to provide one stop shops, return to practice and targeted city recruitment for nursing staff. Also underway is scoping the possibility of international recruitment and continuing to design new enhanced roles. Roles such as the Advanced Clinical Practitioners and appropriate use of bands 1 to 4 in developing extended roles, to support registered staff through more effective use and training of HCAs.

The role of advanced clinical practitioner (ACP) has been introduced following a successful bid for pump priming monies from the Yorkshire and Humber Education Board. This has allowed the Trust to invest in a number of qualified ACPs to provide mentorship for the cohorts now being trained. These positions will be used both as a training role and as an established position in order to ensure approach skills are available. The long term plan being to rebalance the workforce and provide a complementary support to doctors to allow them to focus on the key elements of their role. The Trust is also looking at enhanced roles for non registered band 3/4s, which could be trained to provide clinical and analytical support in specific tasks to supplement and support other roles.

The Trust continues to focus on improving rostering, reducing the need for temporary and locum staff, maximising attendance at work and regular benchmarking against national models.

The medical workforce will continue to expand especially in light of initiatives such as 7 day working, but this will be in an environment where training is focused on producing more GPs, resulting in a shortfall of hospital doctors. The Trust will be looking at how non consultant training grade posts can become more attractive career choices as well as targeting consultant vacancies. Since the acquisition of SNEY the process for recruitment of consultants has been streamlined with more effective timelines and is proving successful in the recruitment of some specialties.

Risks

- Impact of financial penalties
- Failure to meet cost improvements
- Recurrent and non recurrent funding implications
- Pension funding
- Termination of Community Contracts
- Potential for CCGs to give notice on contracts for other services
- Number of CCGs and the potential for variation
- Challenging community hub timelines
- Acute bed pressures impacting on elective care
- Integration of safeguarding
- Shortage of Junior doctors
- Locum and temporary staffing spend
- Delayed transfers of care
- Health & Social Care working together
- 7 day working
- Demographics and geographical area
- Planned/engineered local variation vs 'postcode lottery'

The Trust has identified a number of risks sources including financial, CCG intentions, bed pressures and workforce. The Trust is continually reacting to internal and external forces to drive through quality and sustainability. The acquisition of Scarborough is driving up quality and safety and providing the critical mass to enable development of services whilst retaining local access. This work is consolidated with the partnership working with Harrogate, Hull and NLAG to achieve strong links across the regional to provide services and create efficiencies.

The current challenging financial climate is likely to increase which will impact on the whole of the local health economy. The CCGs are continuing to mature and relationships with our partners continue to develop to ensure open and honest dialogue together with a collaborative approach enabling all parties to share the benefits and risks. The Trust is under pressure from the termination of community contracts and

the potential risk of further services being put to competitive tender. The Trust is committed to working with the CCGs to develop future quality services which are cost effective. Engagement is paramount and the unit of planning strategy approach will only further strengthen relationships and the need to work together.

A number of initiatives have already been mentioned including an acute strategy which will drive the split between acute and elective provision to ensure both elements can be delivered with a planned and measured approach. Further work on the acute strategy includes increase of the Emergency Department footprint by adding an Ambulance Assessment Unit and an Acute Assessment Unit. In the meantime a move has been made to amalgamate the Short Stay Unit and Acute Medical Unit to create a more cohesive unit whilst cutting down on duplication of paperwork giving staff more time to care.

The community hubs will reduce unnecessary admissions and enable the Trust to focus on elective and emergency care. This together with the internal focus of bed reconfiguration to reduce capacity and the work up of an acute assessment unit to consolidate capacity will alleviate some of the pressures.

The Trust places a strongly led emphasis on achieving efficiency savings which is supported by a robust system of monitoring and challenge to ensure that financial savings are gained through a transformational approach to the way the Trust functions and looks at long term sustainability. The Trust has adopted a risk based governance system aligned to 6 year efficiency planning in order to highlight and mitigate any non delivery, which allows dedicated focus from the Efficiency Team to be provided at an early opportunity.

The Trust also has a workforce strategy which is focused on ways to increase recruitment and reduce locum and temporary staffing spend. The Trust is looking at innovation in relation to staffing in order to be able to respond to shortages. Junior doctor shortages will be supplemented by a programme to build on the successful first cohort of Advanced Clinical Practitioners which are just about to start in their second year. A second cohort of 12 has been identified and will feature 6 community posts to align with the Trust's focus on treating patients in the community.

Another initiative to alleviate skill deficits is to provide enhanced band 3 and 4 roles which will be able to provide specific dedicated clinical skills to assist physicians. The Trust continues to explore best practice initiatives to ensure that staffing is flexible to respond to the needs of patients, but is soundly supported by a framework incorporating support and training underpinned by reward and recognition.

Communication Plan

The Trust will provide the following to ensure appropriate communication to key stakeholders including staff and partner organisations:

- A summary of the strategy will be placed on the Trust's website
- Staff Matters articles
- Staff briefings
- Communications to governors, members and partner organisations

Performance Monitoring and Adaptation

The Trust continues to value and interact with the Council of Governors to seek assurance on progression against plans, which the Governors have been part of shaping and reviewing. This provides an opportunity to listen to input from members and communities, take challenge and keep them informed of developments and progress.

A process and timetable has been developed to ensure performance monitoring of the strategy through the Trust Board. This monitoring will also form part of the process linked to the business planning round, 6 year efficiency planning and directorate and organisational strategic planning.

The Trust is continually adapting to market forces including commissioning intentions, economic pressures and competitive provision. The formalised monitoring will enable the organisation to respond strategically in respect of any unexpected future challenges.

1.5 Strategic plans

Strategic Plans (Services)

The Trust has developed a number of processes to help deliver appropriate, high quality, sustainable and cost efficient services. Linked to all these processes are a framework of performance management meetings which form an integral part of the strategy and planning process within the Trust.

The business planning round process looks at developments, commissioning intentions, capacity to deliver and any trends in growth in order to establish a forecast position on which to predicate future activity. Initiatives are then developed which respond to anticipated growth or shortfalls to mitigate or capitalise on the position.

Another facet of this is to provide sustainable efficient planning, which recognises purchasing and QIPP intentions of CCGs, likely changes in local health trends, demographics and the sustainability of key services. Incremental savings, although important, need to be made alongside transformational schemes. These will be linked to delivering services out in the community, integration opportunities and a clear understanding of cost saving opportunities identified from benchmarking.

Once plans are identified, a business case is drafted to provide tangible evidence that due consideration and assessment has been given of the options, implications, and risks for the Trust in addressing identified issues and meeting stated objectives. The business case forms a key element of an informed decision-making process within the organisation, and provides evidence of compliance with the Trust's 'Scheme of Delegation'.

Directorate Strategies ie: Priorities

Directorate strategies are being developed to capture the aspirations and priorities of clinical services within the Trust. The Directorates have prepared their strategies against a background of guidance from the business planning round relating to expected activity levels, changes in activity levels, performance and efficiency targets and financial targets. The following list articulates elements of individual strategies that are being worked through. Some of these elements dovetail with CCG developments and evidence continued and future partnership working within the Local Health Economy.

Summary of Developments

Acute & General Medicine	<ul style="list-style-type: none">• GP Assessment Area• Further develop the Community Diabetes Service• Endobronchial Ultrasound (EBUS) provision• Scope 7 day Respiratory Service• Amalgamation of Acute Medical Unit/Short Stay Unit• Promote development of Cystic Fibrosis Service
Cancer	<ul style="list-style-type: none">• Need to ensure sustainable breast radiology on SGH site• Alliance working to develop pancreatic cancer, upper GI and Head & Neck pathways• Radiotherapy placement• Need to ensure developments alongside changing peer review measures

Child Health	<ul style="list-style-type: none"> • Development of Regional Child Protection Service (SARC) • Develop Regional Allergy Service • Develop an Epilepsy Service across both sites • New Paediatric Build on the SGH site • Respond to requirements of the Children & Families Bill 2014 • Introduce a revised pathway for autism • Safeguarding review
Care of the Elderly	<ul style="list-style-type: none"> • Develop 7 day working • Develop community hub and care home in-reach services • Deliver sustainable stroke service on both sites • Review medical support to Community Hospitals/Care Homes to develop a Community Geriatrician model • Ensure daily senior Geriatrician specialist presence (12hrs) for the assessment of frail older people
Community Services	<ul style="list-style-type: none"> • Community Hub Pilot – Malton • Community Hub Pilot – Selby • Improve early diagnosis of dementia
Emergency Department – York	<ul style="list-style-type: none"> • Maintain 7 day working for consultant staff and extend working cover to midnight every night • Develop psychiatry Liaison Service • Develop acute assessment model • Continue to develop urgent care centre model • Transferring acute capacity to community provision, particularly the integration of urgent and emergency care units across Scarborough & Ryedale
Head & Neck	<ul style="list-style-type: none"> • Agree new ENT pathway model with CCG • Head & Neck Cancer review sustainability
Laboratory Medicine	<ul style="list-style-type: none"> • Assess centralisation of some services • Cytology – consolidate move to university site
Obstetrics & Gynaecology	<ul style="list-style-type: none"> • Development and introduction of an emergency gynaecology assessment unit • Aspiration to play a major role in the North Yorkshire & York side service network, reviewing community midwifery boundaries, standardising pathways, clinical management practices and protocols along with organisation and on-call arrangements
Ophthalmology	<ul style="list-style-type: none"> • Set up sustainable eye (cornea) retrieval service for North Yorkshire. • Expected growth in demand due to aging population especially in relation to cataracts and glaucoma
Orthopaedics	<ul style="list-style-type: none"> • Clifton Park tender • Address capacity issues • Market Bridlington elective orthopaedics

	<ul style="list-style-type: none"> • Centralise orthopaedic outpatients/diagnostics
Pharmacy	<ul style="list-style-type: none"> • Extension of ward based medicines management service across Scarborough and community units. • Implement revised on-call arrangements. • Implement electronic prescribing (York/Scarborough) • Extension of weekend clinical service
Radiology	<ul style="list-style-type: none"> • Introduction of 7-day working in Radiology at York • Procurement of unified Picture Archive Communication System (PACS) across the Organisation • Support changes to Acute Service delivery through Radiology re-design
Specialist Medicine	<ul style="list-style-type: none"> • Dermatologist recruitment • Develop Dermatology CNS clinics • Develop neuro rehabilitation service • Develop RAPID clinics at both sites
Therapies	<ul style="list-style-type: none"> • Development of an AHP led community chronic pain service in Scarborough • Develop early supported discharge team for stroke in Scarborough • Further scoping and development of 7 day working • Therapy led rehabilitation unit

Community Services

Community Services will work closely with colleagues across acute, primary, community, mental health and the voluntary sector to ensure a seamless, cost effective approach to health and social care provision.

Community Hospitals

Community hospitals have a strong symbolic importance for communities, providing locally available services which benefit from a sense of local ownership. In general, the services currently provided in our community hospitals reflect history. The time is right to embrace an expanded vision for the community hospital with or without beds, which is fit for purpose and a key element in the drive towards developing community hubs and the integration of health and social care.

Two key strengths of community hospitals are that:

- They can provide local access to a wide range of services, potentially on a 24-hour, seven-days-a-week basis
- They can promote a multi-disciplinary, multi-sectoral approach to healthcare.

The vision for community hospitals is as a local hub or community resource centre providing a bridge between home and specialist hospital care, through the delivery of both ambulatory and/or inpatient services. The community hospital will allow us to co-locate 'traditional' community care, nursing, social work and voluntary sector personnel, working with visiting consultants and outreach service providers. This co-location of skills and expertise will foster a culture of collective understanding, shared information and flexible skills development, helping to ensure that there is a breadth of skills across the team and long-term sustainability of services.

Staff operating from community hospitals will co-ordinate complex packages of care involving multiple

agencies and addressing both health and social care needs. Community nursing teams, working from the community hospital, will be well placed to contribute to ongoing care and other service developments such as unscheduled care/out-of-hours services.

Sustaining and developing communities

Communities and stakeholders are very clear about the wider role community hospitals play in their local context. They not only fulfil a key health care function, but also provide employment and are a source of community pride and identity. Many people in communities feel ownership of community hospitals and are positively supporting them and undertaking voluntary work. We must utilise the energy of local communities in developing the role of community hospitals by:

- Setting up the links with voluntary and volunteering organisations, carers and carer organisations, care providers (including those in the social, private and care home sectors) and local businesses
- Being responsive to new opportunities to work with and for the community

Developing the Integrated Care model

There are a number of initiatives being introduced in support of a more integrated package of health and social care support to patients including:

Single Point of Access (SPA) -The SPA will be the main route of access to multi-agency services within the community. The SPA will co-ordinate services for adults and older people and ensure an integrated response from services. Working in partnership with Yorkshire Ambulance Service (YAS), there will be a six month pilot of a 'Single Point of Access' (SPA) into adult community services. The SPA will manage adult community nursing referrals across York, Selby, Scarborough and Ryedale localities. A new call centre service has been set up to support easier access into the Community Services Community Nursing Team.

Levels of Care - 'Levels of Care' is a service model that determines the most clinically suitable placement based on the provision of high quality care in settings that are most appropriate to people's needs. Its specific aims are to improve access to services, enhance the level of clinical outcome, increase the number of people remaining in their own home and enhance service user and carer experience and satisfaction.

Increase in home based step down intermediate care places - The availability of additional home based step down places will free up acute inpatient beds by allowing a proportion of patients, who currently occupy an acute bed while waiting for a step down bed to become available, to be discharged home with a package of intermediate care. It should also reduce the numbers receiving bed based step down care by limiting this to those patients that are not suitable for home based care.

Community geriatricians - Reports suggest that up to 40% of Nursing Home admissions are avoidable. This is an area the health economy needs to focus upon, to reduce bed occupancy through advanced care planning and integrated discharge planning. The health economy will review the current consultant geriatrician model, which is currently mainly acute focused. The review will determine what impact to admissions and reduced lengths of stay community geriatricians would make. The community geriatrician's role would enable:

Improved discharge management - YTHFT has adopted a health economy approach to discharge management. The approach includes Hospital and Community involvement and includes a number of work streams. Each work stream has clear aims and objectives as well as Key Performance Indicators to measure success. The working groups entail policy and patient information/feedback, admission avoidance and non complex and complex pathways and embracing technology.

Long term conditions pathways - Around 50,000 people in North Yorkshire and York live with a long-term health condition and being diagnosed with a condition can have a huge impact on a person's life. A pilot

has been established which sees multi disciplinary, multi agency work-streams examining service gaps and identifying how these can be bridged with process redesign and integrated working. The promotion of the self-care agenda through focused education will provide the central plank of the changes aimed at reducing unnecessary A+E attendances and hospital admissions. Currently diabetes, COPD, heart failure and stroke pathways are being focused on.

Key Corporate Development Plans

Workforce

Staffing is the Trust's biggest financial commitment and challenge especially in terms of recruitment and retention. There will need to be a drive towards flexible and different ways of working, employing staff to work differently to maximise skills and assets.

The Trust will continue to recruit in line with its values, ensuring not only consideration of individuals skills and experience, but also consideration values and behaviours. Ongoing review of the make up of the workforce across the integrated organisation will continue, in order to ensure consistent models like the ACP and enhanced band 3/4 role, where appropriate.

Leadership development has been and continues to be a high priority for the Trust and this will continue with a critical review of senior management arrangements linked to the 'Fit and Proper Persons' test. A Talent Development Strategy will help to set standards for the training of senior managers to strengthen accountability and responsibility arrangements. This fits with an overall approach to refresh current senior management practices in line with an enlarged organisation.

Information Technology

The ultimate objective for IT is *"to be trusted to deliver, safe effective healthcare to our community supported by today's technologies future proofed for tomorrow's needs"*

Systems and Network Core Principles

- Support the delivery of safe, evidence based, effective healthcare.
- Ensure that patients have access to information to help them make informed choices about their health care needs and lifestyle.
- Ensure that data is captured at the point of the event and that management, operational and commissioning information is a by-product of this.
- Ensure that clinicians and support staff have access to all the information they need to provide safe, evidence based, efficient healthcare.
- Ensure the security, integrity and quality of the data. Ensuring that information is available in the right place at the right time to the right person.
- Exploit opportunities for collaborative and alliance working across all care settings. Provide adequate education, training and development and support to proactively manage the major changes in systems and processes.
- Develop, maintain and evaluate the quality and accessibility of information available to clinicians in all care settings.
- Develop and maintain information flows to ensure that strategic planning and operational management is based on good quality information.
- Exploit existing investment (people, process, applications and infrastructure).

Systems & Network Services will continue to proactively support the delivery of the Patient Safety Strategy by developing clinical applications that support the delivery of safe, evidence based effective healthcare,

ensuring high availability and performance across the whole network infrastructure. Operational and commissioning processes will be supported by the further development and implementation of sophisticated business intelligence tools that support trending and modelling of activity.

Estates & Facilities

The main objectives of the department are:

- Evolution of masterplans for York, Scarborough and Community Sites
- Prioritise capital investment to eliminate risks identified in the condition surveys
- Understand capital consequences of clinical strategy, and manage implementation through capital programme

Together with the following capital developments:

- Scarborough – a new ward is under construction.
- Scarborough - plans are being developed for a new paediatric building and a new ED/ acute assessment area.
- Bridlington – plans around the transfer of elective activity.
- York – consider development of a new acute assessment area adjacent to ED.

The Trust has a single monitoring & reporting system to comply with our obligations under the Carbon reduction Commitment, (CRC). Long term plans include the need to have a centralised monitoring control room which would provide a 24x7 BMS monitoring. A trust wide Sustainable Development Group has been established which will continue to focus on raising awareness of sustainability issues at all levels across the Trust.

Finance and CIPs

Productivity, efficiency and CIPs

Introduction

Perhaps the greatest challenge facing the organisation is the delivery of a £96m efficiency programme over the five financial years to March 2019. A summary of the efficiency target, and supporting plans, is provided in table 1 below. Further schemes are currently in development and Directorates have been tasked with developing plans to deliver 5% efficiency over the five years. This is a higher level than the centrally imposed requirement to ensure a level of protection against slippage and meet the increased challenge of the withdrawal of post integration support.

Table 1 - Five year Efficiency Plan

	Target £000s	Detailed Plans £000s	Variance £000s
2014/15	£27,475*	£22,961	-£4,514
2015/16	£16,777	£11,117	-£5,660
2016/17	£18,396	£9,766	-£8,630
2017/18	£18,027	£4,285	-£13,742

2018/19	£15,694	£1,673	-£14,021
Total	£96,370	£49,802	-£46,567

****It should be noted the 2014/15 target has now reduced to £24m***

The aim of this section is to provide evidence of the Trust's ability to deliver against this target. This will include references to:

- Historical delivery
- The Resource Management Agenda
- Organisational capability

There is a strong link between the Efficiency Agenda and maintaining the Quality and Safety of patient care, which is referenced throughout.

Historical Delivery

York has an excellent record of delivering efficiencies; having exceeded its target for the last five years. Historical delivery is outlined in table 2 below.

Table 2 - Historical Delivery

Year	2009/10	2010/11	2011/12	2012/13	2013/14
	£000s	£000s	£000s	£000s	£000s
Target	8,879	12,186	14,187	*23,638	23,363
Achieved	9,283	12,517	15,205	25,609	26,173
Variance	404	331	1,018	1,971	2,810
% Achieved	105	103	107	108	112

****It should be noted - The significant increase in target in 2012/13 is due to the acquisition of Scarborough Trust. This gives York Trust an increased CIP challenge as Scarborough's historic tariff shortfall of £7m needs to be addressed in addition to the national 4% efficiency requirement.***

The proven track record of meeting the efficiency target is due to a number of organisational strengths and innovations. These include:

- Managerial and clinical engagement in the financial agenda
- Robust performance management processes (and)
- A culture that supports innovation and creativity

The Resource Management Agenda

The Efficiency agenda at York has developed in response to the national requirement to deliver savings. Our approach aims to maximise clinical engagement, promote competition and ensure creativity within a framework of robust financial reporting, risk assurance and protecting service quality and safety.

The agenda is led by two dedicated Resource Management specialists and supported by a Corporate Efficiency Team. The team has now incorporated the Costing and SLR team to further strengthen its approach to delivering a sustainable efficiency programme.

The governance of the efficiency agenda is formalised through the Resource Management Policy and oversight is provided by the Trust's Efficiency Group. All savings targets are devolved to Directorates. The Clinical Director structure at York ensures a high level of engagement in this process. Plans to deliver the target are collated onto detailed schedules.

The delivery plan for 2014/15 includes in excess of 500 individual schemes, with many resulting in improved services at reduced costs. The sheer volume of projects ensures that a significant number of staff are involved and engaged in this agenda. Any projects anticipated to impact negatively on patient care, operational delivery or quality of service, are discussed with the relevant Director. All efficiency schemes are subject to a quality impact assessment carried out by the clinical lead in the Efficiency Team.

Corporate performance is assessed each month by the Efficiency Group, Finance & Performance Committee and Board of Directors. The Efficiency Group, established to support this agenda, is a sub committee of the Executive Board. Individual Directorate performance is managed through a series of meetings. The Resource Management Team has monthly sessions to review schedules; share ideas and quality assure plans. Operational and Executive Performance Improvement Meetings review progress by exception.

The Resource Management Policy provides a mechanism to recognise and reward creative approaches to efficiency. The aim is to encourage longer term projects and support cross directorate collaboration. Projects that enable the release of savings in later years are credited in year, encouraging managers to initiate more difficult schemes.

Finally, competition is encouraged through the Efficiency Performance Management Framework. The process generates a Directorate RAG rating for:

- Current year plan
- Current year delivery
- Current year recurrent delivery
- Four year planning

The combined efficiency score is used to initiate a formal range of sanctions and rewards, including the level of scrutiny given to new posts through the Vacancy Control process.

Monitor recently carried out a high level CIP review 2014/15 - 2016/17 and detailed feedback has been received, the review concluded that Executive engagement is high, along with the presence of clinical input and oversight throughout the delivery process. The Efficiency programme was also found to have a clear governance structure, with good long term planning, and monthly progress reports are received by the Finance & Performance Committee and Board of Directors. The review identified some concerns in the following areas:

- Lack of targeted Project Manager resource for Directorates,
- Standard project documentation is not used,
- Detailed implementation plans for high value/risk schemes are not always available.

These concerns are being reviewed and an action plan being prepared.

The Efficiency agenda at York is sponsored by the Director of Finance and operationally led by the Head of Corporate Efficiency. This ensures full engagement from the Finance Managers who provide expert advice to the Directorate Management Teams.

The involvement of directors, non-executive directors and senior clinicians, working along side the Corporate Efficiency Team, ensures that this agenda is well supported at all levels within the organisation.

CIP enablers - Clinical Leadership is an essential component to the delivery of efficiencies. Clinical Directorates are represented at the Executive Board and have an understanding of Corporate Financial challenges and opportunities. These senior Health care professionals also support the identification of efficiency plans within their Directorates.

The Corporate Efficiency team has two clinical lead sessions, one for York, which is well established and a relatively newly established role for Scarborough. This is aimed at providing clinical leadership, support and appropriate challenge to Clinical Directors.

Enabling efficiencies - The role of infrastructure to support efficiency delivery is well recognised at the Trust and the rollout of the Patient Data base system is also expected to realise significant operational efficiency savings. In addition, as noted in the Monitor High level CIP review, the Trust has a mature Service Line reporting (SLR) function. A new model has been built to incorporate Scarborough site data. The expectation is that SLR will increasingly support the generation of Directorate efficiencies.

Links with the wider health economy are essential to transformational change. Good relationships have been developed at Director level, enabling appropriate support for cross boundary schemes. This is particularly pertinent to work with local CCG's, Community services, Local authorities and Specialist Commissioners. Examples of local schemes include the Community Hub project (with local CCG's and Local Authorities) and the Acute Liaison Psychiatry Service (ALPS) in partnership with the local CCG and the Leeds and York Partnership NHS Foundation Trust.

York has a history of commissioning external expertise where appropriate and made excellent use of Ernst and Young to support the acquisition process with Scarborough. A project has recently been commissioned with EY to review the GI elective pathway.

Quality impact of CIP - The link between quality and Efficiency has been the topic of a number of papers to the Efficiency Group. A new system, introduced in 2013/14, has been developed by the Clinical Efficiency Lead and incorporates a governance risk scoring system.

The new process is based on the current Trust Risk Assessment schedule and has now been applied to all schemes. The monthly Efficiency report has been revised to incorporate this information. The results of the review and details of the process have been shared with our main CCG purchasers.

In summary, the efficiency programme at York is well established and successful. It does however continue to evolve to meet the challenging external environment.

Financial Plan

The Trust continues to operate within the context of the difficult national economic situation and its impact on the NHS. In addition, although the commissioning landscape changed with effect from 1st April 2013 the CCGs (particularly the Vale of York CCG) that composed the Trust's former main commissioner (North Yorkshire & York PCT) continue to be severely financially challenged, which has wider implications for the whole of the local health economy.

The Trust's provisional outturn financial performance for 2013/14 is an I&E surplus of £0.05m, and a Continuity of Service Risk Rating (CoSRR) of 4.

Of note is that within this position the Trust met and slightly exceeded its CIP target of £23.4m. The Trust's liquidity position remained robust at £27.2m.

Looking forward over the next five years the Trust's financial strategy is still strongly influenced by the acquisition of SNEY and the further development and integration of services across the York and Scarborough hospitals. The Trust will receive financial support from NHS England for a further 3 years (5 years in total, with 2016/17 being the final year) during which time the prime financial objective will be to manage the risks and successfully integrate SNEY into the enlarged York Trust so that the organisation is financially viable in its own right by the time the support terminates. To achieve this, the extensive efficiency improvement programme developed as part of the Integrated Business Plan continues to be executed including taking advantage of the synergies offered as a result of bringing the two organisations together.

The 'affordability' challenge identified by Monitor has been recognised and provided for within the plans, including the anticipated 4% increase in pensions costs. This will add £8m to the Trust's cost base when fully implemented. At this stage, in the absence of further guidance the Trust is assuming additional income will be made available centrally to cover these additional costs.

The financial strategy is expected to deliver operational surplus/ (deficit) over the next five years at detailed in the table below. The projected deficit in 2015/16 is after allowing for a loss on transfer by absorption of £4.6m arising from the transfer of Whitby Hospital to NHS Property Services following the termination of the community contract with Hambleton, Whitby and Ryedale CCG wef 1st April 2015.

	2014/15	2015/16	2016/17	2017/18	2018/19
	£m	£m	£m	£m	£m
Net Surplus/(Deficit)	3.1	(0.7)	6.5	0.2	0.5

As part of the acquisition of SNEY, the Trust secured £20m additional capital resource to enable it to address key environmental and other risks on the SNEY site. To the end of 2013/14 £17m of this capital had been received with the final £3m expected in 2014/15.

The Trust's cash position remains robust with a closing balance of £27.2m at the end of 2013/14, following the receipt of most of the strategic capital promised by the DoH. The final instalment of £3m strategic capital is expected in 2014/15. Cash levels are forecast to reduce gradually from £27m at the beginning of 2014/15 to £19m at the end of 2018/19 as capital funding is invested over future years.

For 2014/15, the Trust will continue contract with a diverse range of commissioners following the change in the commissioning landscape in 2013/14. For all commissioners contracts have been negotiated within the context of the full PbR framework.

The key assumptions made in developing the financial strategy over the five years:

- Activity plans are underpinned by PbR principles, and include the impact of assessed growth. It is assumed that activity will be delivered as planned.
- Demographic growth has been assumed at 2.4% in 2014/15; 1.9% in 2015/16, and then 1.25% for each year 2016/17 to 2018/19.
- Average tariff deflation of 1.5% per annum has been assumed in each year for all NHS clinical services including those subject to local tariff agreements.

- Average inflation of 1% per annum is assumed for other sources of income in each year.
- Income reductions due to Commissioner QIPP schemes of £10m per annum are assumed over the life of the plan.
- The plan assumes the continuation of the 30% marginal income threshold around non-elective activity, and non-payment for certain non-elective readmissions within 30 days of discharge.
- The Trust has set itself a challenging CIP target of 6.1% in 2014/15 (inclusive of 2.1% achieved non-recurrently in 2013/14), 4% in 2015/16 and 2018/19, and 4.5% in 2016/17 and 2017/18.
- CQUIN is assumed to remain at 2.5% in each year, and that it will be delivered in full.
- A provision for contract penalties and challenges has been created.
- Capital programme spend will be financed by a mixture of Strategic Capital, loan funding and retained depreciation and focussed on upgrade and replacement of existing assets on both the main hospital sites, plus new build works at Scarborough.
- The financial impact of four key strategic developments have been factored into the plan, namely: the Trust ceasing 'hosting' the CLRN, the development of the Bridlington Elective Centre, the termination of the Community contract with Hambleton, Richmond and Whitby CCG, and the development of 'Community Hubs' at Selby and Malton.
- Some commissioners have also given notice either formally or informally of their intention to market test certain services currently provided by the Trust, and most of these are in the early stages of tender development. With the exception of community services for Hambleton, Richmond and Whitby CCG for which it is unlikely the Trust will seek to respond to the tender, for the purpose of the strategy it has been assumed that the Trust will be successful in retaining all the other services.

The key risks to achieving the financial strategy are:

- Failure to fully deliver the cost improvement programme on a recurrent basis, which is an essential cornerstone of the IBP in delivering a sustainable organisation post acquisition of SNEY, once the transitional support expires.
- Activity is lower than planned, including the prospect of the loss of business.
- Non-pay cost inflation is higher than predicted.

If any, or a combination of these was to materialise the Trust will use a combination of strategies to mitigate against their impact:

- Stop and/or defer planned investments.
- Increase the level of cost improvements being targeted.
- Increase activity and income through seeking new business from new markets.
- Service rationalisation.

Quality, Equality & Assurance

Quality

Currently the Care Quality Commission's (CQC) Quality Risk Profile does not indicate any quality concerns with the Trust.

The Quality Report sets out the Trust's responsibilities and priorities in respect of Quality and Safety together with shared learning both internally and externally. The Trust has a number of quality goals which are reviewed annually to reflect areas of focus:

Patient Safety

Improving care of acutely ill and deteriorating patients

- 85% of all acute medical, elderly medical and orthogeriatric patients will be reviewed by a consultant within 12 hours of admission
- Implementation of the National Early Warning System (NEWS) for early identification and

escalation of deteriorating patient to be monitored on all general adult acute wards and for a modified version to be rolled out to community hospitals.

- We will develop and test a clinical pathway of care for patients with severe sepsis.

Reductions in mortality rates

- We will continue the consultant led, systematic review of all in-patient deaths in the acute and community hospitals.
- We will continue to work towards achieving an overall SHMI of less than 100 by March 2015.
- We will continue to work towards achieving an overall HSMR of 100 or less by March 2015.

Improving care for patients with dementia

- Over 90% of patients acutely admitted with delirium or dementia aged 75 years or over have a dementia specific assessment and are referred for further diagnostic advice and specialist treatments.

Improving the use of the WHO surgical safety checklist

- We will achieve 100% compliance with the use of the WHO surgical safety checklist.

Infection prevention and control

- We will continue to monitor and benchmark rates of infection to ensure that we have the lowest possible incidence of infection.

Reducing harm to patients from falling in hospital

- The Trust will establish a strategic patients falls prevention group in the Trust, led by the Director of Nursing. The group will aim to establish a standardised approach to assessment and interventions for patients at risk of falling in hospital. The group will also establish a quarterly reporting framework on trends, actions and learning from patient falls and review and enhance the patient falls and root cause analysis process.

Clinical Effectiveness and Outcomes

Monitoring the prevalence of pressure ulcers

- We will report the number of patients recorded as having a category 2-4 pressure ulcer (old or new) as measured using the Safety Thermometer on one day of each month in York Hospital, Scarborough Hospital, Community Hospitals and Community Services will continue to be monitored.
- We will learn from pressure ulcer development and revise practice to promote a reduction in the incidence of pressure ulcers for patients in our care.

Monitoring critical medicines and antimicrobials

- We will refine our systems for monitoring incidents associated with critical medicines; specifically to reduce the degree of harm from such incidents and to reduce the frequency of missed doses and/or incorrect prescribing and administration.
- We will monitor the prescription of antimicrobials; specifically the indications for the prescription and the review dates.

Patient Experience

Expanding systems for patients to provide feedback on care and treatment received (using the Family and Friends Test)

- Systems for delivery of the Family and Friends Test in nationally designated areas have been established throughout the acute Trust sites (excluding Paediatrics).

- We will increase participation rates for patients using inpatient and Emergency Department services.
- We will implement systems for collection of feedback in outpatients, day care services and community care.

Enhancing supported discharge for patients following a stroke

- 90% of patients discharged from our hospitals following a stroke will have a newly developed enhanced supported discharge pathway.

The Trust's Nursing and Midwifery Strategy has a vision aligned to national recommendations and centred on six values: care, compassion, courage, communication, competence and commitment. Known as the six Cs, the aim is to embed these values in all settings to improve patient care. The strategy focuses on four areas of priority:

- Patient experience
- Delivery high quality safe patient care
- Measuring the impact of care delivery
- Staff experience

In order to deliver the strategy a three year work plan has been developed which sets out the priorities year on year. The implementation of the strategy is regularly monitored by the Board of Directors to ensure progress.

The aim of the Trust's Patient Safety Strategy is to promote an open culture based on staff accountability and a safe environment. The focus will be on learning and improving from incidents, complaints and litigation, whilst emphasizing the importance of avoiding blame we will move towards a culture that will not tolerate non compliance with agreed procedures. The six key streams of work will be as follows:

- Ensuring consistency of care, 24 hours a day, seven days a week
- Reduction of harm by early detection of the patient at risk of deteriorating
- Reducing mortality and improving mortality indicators
- Excellence in end of life care
- Infection prevention and control
- Action on areas of frequent harm.

Equality & Diversity

The Trust is committed to promoting equality, diversity and human rights in its day to day treatment of all patients, visitors and staff regardless of race, ethnic origin, gender, gender identity, marital status, disability, religion or belief, sexual orientation or age.

The Trust is responsible for making a wide range of decisions from policy, budget setting, service redesign, improvements and day to day decisions that affect individuals. Equality Analysis (Formerly equality impact assessment) is the method used to help the Trust consider the effect of these decisions on the community it serves and especially members of the community with protected characteristics.

By carrying out timely and effective equality analysis, the Trust can ensure it obtains the business benefits of Diversity which include:

- Improved patient experience;
- Improved service delivery for all users or potential users, including patients, carers, staff and members of the public;
- Identifying what is working well, as well as what needs improving;
- Focusing on positive outcomes and solutions;

- Minimising the risk of legal action;
- Offering choice and more informed decision making;
- Focusing resources on key equality areas;
- Encouraging greater openness by meaningful engagement and public involvement in change and policy making; and
- Assisting with the formulation of equality objectives.

Board Assurance

The triangulation of key performance data is paramount to an organisation developing a cohesive understanding of its risks. In reality this means that the identification of risk is a multi faceted process, involving the physical inspection of services and localities, reviewing of key performance indicators (complaints, Datix web reports, claims, nursing care indicators etc), and establishing improvement plans where necessary. This work is undertaken by a small team of Governance Facilitators who work directly with the Risk and Legal and Patient Safety Teams as well as clinical and non clinical directorates to review and improve performance. This will include the development of governance dashboards for each service area and these will be regularly reviewed at Directorate and Performance Management Meetings.

The Trust drives quality and safety through the organisation by ensuring that it is linked to all objectives and activities. The Board of Directors is responsible for ensuring that the organisation complies with all national, legal and regulatory requirements. This includes compliance with the CQC regulations and outcomes.

Assurance is maintained by a number of groups reporting through to the Board of Directors. The Quality and Safety Committee is a formal Board Committee chaired by a Non Executive Director with delegated authority from the Board to seek assurance around quality and safety. This committee examines serious incidents, mortality, hospital acquired infections, clinical effectiveness and patient experience as part of its core business. Performance data is monitored and reviewed to identify risks and early warning of potential areas of concern. Patient safety leads the Board agenda and is supported through the Trust by other dedicated groups which focus on patient safety, risk, quality and performance.

The Medical Director has lead responsibility at Board level for clinical audit and effectiveness within the organisation. Operationally he is supported by the Assistant Director of Healthcare Governance and the Clinical Effectiveness Team. The Trust requires all clinical directorates to participate in local and national clinical audit, and for this to be reported in the Trust's Quality Report. The Medical Director reports on clinical audit and effectiveness issues directly to the Board of Directors.

The Trust assesses compliance against Monitor's Quality Governance Framework and to ensure gaps or risks are identified, monitored and reduced. The Trust also collates and shares a Quality Report annually which reviews performance and priorities over the preceding year enabling new priorities and adjustments to be made for the year ahead.

Following the acquisition of SNEY and subsequent ongoing work to integrate the two Trusts, a review of the governance structures and reporting mechanisms will be undertaken. This work will ensure that the Trust continues to evolve a sound system of assurance that captures data, performance and intelligence, which can be used by the committee structure and ultimately the Board, to make informed decisions on the future delivery of safe, quality services.

The Trust has responded to a number of key reports published with discussions being held at various levels in the Trust. Action is being taken to strengthen commitment to an existing programme of work which demonstrates ongoing assessment of performance, identification of gaps and continuous improvement. Quality and patient safety receive prominence on the Board of Directors agenda together

with the examination of numerous strands of data to allow open and transparent discussion and detection of any rising issues. This is supported by the use of patient experience and promotion of learning from serious incidents, complaints and incidents. This work continues to evidence a drop in the organisation's mortality rate.

The Nursing and Midwifery Strategy and Patient Safety Strategy 2014-16 will continue to deliver the focus on the Francis, Berwick and Keogh reports to ensure that actions are achieved. Significant emphasis has been placed on nursing including restructuring of the senior team to enable the following:

- A clear focus upon the nursing and patient care agenda as an organisation
- Clear focus on quality and standards of care
- Put challenge into the clinical directorates to ensure patient experience and safety is aligned with finance and activity
- Allow consistent delivery of the PPI agenda
- Allow clear professional accountability
- Support nursing leadership at all levels of the organisation (in the next phase post Chief Nurse Team re-structure)
- Give an organisational overview and remove the speciality focused silos
- Allow a full review of roles and areas in order to achieve best fit for the benefit of the organisation
- Ensure lessons are learnt across the whole organisation following complaints, adverse incidents and SIs.