

Operational Plan Document for 2014-16

East London NHS Foundation Trust

Operational Plan Guidance – Annual Plan Review 2014-15

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

The operational plan commentary must cover the two year period for 2014/15 and 2015/16. Guidance and detailed requirements on the completion of this section of the template are outlined in section 4 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 two year operational plan commentary should cover (but not necessarily be limited to) the following areas, in separate sections:

1. Executive summary
2. Operational plan
 - a. The short term challenge
 - b. Quality plans
 - c. Operational requirements and capacity
 - d. Productivity, efficiency and CIPs
 - e. Financial plan
3. Appendices (including commercial or other confidential matters)

As a guide, we expect plans to be a maximum of thirty pages in length. Please note that this guidance is not prescriptive and 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 to Monitor (Years one and two of the five year financial 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 Operational Plan for y/e 31 March 2015 and 2016

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

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Date	4 April 2014

The attached Operational Plan is intended to reflect the Trust's business plan over the next two 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 Operational Plan is an accurate reflection of the current shared vision of the Trust Board having had regard to the views of the Council of Governors and is underpinned by the strategic plan;
- The Operational 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 Operational 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; and
- All plans discussed and any numbers quoted in the Operational Plan directly relate to the Trust's financial template submission.

Approved on behalf of the Board of Directors by:

Name (Chair)	Marie Gabriel
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Signature



Approved on behalf of the Board of Directors by:

Name (Chief Executive)	Dr Robert Dolan
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Signature



Approved on behalf of the Board of Directors by:

Name <i>(Finance Director)</i>	Jitesh Chotai
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Signature



1.2 Executive Summary

A.Introduction

National and local context

Rising health care demand, rising costs and flat real funding mean the NHS could face an estimated £30 billion financial shortfall by 2021. Forthcoming changes to pensions and the creation of the Better Care Fund (previously known as the Integrated Transformation Fund) are likely to bring the affordability challenge to an unprecedented peak in 2015/16. Following the publication of the Francis Inquiry there are increasing concerns, and increasing expectations, regarding the quality of services provided by the NHS, and increased regulatory activity by the Care Quality Commission and Monitor.

East London NHS Foundation Trust (ELFT) was authorised as an NHS Foundation Trust in 2007 and is a high performing organisation. The Trust operates in a financially challenged local health economy, but has increased its income base from £170m to £260m and met all of its demanding financial and performance targets over this time, including delivery of £41m Cash Releasing Efficiency Savings (CRES) plan since 2010. This includes delivery of a number of transformational schemes involving major service re-design. The CRES programmes over time are set out below:

Year:	CRES plan
2010/11	£9m
2011/12	£10.8m
2012/13	£12.1m
2013/14	£9.1m
Total	£41m

The Trust is currently compliant with all Care Quality Commission standards, is the first mental health and community trust to reach Level 3 of the NHS Litigation Authority Risk Management Standards, and is one of the highest performing trusts in national patient and staff surveys. The Trust is ranked 5th in the country in relation to the standard of community mental health services provided, and is also ranked 5th by staff recommending the Trust as a place to work and receive treatment. This is set out in the table overleaf, where the Trust's ranking in the Staff Friends and Family Test, and in the National Community Patient Survey, is compared to other London mental health trusts.

	Recommend the Trust as a place to work and receive treatment	Standard of Community Mental Health Services
	RANK (57 TRUSTS)	RANK (53 TRUSTS)
EAST LONDON	5	5
OXLEAS	2	13
CENTRAL & NORTH WEST LONDON	6	7
SLAM	13	13
WEST LONDON	39	17
CAMDEN & ISLINGTON	29	37
NORTH EAST LONDON	37	32
BARNET, ENFIELD & HARINGEY	45	39
SOUTH WEST LONDON & ST GEORGES	43	41

The Trust's success can be attributed to the work of its 3600 staff, and the involvement of the Council of Governors, service users, carers, commissioners and the local community in the planning, delivery and monitoring of services.

The Trust is very proud to have the responsibility to provide services to the most diverse population in the country, and to have a highly diverse staff group. The Trust is committed to ensuring equality and promoting diversity in every aspect of its work, and is refreshing its Equality & Diversity strategy to make further improvements in this area.

The Trust has a Business Strategy and has continued to pursue opportunities to provide new services in circumstances where the Trust can provide high quality care and value for money. The Trust was very pleased to have been awarded the following contracts in 2013/14:

- Newham Transitional Care (GP service)
- Barnet Speech and Language Therapy
- Newham Urgent Care Centre
- Luton Improving Access to Psychological Therapies
- Tower Hamlets Liaison and Diversion Scheme
- Newham Improving Access to Psychological Therapies for Medically Unexplained Symptoms
- HMP Swaleside (Personality Disorder service)
- Newham Influenza Immunisation Bid
- Winter Pressure Bids to prevent admission and A&E attendances

The Trust is therefore very well-placed to meet the challenges ahead. In order to do so, however, it is clear that the Trust must work with commissioners and Local Health Economy partners to transform the way that services are delivered across the system. This two year operational plan sets out how the Trust will start to meet this challenge by ensuring that it designs services in conjunction with commissioners to deliver the right care in the right setting, and develops new ways to deliver high quality care through the Trust's ambitious Quality Improvement Programme.

This two-year operational plan is consistent with the Trust's emerging 5 year strategy, which sets out how the Trust plans to deliver high quality care on a sustainable basis. Elements of the 5 year strategy have been integrated into this document in order to ensure consistency.

As part of its commitment to the success of the Local Health Economy and the NHS as a whole, the Trust is eager to utilise its skills and expertise to provide solutions for commissioners seeking to improve the quality and value for money of services that they contract for, and to improve the experience of patients and carers who use them.

The success of this plan and the sustainability of the Trust as a whole is dependent on effective partnership working between the Trust, commissioners, Local Health Economy Partners, the third sector, governors, service users, carers and staff. The Trust is committed to working in partnership in order to deliver and monitor its strategic and operational objectives.

B.Executive Summary

Background to the Trust and its Services

East London NHS Foundation Trust (formerly known as East London and The City University Mental Health NHS Trust) was formed in April 2000. It brought together mental health services from three community trusts in Tower Hamlets, Newham, The City and Hackney to become a large specialist mental health trust.

In April 2007, the Trust was awarded University status in recognition of its extensive research and education work. The Trust was granted Foundation Trust status on 1 November 2007.

In February 2011, the Trust integrated with community health services in Newham. We are now a trust which provides mental health and community health services. In June 2012, we joined with Richmond Borough Mind to provide The Richmond Wellbeing Service, and in 2013 the Trust won contracts to provide Improving Access to Psychological Therapy services in Luton, and speech and language therapy services in Barnet.

In addition, the Trust provides forensic services to the London Boroughs of Barking and Dagenham, Havering, Redbridge and Waltham Forest, and some specialist mental health services to North London, Hertfordshire and Essex.

The specialist Forensic Personality Disorder service serves North London and the specialist Chronic Fatigue Syndrome/ME adult outpatient service serves North London and the South of England. The Institute of Psychotrauma serves East London.

The Trust's specialist Mother and Baby Psychiatric Inpatient Unit receives referrals from London and the South East of England.

Overview of Monitor requirements

In order for Trusts to meet the significant challenges faced in the NHS, Monitor are seeking to improve the quality of strategic planning, and so have revised their requirements. The new requirements are summarised below. Similar requirements apply to NHS Trusts and Clinical Commissioning Groups, in order to ensure consistency of strategic planning across the Local Health Economy.

Phase:	Requirements:	Focus of Monitor assessment:	Deadline
Phase 1	A two-year operational plan	Monitor will focus on whether the Trust has in place financial plans to address the savings requirements for 2014/15 and 2015/16. Monitor will also seek to understand the degree to which Trusts have started to plan for transformational changes to services.	4 April 2014

Phase 2	A five-year strategic plan	Monitor will focus on the robustness of the Trust's strategies to deliver high quality patient care on a sustainable basis and the degree to which the Trust has developed realistic transformational schemes and aligned these plans with the Local Health Economy	30 June 2014
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Finance rules

The national efficiency requirement for 2014/15 is set at 4%. The national requirement includes the impact of a net reduction of 1.8% in the value of mental health contracts. This is compared to a 1.4% reduction for the acute sector. The Trust is negotiating the local arrangements with commissioners. Newham Clinical Commissioning Group have agreed to a 1.4% tariff deflator for the Community Health Newham contract.

Monitor have indicated that Trusts should plan to make a 4% efficiency savings in each year of the 5 year-plan (i.e. until 2018/19), but with 4.5% required in 2015/16.

Process used to develop the plan

The process used to develop the Trust's 2 year and 5 year plans is made up of three main components:

- Development of priorities and plans with staff and other internal stakeholders
- Joint work with commissioners and Local Health Economy Partners to ensure alignment of strategic intentions
- Consultation with the Council of Governors, service users, carers, staff and members and the local community

The Trust Board has discussed an update on the planning process every month since November 2013. The Board also discussed the initial financial planning update at the January 2014 meeting. Additionally, the strategic planning process has been the key agenda item for the Board Development event in January 2014 and in March 2014.

The Finance Business Investment Committee, which is a subcommittee of the Trust Board has discussed the plan in January 2014 and March 2014.

NHS England have asked for Clinical Commissioning Groups to form "units of planning" with local health economy partners for developing joint commissioner strategic plans. The Trust is part of two local units of planning, as follows:

- Tower Hamlets, Newham and Waltham Forest (led by Tower Hamlets Clinical Commissioning Group)
- City & Hackney (led by City & Hackney Clinical Commissioning Group)

The Trust has engaged with commissioners through regular Mental Health Consortium and other key meetings.

Senior staff from the Trust, including the Chief Executive met the senior specialist commissioning team from NHS England to discuss strategic issues in relation to existing and future service provision in September 2013.

The Chief Executive, Deputy Chief Executive Officer and the Finance Director attended the East London Commissioning Consortium and GP Clinical leads meeting in November 2013 to present the Trust's initial ideas for the savings challenge for 2014/15 and beyond.

In January 2014, the Trust attended a local health economy event which included local providers, local authority, NHS England and clinical commissioning groups to present the savings plan for the Trust.

Additionally the Deputy Chief Executive and the Finance Director discussed the savings plan with the City and Hackney Mental Health Programme Board in January 2014.

In February 2014 the Trust organised a meeting with the three Clinical Commissioning Group Chief Officers to present the challenges faced by the Trust.

In addition to representation at the weekly contract negotiation meetings, the Deputy Chief Executive and the Director of Operations were invited to the East London Mental Health Commissioning Consortium meeting to present the latest version of the savings plan in March 2014.

The North East London health economy was identified by Monitor, NHS England and NHS Trust Development Authority as needing additional support to develop robust and deliverable 5 year strategic plans. External support has been identified and will work with the Local Health Economy from early April for 10 weeks.

The consultation process is set out in more detail in the next section.

Key features of the 2 year plan

The following sections sets out in detail the key features of the plan, which can be summarised as follows:

- The Trust has consulted widely on the development of the 2 year plan, and the plan is consistent with the views of governors, service users, carers, staff, commissioners and the local community. A formal response to the consultation feedback will be published, and progress reports provided during the year.
- The plan is based on the Trust's values, and supports our mission to provide the highest quality mental health and community care, in order to make a positive difference to people's lives. All aspects of the plan, and the Trust's strategies, are aligned with this vision. The plan is also consistent with the strategic intentions of the Local Health Economy.
- The short-term challenge identified by the Trust is: achievement of the 2 year CRES programme, impact of the Better Care Fund, increased competition for services and preparation for transformational change. The Trust is well positioned to meet these challenges.
- The Trust's clinical and service line strategies are to provide the right care in the right setting, focusing on the implementation of recovery orientated practice and interventions whilst providing integrated and holistic care to service users. Service developments support both the Trust's quality strategy and the drive for productivity and efficiency.
- The Trust continues to make improvements in the quality of services provided, and has embarked on an ambitious Quality Improvement Programme which will embed a continuous improvement culture driven by front-line staff. A focus on re-designing clinical pathways and processes will deliver continued savings over the course of the 5 year strategy whilst improving the quality of care provided to our patients.
- The Trust continues to manage its resources effectively in order to meet demand, and focuses on the development of staff in order to enhance workforce capacity.
- The Trust's CRES programme has been clinically led and has been developed through an extensive governance and consultation process. The Trust has identified and agreed £8.8m of CRES for 2014/15, and £9.3m for 2015/16. This comprises of a suitable mix of traditional and transformational schemes. All CRES plan have been subject to a detailed Quality Impact Assessment.
- The Trust has maintained a financial risk rating of 4 for a number of years. The financial plan continues delivers a risk rating of 4 (on a scale of 1-4 under the Risk Assessment Framework). Similarly the plans for the next 5 years will be based on internally stretched targets which will provide the necessary safeguard to achieve a sustainable plan.

Monitoring of performance against the plan will be undertaken by the Trust Board, with accountability discharged through the Council of Governors and in partnership with commissioners.

1.3 Operational Plan

C. Consultation feedback

Council of Governors

The process for consulting with the Council of Governors was more challenging this year given the shorter timeframe for developing the plan and the new Monitor requirements.

The process is summarised below:

November 2013	Initial discussion regarding the planning requirements and process
January 2014	Discussion about priorities and feedback from governors
February/March 2014	Local and Trust-wide membership consultation events held to discuss priorities of members
March 2014	Discussion of feedback to date and refinement of priorities. Discussion of the draft 2 year Operational Plan.

The Trust Board receives detailed reports of all feedback generated, and a number of Board members attend each Council of Governors meeting in order to hear directly from governors. The March meeting also served as a Joint Board and Council meeting, so that the Board could hear directly from the Council.

A summary of the key themes raised by the Council is set out below.

- Developing integrated services
- Partnership working and engaging with the wider community, including the voluntary sector
- Improving communication and information
- Invest and realise the full potential of staff
- Run efficient services and maximise Trust resources
- Provide effective and good quality care
- To be transparent about the national financial requirements and the impact on service delivery, and to challenge the requirement to make 4% CRES over the next five years

In what ways can we improve our service user satisfaction?

- **Better communication** between patients and all professionals involved in delivering services to patients and service users, including admin staff responsible for making appointments;
- Trust services to be more accessible and responsive to the needs of **the local community**
- Promote **empowerment and social inclusion** of services users, through the development of a Recovery College and employing service users
- **Improve quality and availability of information** about the Trust's services (information available at GP surgeries not always helpful).
- **Listen to the voice of service users of all ages;**
- **Better support for carers** - taking their views and suggestions seriously and treating them with respect.
- To recruit staff that reflects the **diversity of the local community**.

In what ways can we improve staff satisfaction?

- **To engage staff at an early stage** in the development of savings plans and other initiatives
- **Better training and professional development** to enable staff to learn from the latest developments, good practice and collaborative working in all types of care settings;
- **Better support and supervision** in the workplace;
- **All staff need to feel valued** by their managers;
- Improving staff satisfaction **via Staff Awards events and better remuneration**;
- **Openness and Transparency** – staff are more likely to bring their full creativity, commitment and motivation to work if the management is true to their word in all communications, both good and bad.

In what ways can we improve financial viability?

- **Good quality care**, focused on early diagnosis and intervention, is cheaper in the long run as it is less likely to lead to re-admissions. Working together with local authorities to reduce delayed discharges is also cost efficient.
- Reduce reliance on **agency and bank staff**;
- **Cut out waste** and improve resource management to ensure that annual cuts do not affect level of service;
- Keep looking for **alternative forms of funding**;
- Identify and **reduce any duplication** of roles in the Trust services

What other priority do you think the Trust should focus on?

- **Transition** from Children to Adult services needs to be improved.
- **To consider expansion or contraction** of the Trust in the future, but if expansion is pursued, to be careful about over-extension and ensure that new acquisitions are properly assessed as adding value to the Trust
- **Reducing stigma.**

The Trust will provide regular reports to the Council on the progress in delivering the plan so that they can hold the Board to account. Feedback will also be publicised through the Membership Newsletter and other communication channels.

The Council of Governors are very concerned about the impact of the savings requirements on the quality and safety of services provided by the Trust, and wish Monitor to take due regard to this concern.

Service users and carers

The Trust-wide Working Together Group is the Trust's central forum for capturing views of service users and carers. They have identified issues that they wish the Trust to focus on. The themes were as follows:

- **Carers** - to build upon the Trust's current carer strategy, ensure it is successfully implemented and work with relevant local authorities to provide a better quality service, greater active involvement of carers and the successful implementation of relevant aspects of the Care Bill regarding carers;
- **Challenging Stigma & Promoting Understanding** – to ensure the public participation team actively assists service users and carers in challenging the stigma surrounding mental health and chronic ill health still found in areas of the wider community, and to promote greater understanding and recognition of mental and chronic health issues by all;
- **Experts by Experience** - to ensure every service employs a service user so that we have experts by training and experts by experience working alongside each other in all areas of service delivery [this will also ensure that the life opportunities of service users are increased];
- **Training Delivery** – to ensure that service users and carers are actively involved in the delivery of all staff and clinical training;
- **Access to Information** – to ensure access to information for service users and carers, both at a

personal level (care plan, treatment, who made decisions and when) and at a Trust level (policies, treatment guidelines, rights of service users and carers etc.);

- **Working Practices, Recruitment & Appraisal** - to make providing Hope & Recovery central to all our work and to use the Trust's appraisal and recruitment processes to ensure all staff and new recruits are orientated towards the Hope & Recovery process, and they can demonstrate a clear understanding of their role in this process;
- **Checking on Improvements** - to ensure the active involvement of service users and carers in the development, implementation and analysis of all audits, standards reviews etc.;
- **Providing Hope / Recovery College** – to ensure the development of learning opportunities for service users and carers that provide skills and opportunities for active involvement in all life activities and actively promote “working together”;
- **Service Co-ordination** - to ensure far better co-ordination, information and active involvement when service users transfer between services (e.g. primary to secondary care, CAMHS to adult services) and that physical health issues are also acknowledged and included in care plans etc. to provide more holistic care;

Staff

The Trust has consulted with the staff group as a whole, and through staff side representatives.

The Trust has discussed the savings plan requirements at the Joint Staff Committee in December 2013, February 2014 and March 2014. Similar to the governors, staff side representatives are concerned about the impact on the CRES requirements over the next 5 years.

Consultation feedback from staff was as follows:

- The need to **consult staff about change** in a meaningful way
- **Partnership working** – explore opportunities for the Trust to provide expert clinical consultation services to non-NHS providers
- The need for **expansion of the Trust** in order to remain financially viable, including consideration of providing private healthcare services
- **Communication** – ensure admin staff have sufficient time to support clinical communication as well as performance management tasks
- Improving the response rate to the staff survey in order to provide **better knowledge about staff satisfaction**
- **Checking on improvements** by reviewing the actions plans from serious incidents one year on, looking at themes of incidents and complaints etc.
- Increase psychology staffing in necessary areas in order to **provide better access to talking therapies** and compliance with NICE guidelines
- Recovery orientated practice should mention **employment for service users** and the strategy around this
- **Business Continuity Planning** and **Emergency Preparedness** should be linked to the strategic plan.

D.Trust strategic context

Vision, mission and values and strategic priorities

The Trust's vision, mission, values and strategic priorities are based on the core values of the NHS as a whole. They have been developed through feedback from staff as part of the Appreciative Inquiry project, consultation with the Council of Governors and recent learning from the Francis Inquiry.

Vision

To be making a positive difference to people's lives

Mission

To provide the highest quality mental health and community care

Values

Our three core values are:

- **We care**

Everyone is entitled to the highest quality care

- **We respect**

Everyone should be treated with kindness and respect

- **We are inclusive**

Everyone should have access to our services when they need them, and we actively seek suggestions from all on how we can improve

And the following values support us in achieving them:

- **We work together**

Together with our service users, carers and partners we work as a team to promote the health, wellbeing and independence of the people we serve

- **We strive for continuous improvement**

Our mission to deliver the highest quality services is a continuous process

- **We discover and share our knowledge**

We encourage research and innovation to find new and better ways of treating people and keeping them healthy and well. We then share what we learn

The Trust has three main strategic priorities as a framework for delivery of its strategic and operational plans:

- Improving service user satisfaction
- Improving staff satisfaction
- Maintaining financial viability

The Trust's quality, clinical and financial strategies are summarised in this operational plan. They provide the basis for delivering the three strategic priorities, as follows:

Improving service user satisfaction – delivered through implementation of the Quality Improvement Strategy, the overall Clinical Strategy and specific service line strategies

Improving staff satisfaction - delivered through implementation of the Quality Improvement Strategy, the Clinical Workforce Strategy, and the underpinning Workforce and Organisational Development Strategies

Maintaining financial viability – delivered through implementation of the Financial and Investment Strategy, and ensuring continuous improvement in productivity and efficiency

Integrated Business Strategy

The Trust's Integrated Business Strategy is designed to provide the Board and the Trust with a high level summary of the Trust's strategic objectives across its key functions (Quality Improvement, Business, Finance, Operations, Organisational Development and Workforce), and ensure that these functions are aligned and working together towards the vision and mission of the Trust.

The overall objectives of the strategy directly support the Trust's three strategic objectives of improving service user satisfaction, improving staff satisfaction and maintaining financial viability. A summary of the main objectives of the key functions are set out below.

Quality Improvement Strategy

The overarching aim of the Quality Improvement Strategy is to ensure the delivery of the highest quality care which is based on values and evidence, utilises expert clinical skills appropriately, and is both effective and efficient, and therefore provides the best possible outcomes. More detail is set out in section I below.

Business Strategy

The overarching aim of the Business Strategy is to ensure that the Trust builds on its strengths and achievements and actively considers opportunities to expand its services to areas in which it can provide high quality care to service users and carers.

The Trust actively considers opportunities to expand our Forensic, adolescent inpatient unit, Mother and Baby inpatient service and Improving Access to Psychological Therapy services and should consider any potential opportunities to provide aspects of its core business in other geographical areas.

Research Strategy

The Trust's Research Strategy should maintain, and if possible widen, its focus and excellence in clinically relevant research which is linked to service and business development. The Trust should maintain and strengthen its collaboration with academic partners and potentially invest in research units that support the competitive profile of the Trust.

Financial Strategy

The Trust's key financial objective is to maintain the long term viability of the Trust and generate sufficient surplus to reinvest in capital schemes to support the Trust objectives of improving service user and staff satisfaction. More detail is set out in sections K and L below.

Organisational Development Strategy

The overall objective of the Organisational Development strategy is to ensure that the Trust continues to be a "clinically led, management supported" organisation that is able to learn and adapt based on changes to the internal and external environment.

The Trust's leadership development programmes should continue to develop strategic, commercial, quality improvement and change management skills, and to ensure that talent development and succession plans are in place. The Trust's Organisational Development and Learning and Development programmes should focus on the development of all teams (clinical and non-clinical) within the Trust. Support functions (Finance, HR, IT, governance etc.) should be developed together with clinical services to ensure that they support front-line clinicians in an integrated, reliable, flexible and supportive manner. Specific initiatives should be delivered in order to improve capability in relation to quality improvement and change management.

Workforce Strategy

The overall objective of the workforce strategy is to support the Trust's strategic objectives by recruiting and developing the right staff, optimising skill mix and productivity, improving working lives and therefore delivering an engaged workforce.

The Trust should recruit a workforce that is able to meet the diverse needs of service users and carers, is reflective of the communities in which it operates, and provides the highest standards of customer service. The optimal numbers and skill mix of staff should be in place in order to deliver high quality services in line with the strategic objectives of the Trust, and local and national commissioners. Sufficient clinical capacity must be available to ensure that expert clinical skills are close to the service user and provide effective support to primary care.

The Trust is committed to support training and teaching of health professionals in collaboration with local academic partners. This will develop future staff in the Trust and elsewhere in the NHS and improve the quality of existing staff in different professional groups.

The Learning and Development Strategy focuses on reducing the burden of statutory and mandatory training; increasing the availability of training in relation to clinical skills and the delivery of therapeutic interventions; and providing the opportunity for team based development across all teams in the Trust.

E. Local Health Economy

Local Health Economy engagement

The Trust is working closely with the Clinical Commissioning Groups for the three East London Boroughs and the Corporation of London and continues to strengthen commissioning relationships with NHS England and East London local authorities. This includes working with local government partners on social care priorities to deliver integrated health and social care services.

The Trust remains a key partner of the Local Health Economy's Integrated Care Projects (Waltham Forest and East London Pioneer Project and City & Hackney Integrated Care Project), led by the local Clinical Commissioning Groups. This project covers mental health and community health services across East London and forms a major plank of the local commissioners' Quality, Innovation, Productively and Prevention and demand management strategy for acute services.

The Trust also works closely with commissioners and local stakeholders in the other areas that it provides services (i.e. Richmond, Barnet and Luton).

To develop more effective collaboration with the key East London acute trusts, we are building senior level strategic alliances with Barts Health NHS Trust and the Homerton NHS Foundation Trust.

To ensure our services remain at the cutting edge of research into practice the Trust is participating in the University College London Partners academic networks.

Local Health Economy challenges

Demographic changes

With continued population growth and churn, East London's demographics remain dynamic, and particularly in Newham and Tower Hamlets, with the consequent challenge to addressing health needs and inequalities. The East London boroughs have high birthrates and there are many more schools opening in the area, particularly in Newham.

The Trust has experienced increased level of demand for inpatient mental health care in Newham from service users not previously known to the Trust. Community health services within Newham have already experienced additional demand, for example in wheelchair provision, physiotherapy and general community and primary care.

The Trust is discussing longer term local health economy trends and their implications with commissioners, based on updated analysis of population need and demand for mental health and community services.

Current service provision

In the London Borough of Newham, the Trust is providing community and mental health services to children, adults and older people. This includes new contracts to provide the Newham Urgent Care Centre, Newham Transitional Care (GP service) and the Newham Improving Access to Psychological Therapies for Medically Unexplained Symptoms. Barts Health NHS Trust is the local provider of acute services. Barts is currently forecasting a deficit of between £40m and £50m. Its provision of specialist cancer services is currently under review by NHS England. A GP federation is in development.

In the London Borough of Tower Hamlets, the Trust is providing mental health services to children, adults and older people. Barts is the local provider of acute and community services. A new borough wide GP federation is being formed.

In the London Boroughs of Hackney and the City of London, the Trust is providing mental health services to children, adults and older people. Homerton University Hospitals NHS Foundation Trust is the local provider of acute and community services in Hackney. The City of London is serviced by Barts Health NHS Trust. City & Hackney Urgent Healthcare Social Enterprise provide the Out of Hours GP Service.

A new group is working as a GP Federation. They are considered as integrated care providers in the One Hackney challenge fund.

In the London Borough of Richmond, the Trust has joined with Richmond Borough Mind to provide the Richmond Wellbeing Service. In Richmond community health services are provided by Hounslow and Richmond Community Healthcare NHS Trust. Mental health services are provided by South West London and St George's.

In the London Borough of Barnet, the Trust is providing Speech and Language Therapy services. In Barnet, community services are provided by the Central London Community Healthcare NHS Trust which also provides community health services in Hammersmith and Fulham, Kensington and Chelsea and Westminster. Mental health services are provided by Barnet, Enfield and Haringey Mental Health Trust.

In Luton, the Trust is providing Improving Access to Psychological Therapy Services. Luton's community health services are provided by Cambridgeshire Community Services NHS Trust. Luton's mental health services are currently provided by South Essex Partnerships Trust.

Local Health Economy strategic alignment

The Trust's vision is to be making a positive difference to people's lives. This will be delivered by achieving our mission of providing the highest quality mental health and community care.

There is a strong strategic alignment between the Trust's vision and the visions of the local health economies in which we operate. The Trust is well positioned to respond to the Clinical Commissioning Groups' drive towards integrated care. This alignment is apparent through our role in each of our Clinical Commissioning Groups plans for the Better Care Fund.

Better Care Fund

In the Better Care Fund plans submitted by Newham, Tower Hamlets and City & Hackney, the Trust is a core delivery partner. In Richmond, the Trust's Richmond Wellbeing Service is a named delivery partner.

In Newham, the Better Care Fund is supporting the Waltham Forest and East London integrated care programme, including intensive case and care management for very high risk patients identified by risk stratification tools. The Trust is working in an alliance contract with Barts Health NHS Trust and other partners to collectively deliver against key performance indicators.

A similar model is being adopted in Tower Hamlets. From 2015/16 onwards, payment will in part be dependent on all provider working together to deliver the 'Integrator Function' of the integrated care model.

The Better Care Fund is being used by City and Hackney Clinical Commissioning Group to create a 'Challenge Fund' using £107k repurposed from the Trust's Commissioning for Quality and Innovation payment. Using an alliance contracting model, the Clinical Commissioning Group is offering £1.8m of incentive payments, £100k start-up funds, and £1.7m of funds for services to deliver performance against six Better Care Fund metrics. This Challenge Fund will require agreement from all Hackney providers to commence. City & Hackney have agreed a further £2m per annum for the next two years to develop integrated care services.

Local Health Economy strategic intentions

The strategic intentions of the Waltham Forest and East London local health economy have the most impact on the Trust. The Trust have been key delivery partners in conversations with the local health economy about their vision and intentions for integrated care in Hackney, the City of London, Newham and Tower Hamlets. The Mental Health Strategies and the Better Care Fund are the two programmes of work which will most significantly impact on the Trust.

The East London Mental Health Commissioning Consortium has indicated its intentions to undertake service redesigns and/or care pathway reviews in several areas, and the Trust is in conversations with commissioners as to how our clinical expertise can inform those service reviews.

Each of the East London Clinical Commissioning Groups has included integration as a core strategic aim. There are several common themes across the Clinical Commissioning Groups, including a focus on patient engagement, a commitment to high quality services, efforts to address health inequalities, efforts to ensure a financially stable health and social care system and efforts to improve health outcomes.

F. The short-term challenge

This section sets out the main short-term challenges identified by the Trust. The four main challenges are:

- Achievement of the 2 year Cash Releasing Efficiency Savings (CRES) programme
- Impact of local mental health strategies and the Better Care Fund
- Increased competition for services
- Preparation for transformational change

Achievement of the 2 year Cash Releasing Efficiency Savings (CRES) programme

Identifying the schemes that make up the 2014/15 and 2015/16 CRES programme has been challenging. The Trust has had to make annual 4% cash releasing savings over the past 4 years (£41m since 2010/11) in contrast to the acute sector who have been able to offset their efficiency savings through additional activity. Our position will also be made worse in 2014/15 because the national tariff deflator for mental health and community health will be 1.8% - in contrast to the acute sector's 1.5%. The staff cost base accounts for approximately 80% of our expenditure, reflecting the nature of the services we provide. This makes it even more challenging to find year on year savings without impacting frontline services.

In the context of an overall decline in mental health spend, it is inevitable that the 2014-16 CRES programme alongside these financial challenges will be extremely challenging to deliver.

To avoid this, and implement any service transformation programme to improve quality and provide more cost effective services over the next 2 years, the Trust is considering how to:

- i. exploit new business opportunities to mitigate the impact of the CRES targets,
- ii. consider increased commissioner investment to address the declining spend in mental health, and,
- ii. use transitional funding from the CCGs' 2014/15 non-recurring resources.

Impact of local mental health strategies and the Better Care Fund

Mental health strategies have been developed in each of the East London boroughs, and these set out a direction of travel for local mental health services across all sectors. The Trust has had input to the strategies and is working with commissioners to support their implementation.

The Better Care Fund overall presents an opportunity for the Trust, although the potential risks associated with Provider Alliance Contracting and the potential moves towards a Lead Provider model in each of the three East London Clinical Commissioning Groups are being monitored closely by the Trust.

Increased competition for services

There has been significant dynamism in the London healthcare market recently in the context of financially motivated mergers between Acute Trusts, Acute Trusts and Community Providers, and the expansion of previously local community service providers into new areas. A number of mental health and community trusts provide services outside of their local geographical area, and more are seeking to do so. The Trust also faces competition from other sectors, and in particular voluntary and third sector agencies that are seeking to provide local substance misuse services. There is also potential competition from the private sector for the 'Integrator Function' in integrated care services. Another area of potential competition is from GP Consortia and Federations, who are likely to seek to increase the scope and value of primary care income.

The Business Strategy sets out the Trust's approach to retaining its core business and exploiting new business opportunities in the face of this increased competition for services.

Preparation for transformational change

The Trust has a successful track record of delivering transformation change through major service redesign and the acquisition and integration of new business. The delivery of Cash Releasing Efficiency Savings over each year of the 5 year plan will require transformational changes to services (particularly in years 3-5) in order to deliver the amount of savings required. The Trust will require sufficient leadership capability and capacity to deliver this change, whilst also meeting other challenges such as increased competition for services. There will be significant impact on staff, service users, carers, stakeholders and the local community. In 2014-2015 the Trust will review its project management and governance arrangements in order to prepare for this challenge. A key part of this will be working with the local health economy through the commissioner-led Joint Mental Health Transformation Board. In Newham, the Clinical Commissioning Group and Local Authority is also looking to establish a Transformation Board for integrated care and community health services.

H. Clinical and service line strategy

The Trust's overall clinical strategy is to provide the right care in the right setting, focusing on the implementation of recovery orientated practice and interventions whilst providing integrated and holistic care to service users. This directly supports our mission to provide the highest quality mental health and community care, in order to make a positive difference to people's lives. This is set out in more detail below.

Implementation of recovery oriented practice

Both the Trust and the Council of Governors have identified the need to focus on the implementation of recovery orientated practice. The Trust has launched a new Social Inclusion and Recovery Group, led by the Associate Director for Recovery and Wellbeing, which is developing strategies and workstreams in this area and monitor progress. A number of service line developments support the implementation of the recovery model. The Trust has, for example, submitted bids to commissioners for the establishment of an East London Recovery College, which would support people to acquire the knowledge, skills, confidence and understanding to manage their own recovery.

Provision of integrated care as part of commissioner led Integrated Care Projects

Feedback from the Council of Governors has highlighted the importance of providing holistic care which is integrated with other services. The Trust will continue its participation in the local integrated care projects led by commissioners.

Rapid Assessment, Interface and Discharge (RAID) services are being established in each borough, which will provide increased mental health input to patients who attend Accident & Emergency and in acute hospital wards, ensuring more holistic care and avoiding admission and facilitating discharge.

In City & Hackney, the Trust has submitted integrated care proposals for adult and older adult mental health services. The proposals are joint provider proposals and demonstrate how partnership working will improve integrated care for patients and their carers.

In Tower Hamlets, the Trust, Barts Health NHS Trust, the GP Provider organisation and the London Borough of Tower Hamlets have agreed to form a Tower Hamlets Integrated Care Provider Partnership, which aims to improve partnership and integrated working.

Newham Clinical Commissioning Group also intends to foster greater collaboration and partnership working through a similar approach, and will advise providers how this will be implemented.

The Trust is also part of discussions with commissioners in Richmond to further integrate care.

Further integration of community health services

Newham community health services are fully integrated into the Trust through being managed under Trust wide directorates. A pilot is currently underway to integrate district nurses into GP practices in Newham.

Increased provision of mental health primary care liaison services

The Trust continues to develop Primary Care Liaison services, with the aim of providing care in the right setting, and providing greater support to GPs. The Trust is developing a formal strategy to take this work forward, based on best practice examples of service provision.

Service line strategy

Adult Mental Health

A major priority for 2013/14 was addressing high bed occupancy levels in the Newham Adult Mental Health Directorate and making further improvements in other areas of the Trust, through establishment of the female psychiatric intensive care unit ward in Tower Hamlets and the inpatient consultant pilot in City & Hackney. The Trust opened a triage ward in Newham as a pilot, and this has assisted the Trust in effectively managing bed occupancy levels. This pilot is scheduled to run until December 2014, and a long-term solution will be agreed within this timeframe. The management of bed occupancy remains a priority in 2014/15 due to its impact on the patient and staff experience, and bed occupancy levels are closely monitored by the Trust Board.

The Trust is fully compliant with national single sex accommodation standards (i.e. provision of separate male and female areas in wards). The Newham service is piloting the provision of single sex wards, and the Trust will review evaluations of the arrangements in Newham and City & Hackney (which currently has single sex wards) in order to consider a Trust-wide approach.

In community mental health services, there will be reviews of the configuration of community teams in Hackney, and a review of the provision of rehabilitation services in Newham. A main focus for the year is the implementation of a system for monitoring care coordinator activity at team and borough level, to capture the variance between planned and actual face to face contact with service users and to monitor improvements in this area. The Trust has also rolled out a mobile working strategy for community mental health workers. This involves providing staff with laptop technology and other mobile working solutions in order to improve efficiency and the quality of clinical documentation.

The implementation of the Trust's Carers Strategy is also a main focus for community services, with the expectation that carers will be contacted on a regular basis by staff.

Community Health Services

The Trust is reviewing the operation of community nursing teams in order to improve efficiency and productivity. The Trust is conducting a pilot of district nursing services in Newham that are integrated with GP practices in order to provide more holistic care.

The Trust commissioned a review of the functioning of district nursing services activity. The recommendations from that review are being implemented, and aim to improve the quality of contacts with service users and the monitoring systems.

The Trust is redesigning Newham School Health services in conjunction with Head Teachers and commissioners.

The Trust is committed to recruiting a further 60 Health Visitors and is working with NHS England to spearhead an initiative across the capital to promote Health Visitor recruitment.

As well as expanding the use of Telehealth services, the directorate is implementing mobile working solutions, such as iNurse Mobile Patient Care software for District Nursing services.

Older Adult Services

The Trust's Older Adult service has developed proposals to centralise functional and (mental illness excluding dementia) and continuing care mental health inpatient services. This is the second phase of the older people's inpatient strategy, with the first phase being the successful implementation of the centralisation of the inpatient dementia assessment services in 2012/13 which resulted in the opening of a new purpose built ward on the Mile End Hospital site. The directorate is also reviewing the configuration of community teams.

Forensic Mental Health

The Trust will continue with its programme to improve the physical environment at the John Howard Centre (medium secure unit). Three wards have been refurbished, with ensuite bathrooms being installed in patient bedrooms. Services previously provided at Tariro House in Hackney are being transferred to Woodbury Ward at Wolfson House low secure service.

Work will continue in developing quality improvement projects to improve inpatient care and further develop service user involvement.

The medium secure unit will be reorganised in order to reduce waiting times and facilitate recovery, by developing clear pathways for service users. Work will ensure that service users have focused and well planned rehabilitation plans and pathways back into the community.

Child and Adolescent Mental Health Services

The Trust has established the CAMHS Improving Access to Psychological Therapy (IAPT) model in Newham. The Trust has implemented a new model for the Newham CAMHS services in line with a revised service specification. The Trust is also reviewing the arrangements for transition from children to adult mental health services.

The Trust is one of few organisations that has a dedicated specialist inpatient unit for children and adolescents, and is considering how this leading service may be expanded to meet increased demand in London.

Specialist Services

The Trust's Improving Access to Psychological Therapy (IAPT) services are recognised for the high quality services they provide, and the contribution made to the London wide strategy on mental health and employment. The Trust has successfully embedded the Richmond Wellbeing service following the successful bid to run these new services in 2012, and has recently established the Luton Improving Access to Psychological Treatment service. Based on this success, the Trust continues to bid to provide adult IAPT services as part of its Business Strategy.

The Trust also redesigned the community Learning Disabilities service in Newham in partnership with commissioners and the local authority in order to promote access to mainstream services, and developed a Learning Disabilities strategy in order to improve the quality of care that service users receive from mainstream mental health services.

I. Quality Plans

National and local context

The three landmark reports in 2013 on quality and safety in the NHS (Francis Report, Keogh review and Berwick report) all espoused the development of an organisational culture which prioritises patients and quality care above all else, with clear values embedded through all aspects of organisational behaviour, and a relentless pursuit of high quality care through continuous improvement.

Funding for the NHS is likely to remain static or possibly decline in real terms beyond the 2015 general election. Achieving year-on-year efficiency savings by focusing in rationalising inputs to the system (workforce, assets) will become increasingly difficult as well as disproportionately affecting staff morale and quality of care. Redesigning clinical pathways with the ambition of providing patient-centred, high value care offers the potential to realise continued savings from the health economy whilst delivering an improved quality of service to our patients.

In 2013/14, the Trust continued to make improvements in the quality of services provided. This is evidenced by the following key achievements:

- Maintaining full compliance with Care Quality Commission standards following unannounced inspections of the Community Health Newham, Newham adult mental health and Child and Adolescent Mental Health services.
- Meeting all Monitor Risk Assessment Framework targets
- Meeting all Commissioning for Quality and Innovation targets set by commissioners
- Delivering a number of quality initiatives in teams across the Trust

The Quality Improvement Strategy sets out how the Trust intends to build on its success to date in order to meet the challenge ahead.

Quality Improvement Strategy

The Trust has embarked on an ambitious Quality Improvement Strategy, with a long term goal to provide the highest quality mental health and community care. The Trust will be embedding a continuous improvement culture, using a systematic methodology and building improvement capability at all levels of the workforce, in partnership with the US Institute for Healthcare Improvement (IHI). The Trust has set up a project team and structure to deliver this programme, with involvement of commissioners, governors, service users and carers.

The Trust is reviewing its strategy for research, including how research can be translated into practice so that service users can benefit more from the research work undertaken by the Trust's Academic Unit. The Academic Unit has recently been accredited as a World Health Organisation Collaboration Centre, and has been awarded a £5m research grant in order to conduct an international review of adult service inpatient configurations, comparing functional splits with integrated teams.

The Quality Improvement Programme was formally launched on 28 February 2014, and is a multi-year project. The key workstreams for 2014/15 and 2015/16 are as follows:

- Building improvement capability at all levels of the workforce
- Supporting every team to have a space to discuss the quality of care they provide and develop ideas to improve
- Finalising the framework for measuring and evaluating the success of the programme
- Aligning systems to support improvement – including a new framework for learning from complaints and improving incident reporting processes, and making integrated quality data available to all
- Reviewing and implementing new recruitment, induction and training processes and programmes for staff in line with quality improvement methodology

- Working with BMJ Quality to provide a platform to document and publish our quality improvement work
- Recruiting to a central Quality Improvement team to coordinate the programme and act as an internal source of improvement expertise

Existing quality concerns

The key quality concerns identified by the Trust and its staff relate to bed occupancy levels. The Trust increased its inpatient capacity in the last year, through opening of a triage ward in Newham and a female Psychiatric Intensive Care Unit in Tower Hamlets. The ongoing management of bed occupancy is a priority for the Trust given its impact on patient experience.

Communication is a key component for delivering high quality care, and is the most common theme arising from our serious incidents. Communication and information is one of the key themes identified by the Council of Governors. A number of projects are being implemented which are aimed at improving communication – between professionals and service users, within teams, between teams and across the organisation.

Effective clinical communications needs to be supported by a fit-for-purpose clinical Information Technology system. As the national contract for the Trust's current system (RiO) is coming to an end in 2015, the Trust has set up a Project Board to procure and implement a new system.

The physical health of service users continues to be a priority for the Trust, and the Trust has innovative services in place which ensure that inpatients have access to high quality primary care services. An action plan is being implemented in Community Health Newham to improve the prevention and management of pressure ulcers, and an action plan is also in place to improve the management of diabetes across the Trust. A Health and Wellbeing Strategy will be developed in 2014 in order to coordinate and strengthen this work.

The key quality risks inherent in the plan and how these will be managed

The key quality risks inherent in the plan are the risks associated with the Cash Releasing Efficiency Savings programme. The Trust has completed a Quality Impact Assessment of each proposal and these will be monitored in year. More detail is set out in sections K and L.

Further risks to quality arise in relation to service developments and related change programmes, including risk to staff morale and the resulting impact on service users. These risks are mitigated by having robust project management arrangements, and ensuring effective communication and engagement with staff and their representatives. The Board receives reports on organisational change at each meeting.

An overview of how the Board derives assurance on the quality of its services and safeguards patient safety.

The Trust's quality and safety strategies have been developed with clinical staff and through consultation with the Council of Governors, and service users and carers. The development has considered Monitor's Quality Governance Framework and the findings of the Francis Inquiry.

The Trust Board receives a monthly Quality and Safety report by the Medical Director (the Board lead for quality). The report is structured according to the three quality domains of safety, clinical effectiveness and patient experience. The Board also receives a quarterly Performance, Compliance and Governance Reports which set out compliance with governance standards and processes (safeguarding, infection control, complaints etc.) and how clinical risk is managed within the Trust.

In 2013/14 the Trust met all national and local contract targets and does not have any outstanding areas of non-compliance as identified by the Care Quality Commission. Risks to quality are captured in directorate risk registers and managed through monthly quality performance meetings with each directorate. Executive walk rounds and internal CQC-style reviews are also undertaken in order to identify and address risks.

The Trust's Quality Assurance Committee reviews assurance that quality, safety and other related strategies are in place and working, and that risks to quality are being managed. The Committee reviews the Board Assurance Framework at each meeting.

The Trust Board is assured that it has, and will keep in place, effective arrangements for the purpose of monitoring and continually improving the quality of care. This assurance has been gained by the Board's involvement in developing and agreeing this plan, and the clinical and quality sections within it, through the receipt of regular reports during the year detailing performance in relation to quality and safety, through the Board sub-committee structure and through internal and external assurance of the Trust's control arrangements and performance.

Workforce implications

The continued delivery of high quality care and the implementation of the Quality Improvement Strategy has a number of workforce implications, as follows:

- The Trust must ensure that it has sufficient numbers of appropriately trained and skilled staff to meet demand in each service
- Workforce planning needs to identify future capacity required and set out plans for how this will be met
- The Trust needs to deliver a major programme of training on Quality Improvement methodology, and provide ongoing support to facilitate quality improvement activity
- The Trust needs to engage effectively with staff and act on any concerns raised by staff about the quality and safety of services.

J. Operational requirements and capacity

Assessment of inputs needed based on activity levels

With continued population growth, East London's demographics remain dynamic, and particularly in Newham and Tower Hamlets, with the consequent challenge to addressing health needs and inequalities. The Trust is discussing longer term local health economy trends and their implications with commissioners, based on updated analysis of population need and demand for mental health and community services. This will be explored further as part of the development of the 5 year strategy.

Key activity assumptions are set out below.

Mental health services

The standard activity and governance templates set out projections for Mental Health Services. Key assumptions and highlights are:

- a) The number of beds available from 2014/15 is 669. There will be minor variations to this figure based on service changes (i.e. end of triage ward pilot in December 2014).
- b) A 86.8% bed occupancy rate (excluding home leave) was achieved across all services in 2013/14. The opening of a triage ward in Newham has assisted in achievement of this goal and to address the additional bed pressures in Newham.
- c) The Trust's aspiration remains to reduce Adult Acute bed occupancy rates to 85% in the medium to longer term in line with best clinical practice, and the need to improve the patient and staff experience.
- d) The reductions achieved in prior years' average length of stay in Adult Services (to 27 days) are planned to be sustained in future years
- e) Plans also demonstrate on-going commitment to meet trajectories and national targets set for:

- a. Delayed discharges;
- b. Community Crisis Resolution; Early Intervention and Assertive Outreach services
- c. Reducing Suicide rate and supporting people after inpatient discharge

Community Healthcare Services

The standard activity and governance templates set out metric projections for Community Healthcare services provided by the Trust for the population of Newham. Key assumptions and highlights are:

- a) The Trust will provide approximately one million contacts per annum – the majority of these are face to face (60%)
- b) The number of community beds is 61 (Rehabilitation - 23 and Frail physical and mental health Elderly - 38)
- c) Plans also demonstrate on-going commitment to meet national targets set for:
 - Delayed discharges and waiting times
 - Reducing unnecessary face to face contacts (60%) via Digital First Initiatives to 56% by end of the planning period
 - Improvements in Community Information data quality.

Workforce

Medical

The Trust has had considerable success in recruiting to consultant psychiatrist posts in the past and expects this to continue. Proposals are being developed to further improve the recruitment process by introducing an assessment centre day as part of the process.

Nursing

The Trust's collaboration with City University (through the Joint Institute of Nursing) continues to ensure good supply of high quality nursing recruits to the Trust. The Trust has implemented a successful development programme for band 5-8a nursing staff, and this will continue. The Trust is also implementing a development and preceptorship programme for band 3-4 (unregistered) nursing staff, which is in line with the recommendations from the Francis Inquiry.

The Trust has a project board in place to improve the functioning of the District Nursing service in Newham.

Allied Health Professionals

A Trust-wide review of Psychological Therapy services has been completed, and a Project Board is established to oversee the development and implementation of an action plan. This included reviewing the skill mix of the workforce and improving job planning in order to increase direct clinical contact with patients.

Health Visitors

The Trust's recruitment of additional health visitors in line with the Department of Health strategy for health visitors (Call to Action) has been successful, but is constrained by the number of qualified health visitors available nationally. The Trust has agreed to pay a local Recruitment and Retention Premium in order to compete against other local providers, is increasing the number of training places in the Trust, and is targeting recruitment campaigns at local universities.

Psychological Wellbeing Practitioners

There continues to be a national shortage of trained Psychological Wellbeing Practitioners who are essential to providing effective Improving Access to Psychological Therapy services that are compliant with National Institute of Clinical Excellence (NICE) guidance. The Trust continues to work with a national

steering group to address recruitment issues.

Administration

It is planned to increase the use of selection days for recruitment to administration posts. The administration development programme will continue to run and will include a greater focus on communication skills. Learning from the 2013 National Staff Survey will be considered by the Trust's Heads of Administration.

Analysis of key risks and how the Trust will be able to adjust its inputs to match different levels of demand

As the majority of the Trust's contracts are on a block basis (i.e. not based on the amount of activity performed), then there is not any financial risk associated with under-performance.

The Trust has robust arrangements in place to ensure that existing resources are utilised most effectively, including the use of an e-rostering system for nursing staff.

The Trust has well established internal staff agency (staff "bank") arrangements that allow it to meet additional demand on a shift by shift basis. Agency staff are used where necessary, but only after alternative options are considered and discounted.

The Trust has been successful in acquiring new business and has a mobilisation programme in place to ensure that new services are developed quickly and safely.

K.Productivity, Efficiency and Cost Improvement Programmes

Overview

The implementation of Payment by Results for Mental Health Services (i.e. payment based on levels of activity) has been deferred once more and therefore the financial plan for 2014/15 will primarily be based on block contractual arrangements. As a consequence no financial gains or losses are assumed in the income plans as a result of productivity and efficiency. However, the Trust has embarked upon a number of productive and efficiency projects which support some of the Cash Releasing Efficiency Savings (CRES) and at the same time result in significant improvement in productivity which enhances patient care. A number of these projects were implemented in 2013/14, including review of Community Mental Health Teams, Occupational Therapy and District Nursing. The full year effect of these initiatives will be realised across a number of financial years. Enablers which support these projects include assistance from external consultants and investment in mobile working.

The Trust has embarked upon the Quality improvement programme and through a robust procurement process appointed IHI (Institute of Healthcare Improvement) as its preferred partner to help implement Quality Improvement throughout the Trust. This is a long term project that will identify best practice and successful implementation will result in the spread of accepted standard practice which will result in improvement in quality, productivity and efficiency.

These productive and efficiency initiatives will result in reduced costs and increased activity which will place the Trust in a favourable position when Payments by Results is implemented for Mental Health providers.

Cash Releasing Efficiency Savings (CRES) Programme governance

Building on the success of the 2013/14 CRES process, the Chief Executive has led the process for future years. The planning has been an iterative process which commenced very early in 2013/14. The initial plans were formulated adopting a bottom-up process with the involvement of the key members of directorate management teams, led by the respective clinical directors and the executive team. The

process commenced in July 2013 with separate meetings with each of the 8 Directorate Management Teams (DMT). In total five meetings were held with each DMT, with the final set of meetings concluding in late January 2014.

The central principle underpinning the planning process has been a focus on exploring areas that would have the least clinical impact on front line services. In terms of quality impact assessment, the planning process disregarded any areas which were deemed to be high risk from a clinical perspective with reference to the Board Assurance Framework; for example none of the savings programmes relate to the acute inpatient service provision.

There is significant clinical experience in the executive team to provide reassurance in terms of quality impact assessment. In addition to the involvement of the Medical Director and the Nursing Director, the Chief Executive and the Director of Operations also have a clinical background.

The formulation of the plans has also involved consultation with key internal and external stakeholders including the Council of Governors, the Joint Staff Committee and the commissioners.

The Trust has various governance structures which will monitor the impact of the CRES programme in terms of emerging risks and these structures also have the responsibility of recommending mitigating actions as appropriate. The governance structures include:

- Weekly executive walkaround to clinical areas and teams
- Monthly quality review meetings for each Directorate Management Team (DMT) chaired by the Medical Director
- Monthly quality reports to the Service Delivery Board
- Monthly quality reports to the Trust Board
- Quarterly quality reviews for each DMT chaired by the Chief Executive and attended by the executive team
- Quarterly review at the Assurance Committee chaired by a Non-Executive Director

Cash Releasing Efficiency Savings (CRES) Plan profile

The table overleaf shows the CRES service lines for the two year plan to initially meet Monitor's phase 1 plan submission deadline. These have been agreed with the respective services.

Where the proposed CRES is a consequence of redesign/reconfiguration of a service or is a result of new business this has been classified as transformational. All other categories have been classified as traditional. The Board monitors progress against CRES plans on a monthly basis.

2014/15	£'000		
	Traditional	Transformational	Grand Total
Description Of Saving			
<u>City & Hackney</u>			
Clozapine Clinic	25.0		25.0
Complex care savings	150.0		150.0
Cross Directorate Efficiencies	50.0		50.0
Estate Savings (Shore Road)	70.0		70.0
Renegotiation of third party contract		125.0	125.0
Review of Staffing Structure	215.0		215.0
Review of the configuration of Community teams		290.0	290.0
City & Hackney Total	510.0	415.0	925.0
<u>Community Health Newham</u>			
Cross Directorate Efficiencies	141.0		141.0
Review of Staffing Structure	235.8		235.8
Review of the configuration of Community teams		135.2	135.2
Surplus Contribution from New Business		488.0	488.0
Community Health Newham Total	376.8	623.2	1,000.0
<u>Corporate Services</u>			
Invest To Save - New THQ	1,000.0		1,000.0
Renegotiation of SLA	150.0		150.0
Review of Staffing Structure	635.4		635.4
Corporate Services Total	1,785.4		1,785.4
<u>Forensics Services</u>			
Decommissioning of Service provided by Third Party		656.0	656.0
Drugs Spending Savings	26.0		26.0
Non - Pay Savings	58.0		58.0
Review of Staffing Structure	279.0		279.0
Forensics Services Total	363.0	656.0	1,019.0
<u>Mental Health Newham</u>			
Non - Pay Savings	15.0		15.0
Renegotiation of third party contract		420.0	420.0
Review of Staffing Structure	265.0		265.0
Review of the provision of Rehab Services		300.0	300.0
Mental Health Newham Total	280.0	720.0	1,000.0
<u>MH Care of Older People</u>			
Consolidation of Inpatient Wards		1,024.0	1,024.0
Rationalisation of Estates	225.0		225.0
Review of Staffing Structure	149.0		149.0
Review of the configuration of Community teams		250.0	250.0
MH Care of Older People Total	374.0	1,274.0	1,648.0
<u>Tower Hamlets</u>			
Cross Directorate Efficiencies	125.0		125.0
Rehab Service (Newham Jade)	373.8		373.8
Review of Staffing Structure	202.0		202.0
Surplus Contribution from New Business		560.0	560.0
Tower Hamlets Total	700.8	560.0	1,260.8
<u>Trust Wide</u>			
Procurement Savings	200.0		200.0
Trust Wide Total	200.0		200.0
Grand Total	4,590.0	4,248.2	8,838.2

2015/16	£'000		
	Traditional	Transformational	Grand Total
Description Of Saving			
City & Hackney			
Whole System Review (Impact of Quality Improvement Initiative)	300.0	300.0	600.0
Cross Directorate Efficiencies	167.0	-	167.0
City & Hackney Total	467.0	300.0	767.0
Community Health Newham			
Review of Community Nursing teams	1,000.0	-	1,000.0
Community Health Newham Total	1,000.0	-	1,000.0
Corporate Services			
Procurement Savings	300.0	-	300.0
Savings from Corporate Directorates	500.0	-	500.0
Corporate Services Total	800.0	-	800.0
Forensics Services			
Whole System Review (Impact of Quality Improvement Initiative)	300.0	300.0	600.0
Forensics Services Total	300.0	300.0	600.0
Mental Health Newham			
Whole System Review (Impact of Quality Improvement Initiative)	300.0	300.0	600.0
Cross Directorate Efficiencies	166.0	-	166.0
Mental Health Newham Total	466.0	300.0	766.0
MH Care of Older People			
Whole System Review (Impact of Quality Improvement Initiative)	200.0	100.0	300.0
Consolidation of Inpatient Wards	-	1,800.0	1,800.0
MH Care of Older People Total	200.0	1,900.0	2,100.0
Tower Hamlets			
Whole System Review (Impact of Quality Improvement Initiative)	300.0	300.0	600.0
Cross Directorate Efficiencies	167.0	-	167.0
Surplus Contribution from New Business	-	1,700.0	1,700.0
Tower Hamlets Total	467.0	2,000.0	2,467.0
Specialist Services			
Whole System Review (Impact of Quality Improvement Initiative)	200.0	200.0	400.0
Review of all services, including IAPT	400.0	-	400.0
Specialist Services Total	600.0	200.0	800.0
Grand Total	4,300.0	5,000.0	9,300.0

Cash Releasing Efficiency Savings (CRES) enablers

As set out in more detail above, all directorate level plans have been identified by senior clinicians within the directorates, and have been reviewed by the Medical Director and Director of Operations.

An executive director is assigned for each corporate scheme and within the directorates the relevant clinical and service directors are allocated responsibility for their directorate plans.

The governance structure set out above provides the monitoring framework for delivery of the schemes, and ensures that there is regular reporting and review of individual plans.

Quality impact of Cash Releasing Efficiency Savings (CRES) programmes

As stated above, the central principle underpinning the planning process has been a focus on exploring areas that would have the least clinical impact on front line services. The Trust has completed Quality Impact Assessments in line with NHS England requirements, and reported these to local Clinical Commissioning Groups. The Trust will monitor the impact of savings programmes through the governance arrangements set out above. A formal review of the impact of savings programmes will take place at Month 6 and will be reported to the Board, the Council of Governors and Commissioners.

L. Financial Plan

The Trust is on track to exceed its plan for 2013/14 and expects to build on the success and learn from the risks identified and lessons learned to underpin the plans for the next five years.

Based on the new Risk Assessment Framework (RAF) the Trust plans to achieve a RAF of 4. This will be based on an internally stretched target for the next five years as part of a contingent strategy to allow sufficient headroom to remain low risk under RAF and ensure that the Trust remains a going concern.

The key financial objective is to maintain the long term financial viability of the Trust and generate sufficient surplus to reinvest in capital scheme. This will support the other two Trust objectives of Improving service user satisfaction and staff satisfaction by improving the environment for both service users and staff.

The financial plans are based on sustainable position that is supported by recurrent Cash Releasing Efficiency Savings (CRES) programmes.

There are a number of key risks to achieving the financial strategy:

1. **Contract Negotiations.** At the time of writing this report, the contracts for 2014/15 have not been signed. This continues to be a priority for the Trust to ensure that income assumptions included in the plan are not compromised.
2. **Income Assumptions.** For 2014/15 the income is based on block contracts, however, from 2015/16, the move towards contracts based on Payment By Results will present risks which the Trust has not had to deal with in the past. Mitigation plans include:
 - Implementation of Service Line Reporting which will provide better information for planning mitigation strategies.
 - Successful implementation of the schemes identified in the productive and efficiency section above will ensure that the Trust cost base is competitive.
 - The overall cost base of the Trust is very competitive based on the historical reference cost benchmark and therefore the introduction of Payment by Results may offer opportunities to exploit.
 - The income plan for 2014/15 is based on recurrent income assumptions and therefore the potential adverse impact on the long term sustainability is minimised.
3. **Expenditure Assumptions.** The associated risks relate to the delivery of savings programmes and the in-year cost pressures. Mitigation plans include:
 - A robust budget setting process supported by accurate and timely financial information with precise lines of accountability defined within the governance structures will ensure that the risks associated with failure to manage expenditure within budgets is minimised.
 - Building on the successful planning underpinned by prudent assumptions, the Trust is on track to achieve a rating of 4 under the new Risk Assessment Framework (RAF). Similarly the plans for the next 5 years will be based on internally stretched targets which will provide the necessary safeguard to achieve a sustainable plan.
 - The delivery of the Cash Releasing Efficiency Savings (CRES) programme underpins successful delivery of the financial strategy. Each savings programme will have both financial and quality risks assessed and associated mitigation plans identified.
 - The plans have not assumed any non-recurrent CRES.

- In addition to a small reserve (£650k in 2014/15 and £1.3m in 2015/16) assumed in the plan, the out-turn position for 2013/14 is based on prudent assumptions. This invariably will offer balance sheet flexibility in 2014/15 in first instance, if the need arises.

4. Demand management. Pending the introduction of Payment by Results and whilst still operating under block contracts, the financial risk associated with increased demand will need to be managed. The Trust has in the past successfully engaged the commissioners early in the process with the result of securing additional funding, for example in 2013/14 for additional female psychiatric intensive care unit inpatient provision and funding for a Triage ward in Newham. The Trust will need to continue this process in the future for any demand management issues that arise.

M. Conclusion

Monitoring performance against the plan

Monitoring of performance against the plan will take place under the same three main components used to develop the plan, as follows:

- The Trust's Quality Performance Framework will be used to monitor progress by each directorate and the Trust as a whole. Regular reports will be submitted to the Service Delivery Board and Trust Board.
- The Trust will submit regular reports on progress to the Council of Governors, who will hold the Board to account for delivery of the 2 year and 5 year plans.
- The Trust will be a member of a commissioner led Mental Health Transformation Board, which will oversee delivery of respective 2 year and 5 year plans across the Local Health Economy in order to ensure that relevant plans are implemented in an integrated manner, and that effective partnership working takes place.
- The Trust is also a member of the Integrated Care Boards which will monitor implementation and delivery of the Better Care Fund Initiatives.

1.4 Appendices: commercial or other confidential matters

Nil