NHS
Bedford Hospital
NHS Trust

Operational Plan

2017/18 and 2018/19

Version P1.8 3rd April 2017

Introduction from the Chief Executive

This operational plan provides details of activity, quality, finance and workforce for the period 2017/18 and 2018/19 and highlights the developments and priorities for the Trust to assure ongoing quality improvement and delivery of key targets. Our immediate focus is on delivering high quality services and improving our financial position. Bedford Hospital as a key partner in the local Bedford, Luton and Milton Keynes Sustainability and Transformation Plan (BLMK STP) has been contributing to the development of plans to meet projected demand for health services and maintain their quality within the resource envelope available. By the end of this planning period, the benefits of the STP will be making an impact locally.

In the hospital, we have once again had a busy year and expect that to continue for the foreseeable future. Despite pressures in the system, we have made many improvements and routinely deliver on a wide range of quality standards including the 18 week referral to treatment time target. We have also seen a major improvement in our financial position and are forecast to end the year as planned, meeting our agreed control total for 2016/17 and gradually moving towards a break even position. As an STP our aim is to seek more integration with community and social care services to provide a better service to local people and ensure more effective use of acute hospital beds. We have already been actively engaged in looking at how the three hospital trusts in Bedford, Luton and Milton Keynes can work more closely together and this will be further developed over the planning period.

During the next two years, the recruitment, retention and development of a skilled workforce will be of paramount importance. I am grateful to the loyalty and dedication of people at Bedford Hospital who continue to deliver great care to our patients. My ambition centres around building on this and creating an ever more enthused and highly qualified workforce, making Bedford Hospital NHS Trust the local employer of choice.

We will soon complete the implementation of our action plan which resulted from the CQC inspection. This includes making further improvements to our maternity services, to demonstrate safer and higher quality care for women, babies and children. We know that by reducing our reliance on temporary staffing, employing more substantive staff and initiating more efficiencies such as those identified in the Carter Review, we can improve service quality and affordability. This will help to ensure that the range and quality of services needed by the people we serve is maintained and improved.

To tackle growing demand, the Trust will continue to prioritise emergency and urgent care services. We will make system improvements and internal process changes to improve flow through the hospital and workforce changes to ensure the achievement of the national access and other key standards that ensure we deliver high quality emergency care for our patients. We will increasingly be focusing through the STP and other local ventures to look across the system and ensure high quality, accessible hospital care is provided for those who need it. As a system, we are placing great emphasis on integration with primary and community care to provide the majority of care outside the acute hospital setting. Locally we are exploring with partners what new care models mean for Bedford Hospital, how care is delivered to our population through a network of accountable services and how we can find ways to overcome traditional and organisational boundaries.

I look forward to both the challenges and great benefits that I am sure the next two years will bring for Bedford Hospital NHS Trust.

Stephen Conroy, CEO

1. Corporate Objectives

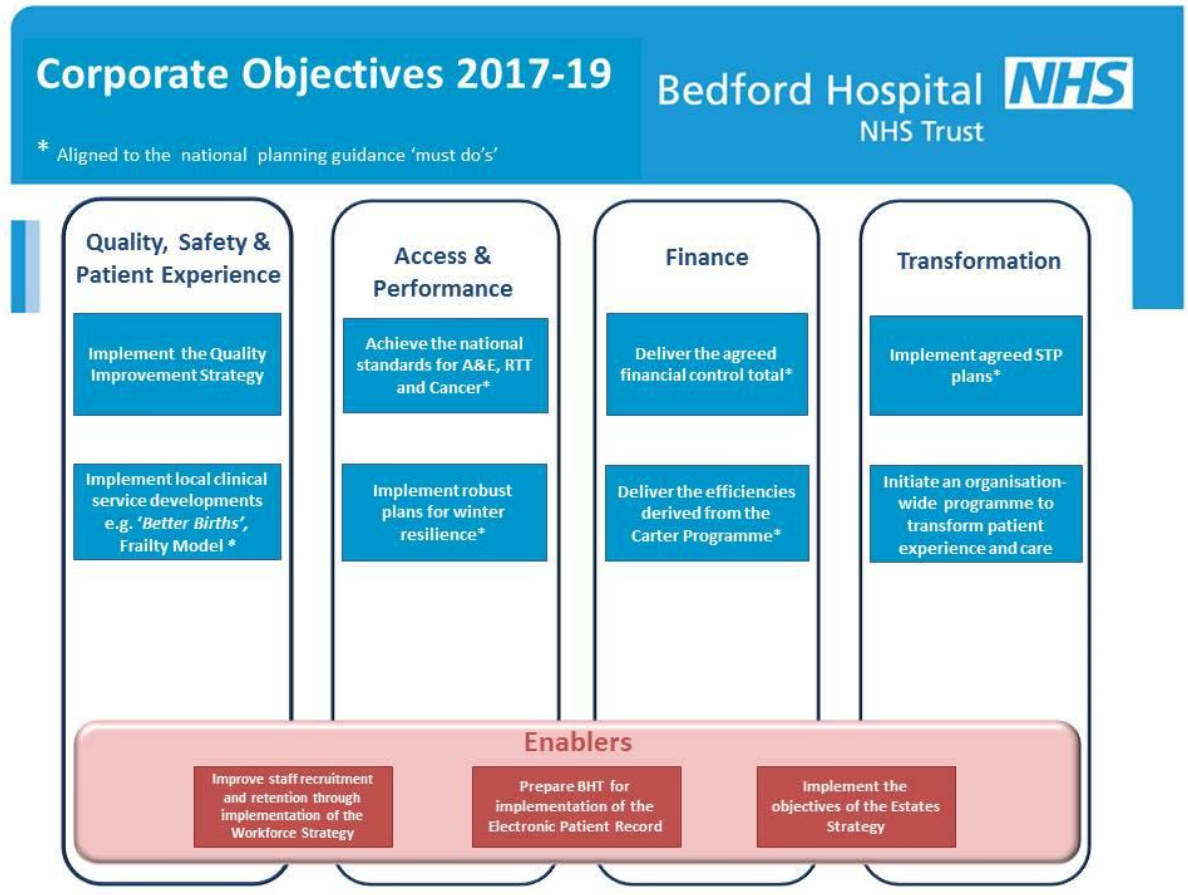
1.1 Strategic Context

The NHS is pursuing an integrated and networked approach to service planning and delivery. Integration is to be vertical – primary health, community health, social care and hospitals working even more closely together; and horizontal – the three acute hospitals in the STP collaborating to share and network services.

Work is being undertaken to explore whether an "accountable care system" would be a suitable local long term approach to providing integrated, population-based services. These plans are at an early stage of development and where significant changes to service configuration are likely to be considered, there will be high levels of engagement, involvement and consultation with the public we serve as well as interest groups and staff.

1.2 Objectives

During the next two years we will ensure that we deliver on the key objectives for quality, performance and finance whilst looking to the STP partnership to deliver transformation.



2. Activity

2.1 Activity 2016/17

2016/17's plan was based on a growth assumption of 2.1% for A&E attendances, non-elective and elective admissions, referrals and outpatients.

At month 11 in total the Trust had undertaken over 4% activity above contracted levels and income was 2.8% above plan. This includes a proportion of the winter pressures funding agreed for the year.

Activity in some areas is considerably above plan with non-elective admissions 8% above the planned level at month 11. Elective activity is nearly 2% above plan and outpatient activity is slightly below plan for the same period. A&E is now experiencing over 200 attendances a day on a regular basis and this has in turn compromised the delivery of the 4 hour A&E standard throughout the year.

As a result of the increased non-elective admissions the hospital has used its escalation beds consistently throughout the entire year leaving no additional capacity available for the winter months. It will be tackling this through the development of its winter plan.

2.2 Activity 2017/8 and 2018/19

The acute element of the STP plan was modelled on the basis of an increase of 2.9% at the point contracts were negotiated and this is the level included within the revised activity and finance plans for both 2017/18 and 2018/19. This will present the Trust with significant operational issues as a result of its limited bed base and lack of appropriate services in the community to facilitate discharge and admission prevention.

These critical factors need to be addressed in the coming two years to provide sustainable quality and performance. In particular, they centre around creating cost effective and clinically appropriate alternatives to A&E attendance and non-elective admission. This is far from straightforward and up to now success in diverting urgent care demand away from hospitals has proved to be very difficult. Activity reductions will depend therefore on proven, implementable interventions which must be in place, otherwise patients will continue to arrive at the hospital door.

The future of community and primary care services in Bedfordshire remains one of the most significant variables in the system which will have some influence upon demand for hospital based acute care. Better integration of community and acute services may come about as a result of the tendering of the local community health services. The eventual development of an accountable care system would enable primary acute care and hospital emergency care to work more closely together and enable the sharing of risks, but neither of these changes will be in place for 2017/18.

	2013/14	2014/15	2015/16 (forecast)	2016/17 (original plan)	2016/17 (Feb – projected FY)	2017/18 (projected)	2018/19 (projected)
A&E attendances	63,915	67,139	69,838	71,333	72,725	75,748	77,944
Non-elective spells	20,997	21,123	22,257	22,733	24,554	25,514	26,254
Elective spells	26,099	26,775	26,576	27,145	27,632	27,036	27,821
Referrals	65,227	64,839	69,882	71,377	76,617	82,832	85,235
New OP attendances	58,957	60,117	61,551	62,868	61,730	63,765	65,614
FU attendances	102,517	115,816	104,648	106,887	103,032	105,870	108,940
Births	3,016	2,924	3,016	3,079	3,028	3,116	3,206

The Trust has no plans to use the independent sector to fulfil these activity levels.

2.3 Delivery of National Access Standards

Planned activity levels must be sufficient to deliver key access and quality standards. At the same time the Trust will be redesigning services to make improvements to the way in which services are delivered as well as ensuring adequate capacity is in place. The Trust is working with the CCG to provide access to 100% e-referrals for consultant led first OP appointments from 2017/18 onwards.

The consistent use of escalation beds over the past year means that the Trust will not have reserve capacity to meet increases in demand. Work with commissioners, community and social care service providers directed towards minimising delayed discharges and transferring out medically fit patients will be critical to ensuring that increases in demand for admission are absorbed. Increases in productivity and efficiency in planned care services are intended to contribute to limiting the bed requirement for these services.

4 Hour A&E

A comprehensive A&E Improvement Plan has been signed off with NHSI and is being implemented. This includes the establishment of the Ambulatory Emergency Care Unit which opened in September 2016. There have also been changes to medical staffing and the patient streaming process to improve the hospital's performance in this area.

Referral to Treatment Time

The Trust has performed well overall in meeting the RTT 18 week standards and has a plan in place to address those specialties creating specific challenges such as orthopaedics, ophthalmology and ENT. A variety of improvements are planned to maintain delivery of RTT including a review of the use of the modular theatre and the implementation of recommendations from Getting It Right First Time (GIRFT) in vascular surgery, trauma and orthopaedics, urology and ENT.

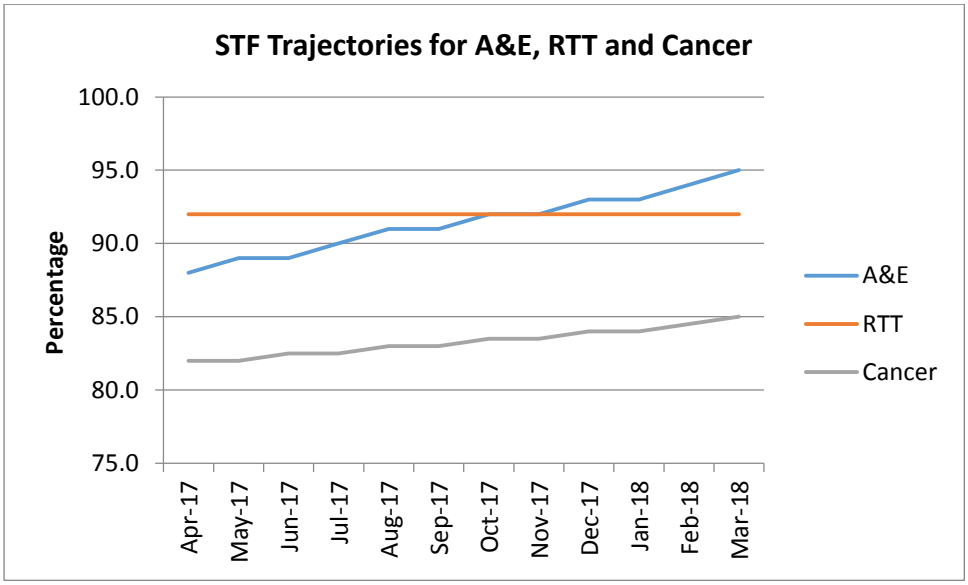
Increased productivity and efficiency in elective care pathways and use of information from the OPERA theatre system are contributing to sustained performance improvement.

Cancer Standards

The Trust has been challenged over the past year in meeting the 62 day standard for cancer and a range of improvements have been put in place to clear the current backlog and make routine achievement of this target achievable. The Trust's Cancer Team has received support from NHSI and this will include monitoring of tertiary referrals which contribute to the number of breaches of the required standard.

2.4 Sustainability and Transformation Fund (STF) Trajectories

To deliver the required performance against the national access standards, the Trust has developed improvement trajectories (shown below) for the three key targets showing delivery by the end of March 2018 for A&E and cancer and maintaining its performance throughout the year in RTT.



2.5 Winter Planning 2016/17

The Trust developed a plan for the winter period, concentrating upon the critical time between December 19 2016 and January 16 2017, but recognising that the granular planning and disciplined approach to capacity management would be needed throughout the winter.

The plan comprised:

- creation of additional physical capacity in the A&E Department
- additional physician ward rounds to ensure timely decision making
- extra sessions in endoscopy, echocardiography and day surgery to manage elective demand without the use of in-patient beds

- work with partner organisations to enable patient flow and provide additional capacity outside BHT

- minimisation of the effect of non-elective demand on elective services through short-term capacity planning

- desktop exercises and additional staff training to ensure that escalation policies are executed with the necessary speed and precision.

3. Quality, Safety and Patient Experience

3.1 The Trust's Approach to Quality

The Trust's 2015-18 Quality Strategy forms the backdrop to the Trust's approach to quality improvement and supports our Clinical Strategy.

The executive lead for Clinical Governance is the Medical Director, incorporating patient safety (including mortality, clinical outcomes, incident reporting) and clinical effectiveness (including audit). The Director of Nursing and Patient Services is the executive lead for patient experience, CQUINS and CQC as well as providing executive leadership to maternity.

A detailed integrated quality and performance report is provided to the Trust Board each month. The report provides information on quality, finance and other performance indicators. Other specific reports are also provided as required for example 'Transforming Maternity Services' and 'Safeguarding'.

The Quality Board provides oversight of quality governance and performance. Items are escalated by exception to the Quality and Clinical Risk Committee; a sub-committee of the Trust Board, chaired by a Non-Executive Director. The Quality Board reports to the Executive Management Committee. Additionally, each of the clinical divisions has a Quality Group, chaired by the Divisional Medical/Clinical Director and/or Divisional Lead Nurse to ensure quality governance from Board to Ward.

3.2 Quality Strategy Priorities 2017/18

The Trust's Quality Strategy identifies five ambitions:

1. deliver safe care and minimise harm
2. deliver reliable care
3. deliver an excellent patient experience
4. embed a learning and quality culture
5. deliver effective quality governance

Each year priority goals for quality improvement are identified to support the realisation of these ambitions. The goals reflect local performance and national priorities for quality improvement.

For 2017/18 these are:

1. through strong clinical leadership, develop seven day services to include daily review of in-patients by a senior doctor and seven day access to diagnostics (the mandate is to achieve the four priority Keogh standards by November 2017)
2. improve patient discharge through implementation of the SAFER care bundle and use of the red/green methodology
3. roster the clinical workforce to improve cost effective, quality care
4. complete the transformation of maternity services in line with 'Better Births'

In addition to these specific priorities, the Trust continues to pursue a wide range of quality improvement initiatives in accordance with national quality priorities. Avoidable mortality rates will be published on request from NHSI/NHSE using the national reporting methodology.

3.3 Quality Strategy Priorities 2018/19

This will build on and continue the work undertaken in 2017/18.

In addition, for 2018/19, quality improvements will be aligned across the STP, working with partner organisations to review all clinical services and explore opportunities for integration where appropriate. The guiding principles are to ensure that all services are safe with good clinical outcomes; that services are sustainable; and that services are accessible with all patients being provided with high quality care.

The bedrock of the approach to quality improvement is a programme of change directed at creating an organisational culture that is based upon organising the processes of care delivery, encouraging innovation and attracting and developing the right people to work in teams.

Bedford Hospital Trust already performs well in engaging its workforce and plans to build upon this through education and training, communications and effective governance to ensure that the commitment to providing excellent outcomes and patient experience is further embedded. Emphasis will also be placed upon the leadership behaviours known to correlate with the delivery of high quality services.

3.4 Care Quality Commission Rating

The outcome of the CQC Inspection Report April 2015 provided the opportunity for the Trust to concentrate upon specific services. A detailed plan was formulated in response to the report findings to address those areas where improvements were identified as being needed. During 2017/18 implementation of this plan will be completed through delivery of the Quality Improvement Strategy 2015-18.

3.5 Maternity Services Transformation

Maternity Services have been a focus for intensive improvement work during 2016/17 following the Independent Review of Maternity Services Report which made recommendations in June 2016. This will continue into 2017/18 to embed improved systems, processes and behaviours. The Maternity Transformation Programme drives this work to ensure delivery of high quality maternity care that is in line with best practice and evidence. Six work-streams across the maternity care pathway have been making progress with particular emphasis on workforce redesign, governance and leadership. Progress reports are provided regularly to the Executive Management Committee and Trust Board as well as the Maternity Services Board. A maternity dashboard has been developed that brings together clinical outcomes, operational activity and patient experience data.

The plans will take into account the findings and recommendations of the National Maternity Review to ensure that the service is centred around mothers and that the care provided is safe and effective. In order to implement some elements of the report such as continuity of care, transitional funds will be sought, all within the wider context of the STP for maternity care.

3.6 Seven Day Working

The Trust continues to develop its implementation of the National Seven Day Service Clinical Standards. The focus for 2017/18 will be to ensure the four key standards

(Standards 2, 5, 6 and 8) are met by November 2017 although this will require investment. The Trust submits biannual data on seven day standards to NHS Improvement. In support of standard 8 and the A&E Improvement Plan a modified ward round checklist is being piloted and will be implemented across the Trust. There will also be a review of medication prescription and discharge planning within 24 hours of patient arrival (Standard 3). Where there are associated resource implications, business cases will be developed accordingly to support the full implementation of seven day working.

Work has also begun on the remaining Standards. For example in conjunction with the local commissioner and community service providers, new pathways for the safe discharge of patients are being developed (Standard 9) and the national CQUIN will incentivise the improvement of services in an acute setting to patients with mental illness (Standard 7). The Trust's overall approach to Quality Improvement, which will continue beyond 2018/19, will be directed at achieving Standard 10. Separate projects will commence in 2017/18 for implementation in 2018/19 which will undertake to improve services and ensure that Standard 1 (patient experience), Standard 3 (MDT review) and Standard 4 (shift handover) are achieved.

3.7 Patient Experience

In 2017/18 there will be a number of initiatives to listen more closely to patients about their experience of care. This will include listening events on key subject areas such as taking part in care decisions, so that we can learn what we do well and what we can improve.

In relation to patient discharge, the SAFER Care Discharge Bundle (a set of procedures, tools and prompts) is being rolled out across the Trust. The bundle sets standards for safe effective and timely patient discharge and will be evaluated using patient feedback, safety reporting systems and Friends and Family Test feedback at ward and departmental level.

3.8 Measure and Improve Staffing Resources

Plans for 2017/18 include the introduction of a Workforce Predictor Tool to enable a more integrated review of workforce information, operational developments and financial impact.
The efficiency of the E Roster system will be further scrutinised to ensure that use of the nursing workforce is optimised and to highlight where action is required. 100% E Roster sign off compliance is being targeted for the early part of 2017. Benchmarking of Care Hours for Patient Day and fill rates across the STP footprint will be used to agree a set of principles that are recognised and adopted locally. Actions are being developed to achieve 90% compliance in mandatory training across all wards and departments during 2017. Recruitment of a suitably skilled workforce is vital to the delivery of care quality. Building on previous successful campaigns, there will be a further drive in overseas recruitment to address vacancy rates in key specialties and professions.

Workforce planning is covered in more detail within the Workforce Section of this plan.

3.9 Emergency Department

Achievement of the 4 Hour Standard in A&E has challenged the Trust this year, as the Emergency Department continues to experience growing demand. This, as well as the areas for improvement identified through the CQC inspection report, has led to changes in the way emergency care is delivered within Bedford Hospital.

These include:

- revision to “streaming” to enable reductions in patient waiting times and improvements to flow through the department;
- the establishment of an Ambulatory Emergency Care Unit to support timely assessment, treatment and discharge;
- rotational nursing posts and a new matron for the children’s service to improve liaison between departments and efficient use of staff time
- closer links to on-site primary health care.

Plans are currently under discussion with the CCG to introduce a 24 hour urgent care centre from July 2017 to ensure those patients not requiring the services of the A&E department can be safely and efficiently treated on site.

3.10 Mental Health Care Pathway

In accordance with national priorities and the commitment of the local Mental Health Crisis Concordat, work is underway with partners to develop a more integrated pathway for those individuals presenting at the hospital’s emergency department with acute mental health needs. This ties in to the quality work around one of the national CQUIN standards over which the Trust is liaising closely with the East London Foundation Trust (ELFT).

3.11 Quality Impact Assessment Process

Cost improvements are usually identified during the annual planning process. Each proposal is subject to scrutiny and to a Quality Impact Assessment (QIA) before consideration by the Executive Management Committee. QIAs require sign off by the Medical Director and Director of Nursing and Patient Services. Departments and Clinical Divisions may bring forward proposals at other times, but they will also be subject to the same level of scrutiny and assessment. The Cost Improvement Programme is approved by the Board after consideration in detail by the Board’s Finance Committee where all forms of risk influencing the programme are scrutinised.

The indicators used to assess quality impact vary depending upon the nature of the project under scrutiny. They include patient access, patient experience and whether there is any positive or negative effect upon patient safety and outcomes. The consequences for staff are also taken into account in so far as there might be a change to workload or access to facilities and services which could improve or affect adversely their ability to provide a service to patients.

3.12 Triangulation between quality, finance and workforce

The Trust Board’s Finance Committee reviews the Operational Plan together with issues arising from the Quality Board and the Trust’s performance metrics. The Committee assesses how workforce, activity, finance and quality are interacting and can identify potential areas for intervention. The Trust Board now receives an integrated performance report which also shows the inter-relationship between finance, activity, quality and workforce. The Trust Risk Register is an essential part of the Board assurance process, ensuring that integrated information is used to drive quality improvement and enhance efficiency and productivity.

The integrated performance report highlights multiple factors which indicate patient safety (e.g. infection rates, MRSA screening, serious incidents, caesarean section rates, patient access relating to NHS constitution standards, results of the “Friends and Family” test etc.).

In addition, there are key workforce indicators such as sickness absence, staff turnover and vacancy levels, as well as the use of temporary staff which enables the Board and its relevant committees to read across in order to identify areas of stress which require particular attention. Comprehensive analysis of service activity levels and the financial consequences for the Trust and its constituent divisions completes the picture so that scrutiny of the Trust's total performance is possible.

4. Workforce

4.1 Workforce Planning

In 2016, the Trust began the implementation of its two-year Workforce and Organisational Development Strategy. This acts as a key enabler for the delivery of the Transformation for Excellence Programme and Quality Improvement Strategy. Workforce planning is one of the priority strands of the Workforce and Organisational Development Strategy. Work is continuing with the STP to ensure that there are longer term plans so that the right numbers of staff with the right skills are available for the new service models being developed.

The Workforce and Organisational Development Strategy also prioritises:

- Leadership Development
- Education, training and development
- Well-being and engagement
- Organisational culture
- Workforce system and processes improvement

An annual work plan is produced to steer the achievement of these objectives.

Workforce planning is also an integral element of the Business Planning process for as business units develop their service and clinical plans, they also identify workforce resourcing and development implications and opportunities. These business unit plans are aggregated to a Trust level plan. Effective and realistic workforce planning is key to the sustainable delivery of some high priority services, for example planning and delivering an increase of both middle grade and consultant numbers in A&E to support the delivery of the Urgent and Emergency Care Review and compliance with the A&E 4 hour standard. There will be some limited expansion to workforce associated with the achievement of the clinical standards for 7 Day Services and other priority developments, for which compensatory savings will need to be found elsewhere in the organisation.

4.2 Governance

During 2016/17 scrutiny and controls relating to pay cost expenditure have been tightened. Efficiency savings are subject to monitoring through the Transforming for Excellence (TfE) Programme and are reported to the executive team on a monthly basis. The Quality Impact Assessment process is used to assess any effect on service quality of staffing changes arising from cost improvement schemes before implementation is agreed. The Board, through adoption of the Operational Plan, approves the overall workforce plan and monitors progress at its monthly Finance Committee meetings. Details of the QIAs are made available to the Board, the Quality and Clinical Risk Committee and Quality Board as appropriate.

Indicators of quality and safety are reviewed in conjunction with workforce information at the Quality Board and at the Quality and Clinical Risk Committee. Areas indicating shortages of permanent staff and/or high absence rates in particular, are examined against the other indicators of service quality and patient safety. These are also reviewed by the Executive Management Team, while line managers are required to be alert to situations and events which might indicate risk and require action.

4.3 Workforce Efficiency and Management of Expenditure

Profile of funded establishment by month (2016-2017)

Establishment FTE	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	% Growth over last 12 Months
Medical & Dental	181.6	183.6	184.9	184.9	185.9	185.9	185.9	186.9	186.7	186.7	186.7	186.7	2.8%
Consultants	136.1	137.1	137.4	137.6	137.6	137.6	137.6	137.6	135.6	135.6	135.6	135.6	-0.4%
Administration & Estates	509.2	500.7	505.0	506.9	506.4	507.4	508.5	512.2	507.2	507.7	507.7	508.7	-0.1%
Support Staff (including CSWs & other Support Staff)	619.5	604.4	625.4	623.2	642.9	642.1	643.7	644.1	641.1	643.8	643.8	642.6	3.7%
Nursing	732.9	738.2	765.0	763.2	769.1	767.9	777.3	778.2	776.5	777.0	777.0	777.8	6.1%
Midwives	106.1	106.1	106.4	106.4	106.4	106.4	103.6	103.6	103.3	103.3	103.3	103.3	-2.7%
Other ST(T)	100.1	100.1	100.9	103.1	101.9	101.9	101.9	101.9	101.9	101.9	102.9	102.9	2.8%
Healthcare Scientist	18.2	18.2	18.2	18.2	18.2	18.2	18.2	18.2	17.4	17.4	16.4	16.4	-10.0%
Allied Health Professionals	162.5	154.6	152.6	152.6	155.7	155.7	155.7	158.3	158.3	157.5	157.5	157.5	-3.1%
Other	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	6.0	6.0	6.0	6.0	-25.0%
Total Establishment	2574.3	2550.9	2603.8	2603.9	2632.1	2631.2	2640.4	2649.0	*2634.0	2636.8	2636.8	2637.4	2.5%

Profile of employed staff in post by month (2016-2017)

Staff in Post FTE	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	% Growth over last 12 Months
Medical & Dental	169.8	170.6	168.3	170.5	166.3	176.4	181.4	181.6	180.6	180.2	180.2	181.6	7.0%
Consultants	129.0	125.6	126.4	124.9	128.8	130.9	130.0	131.9	128.9	127.8	129.7	129.9	0.8%
Administration & Estates	464.1	463.4	464.9	466.9	461.6	464.5	466.6	468.9	470.7	474.0	476.8	474.4	2.2%
Support Staff (including CSWs & other Support Staff)	597.7	583.3	585.6	576.1	572.8	569.6	573.8	570.7	563.4	559.3	565.5	562.6	-5.9%
Nursing	685.9	696.4	696.9	693.7	696.0	690.3	690.4	693.8	690.5	681.8	685.5	691.2	0.8%
Midwives	102.6	104.3	102.5	101.1	101.7	100.9	97.5	97.6	95.2	95.4	94.3	94.3	-8.1%
Other ST(T)	91.9	93.0	92.1	96.1	91.7	90.6	90.0	93.2	94.1	93.0	91.8	91.7	-0.3%
Healthcare Scientist	16.3	15.5	16.3	16.3	16.3	16.3	14.7	13.9	13.1	14.1	13.1	14.1	-13.7%
Allied Health Professionals	155.7	154.5	153.8	152.3	150.1	153.8	158.1	158.6	156.7	159.0	157.5	157.6	1.2%
Other	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	0.0%
Total Staff in Post	2418.0	2411.5	2411.9	2402.8	2390.1	2398.2	2407.5	2415.1	*2398.3	2389.7	2399.4	2402.3	-0.6%

2016/17 has seen investment in the substantive medical and nursing workforce in order to meet additional activity demands, maintain safe staffing levels and reduce reliance on agency staff.

Agency spend during the twelve months from September 15 to October 16 declined by 40% across the most recent quarter which is equivalent to a £400k spend reduction. Bank usage has increased to off-set this reduction by approximately £200k. The net benefit per month is therefore on average around £200k. This will need to be managed carefully as a significant increase in costs for non-contracted staff was seen in October 16.

The agency spend rate for the current financial year was below plan Q1-3 16/17 but moved over plan in Q4 16/17 as a result of the increased activity and the additional beds opened to meet this demand. We are forecasting that we will be over the 16/17 £7.1m target by approximately 0.5%. This represents a significant reduction from the 2015/16 £10.4m spend. Savings on agency and temporary staffing spend are closely linked to the Trust's plans to recruit and reduce its vacancy levels. In addition a 1% vacancy factor will be required for 2017/18 to support savings plans.

A stringent vacancy authorisation process is in operation, which in 2016/17 was extended to include non-medical and non-nursing agency requests. A panel of Executive Directors meets weekly to scrutinise vacancy requests and ensure that alternatives have been fully considered including not replacing the post.

£7.1m has also been confirmed as the upper limit for 2017/18 and 2018/19 expenditure on agency staff. Activity above planned levels will place pressure on expenditure on temporary staffing, as will the continued shortages in the medical labour market and the time required to obtain PIN numbers for overseas nurses and so rigorous control will continue to be needed to contain costs to planned levels.

The Trust's Nursing Recruitment and Retention Plan sets out how the Trust is engaging with all existing Band 5 nurses to ensure we are aware of their future career intentions and

establish how they can best be retained. The Trust is also improving its offering to UK candidates to ensure that it is competitive with other NHS organisations and optimises the ability to recruit from within the UK. These measures should help the Trust to become less reliant upon recruitment of staff from abroad although some element of overseas recruitment will be required in order to meet the projected demand for nursing staff. Changes to the language, registration and immigration processes over recent times have significantly increased the cost of this form of recruitment, while the competition for recruits from other UK providers has diminished the potential for success.

The Trust has appointed a Head of Recruitment and Temporary Staffing to lead on recruitment campaigns in the UK and abroad. For UK recruits the focus will be upon career pathways and new roles, attracting students on placement at the hospital, educational programmes, selling the Bedford 'brand" and the experience of working here and improving our recruitment package. For recruits from abroad there will be emphasis on establishing a rapport with recruits before they arrive to enable a smooth transition into employment and support retention once they have arrived.

Work with the Bedfordshire and Hertfordshire Agency Collaboration will continue so as further to reduce agency rates and usage. Whilst the Trust's total turnover is lower than other Trusts within the STP and this conforms with required performance levels, there remains a high turnover of medical staff, which requires particular attention. The Exit Interview process has been centralised to improve data and inform retention strategies.

There is further work planned to strengthen the skills of departmental leaders to help fully realise the benefits of the electronic staff rostering system. Directors of Nursing across the STP acute trusts are working together to standardise methodologies for setting ward establishments and skill mix to assure safe and cost effective nurse staffing levels.

Work supported by Ernst and Young in 2016/17 to improve medical job planning is being implemented and will ensure job plans are agreed in a timely way, reflect activity plans and enable productivity to be measured and monitored.

4.4 Workforce Transformation

As new care models continue to evolve, so the associated workforce transformation plans are emerging. The Bedfordshire, Luton and Milton Keynes STP seeks to strengthen primary and community care to reduce reliance on acute hospitals which should result in a realignment of the workforce if the demand for acute services is reduced. The future organisation of the local community health service will need to be clear for these plans to be developed fully.

There will be further changes associated with the closer integration of acute services across the STP acute provider landscape as and when services are reorganised. For example, networking of a number of specialised services such as interventional radiology is being considered.

Other national initiatives including 'Getting It Right First Time' are also influencing workforce. The Trust has plans to introduce a number of new roles to meet the needs of its patients. These include Physicians' Assistants, and, in conjunction with local partners, the Trust is on track to establish a first tranche of trained Nursing Associates by the end of 2018/19. As part of this, through the Trust's TfE programme, skill mix reviews will be ongoing throughout 2017/18.

The Trust is committed to designing and implementing a strategic approach to developing a culture that enables and sustains continuously improving, safe, high quality and compassionate care. Research shows that the most powerful factor influencing culture is leadership. This strategic approach will enable the Trust to ensure we have the leadership now and in the future, that will support this culture.

It will:

- be driven by and linked to our business plan
- embed the elements of culture and leadership behaviours that lead to high quality care cultures among all staff in our organisation
- set out our plans to ensure that formal leadership through 'key leadership roles' are filled to effectively support high quality care cultures and ensure the business plan is delivered.

4.5 Workforce Performance

During 2016/17 rates of sickness absence, turnover and vacancy have been relatively low but there is a high degree of variation between staff groups and specialties. Effort is therefore being targeted upon areas and staff groups with higher rates of absence and turnover and/or difficulties in recruitment. Mandatory training and appraisal rates will continue to be a priority in 2017/18 and 2018/19 in order to achieve the required levels of compliance.

The most recent available National Staff Survey Results for 2016 showed a deterioration in some areas of reported staff experience from 2015. The Trust overall engagement level is average and we continue to perform well compared to other acute hospitals. We are working with relevant groups and engaging with staff to identify the drivers for the deterioration and will build this learning into the 17/18 Workforce Strategy workplan. The Trust intends to build on this sound platform.

4.6 Workforce Advisory Board involvement

Bedford Hospital is an active member of the Local Workforce Action Group (LWAB). The LWAB for the Bedford Luton and Milton Keynes STP will support the implementation of STP priorities and oversee the development of a Workforce Plan and Strategy.

5. Finance

5.1 Financial Forecast for 2016/17

Bedford Hospital is on track to achieve its agreed control total of a £10.2 million deficit in 2016/17. It has been supported by the Financial Improvement Programme (FIP) through EY in its efforts to establish a sound financial platform for the future. Part of the reduction in deficit represents a considerable turnaround, which is attributable to:

- a reduction in the use of temporary workers from the start of 2016/17
- achievement of the cost improvement programme
- over-performance against the planned activity level
- reduction in contract penalties

It has also been assisted by the availability of the Sustainability and Transformation Fund which through the achievement of certain measures has contributed around £5m to the bottom line.

Final achievement of the control total carries a £2.5m risk for which mitigations are in place and assumes the above-mentioned contribution from the STF.

5.2 Financial Forecasts 2017/18 and 2018/19

The agreed control total for 2017/18 is £8.8million deficit and for 2018/19 is £6.8million deficit. Given the current underlying financial position of the Trust, this target is significantly in excess of a 4% savings plan.

The areas of further improvement which will enable achievement of the control total are:

- Improve theatre productivity
- Detailed job planning
- Management of non-elective flow
- Improved activity recording
- Increase private patient income
- Enhanced procurement savings
- Delivery of CQUIN and access targets
- Continued emphasis on control of agency staff
- Full range of Transforming for Excellence schemes across all divisions and departments

These areas represent broadly the “Lessons Learned” from participating in the FIP and the understanding gleaned nationally from the national programme.

Business cases for the use of Marginal Rate Emergency Tariff (MRET) and readmissions funding have been under discussion with commissioners. It has been agreed that instead of using the readmissions funding to assist directly with the control total, the commissioner has agreed to invest the funds in schemes to prevent admissions and enable the discharge of patients which will be agreed by both commissioner and provider. The MRET business case remains under discussion.

The table below shows the forecast outturn I&E for 2016/17 and the projections for 2017/18 and 2018/19:

£k	2016/17 FOT	2017/18 Plan	2018/19 Plan
Income	183,961	188,805	189,715
Expenditure	(185,830)	(193,069)	(192,954)
Financing/impairments	(8,331)	(4,578)	(3,532)
Total	(10,200)	(8,842)	(6,771)

5.3 Efficiency Savings 2017/18 and 2018/19

A Cost Improvement Programme target of £7.8m has been established for the Trust. Further contingency schemes are also under development to assure delivery of efficiency savings. Schemes are risk rated using RAG categories, following assessment of individual project plans.

5.4 Development and Management of the Efficiency Savings

The Delivery Support Unit (Transforming for Excellence) leads the operational planning process, working closely with clinical divisions and finance teams and supported through a number of confirm and challenge sessions with the CEO.

Monthly performance meetings are held with clinical divisions and corporate departments to monitor progress against the cost improvement programme alongside overall activity, quality, workforce and financial indicators. Separate detailed scrutiny of each project is undertaken by the DSU in conjunction with the clinicians and managers accountable for delivery. Scheme trackers are completed and updated for every project. Overall performance of the cost improvement programme is reported monthly to the Executive Management Committee and the Board's Finance Committee.

Each of the schemes is project managed through an executive led workstream as part of the Transforming for Excellence Programme. The five workstreams for 2017/18 and 2018/19 are likely to be (although this will be reviewed shortly before the start of the year):

- Workforce
- Patient Flow
- Elective Care
- Corporate, Commercial and IT
- Income and Activity

5.5 Provider productivity work programme (Carter)

Trust analysis suggests there are opportunities for improvement within a number of specialties showing higher than average Adjusted Treatment Costs and that the Cost Weighted Output for the Trust is below current levels of expenditure. The Trust's overall Reference Cost is only 94 and further work is being undertaken to improve reliability and accuracy of some speciality information. As further analysis is completed and validated, additional schemes can be identified for future implementation to help drive down unwarranted variation.

5.6 Procurement

As part of the work resulting from the Carter Review, procurement continues to provide opportunities for improved efficiency. Bedford Hospital Trust has a Procurement Plan for the period 2016 – 2019 to enable improvements in the procurement of goods and services over that period. Non –pay expenditure at BHT now exceeds £70m each year and the procurement function is committed to become a champion of innovation in its drive to increase value for money and contribute to the financial stability of the Trust.

The aims for the operational plan period are embodied in the key performance metrics:

- 90% of orders are planned to be made through e-Procurement
- 80% of spend transactions volume to be on catalogue
- 90% of spend to be supported by a Purchase Order
- 90% of spend volume to be under contract

The procurement service intends to develop collaboration with other organisations in the BLMK STP to establish mutually beneficial arrangements. The wider corporate social responsibility of the Trust will be exercised through "Sustainable Procurement" policies described in the plan.

5.7 Service Line Reviews

Service Line information is being used to offer another view of the financial performance of specialties which can be set alongside the material supplied by Carter. This combined information is helping to identify opportunities to improve the financial performance and contribution of individual specialties and creates a focus upon coding and recording to ensure that services are properly costed and information accurately attributed to them.

5.8 Agency rules

From November 2015 all acute Trusts were required to adhere to new guidance when using agency registered nursing and midwifery staff.

The guidance included:

- An annual ceiling for total nursing agency spending for Bedford Hospital Trust, (this was 12% of spend on registered nursing and midwifery staff for Q3 and Q4 2015/16)
- Mandatory use of approved frameworks for procuring agency staff
- Limitations on the hourly rates that may be paid.

A drive to recruit substantive staff, and a further overseas recruitment campaign continue to reduce further reliance on temporary staff and associated costs have been in place throughout 2016/17. Development of career pathways and education linked to nursing and midwifery validation and portfolio development is helping with the retention of staff. Informatics to bring together operational, vacancy and financial information is helping monitor and plan workforce expenditure. Version 10 of the E Rostering system is now in place providing greater functionality for efficiency, monitoring and reporting and an exception reporting system exists for when shifts outside the rules are agreed.

The Trust is working with the Bedfordshire and Hertfordshire Workforce collaborative to implement a strategy to reduce further the use and costs of agency staff and increase compliance. The Trust will continue with its tightened approval process for agency shifts that has reduced spend during 2016/17 and minimise the use of temporary staffing and utilise Tier 1 suppliers when required.

5.9 CQUINs

The Commissioning for Quality and Innovation (CQUIN) targets reflect national quality priorities and the detail of them is currently being negotiated with the commissioners as part of the acute services contract. These elements are valued at £1.8 million and include:

- Staff wellbeing
- Proactive and safe discharge
- Reducing the impact of serious infection
- Improving services for patients with mental health needs presenting at A&E
- Advice and guidance
- E-referrals (Year 1)

Each is worth in the region of £300k.

5.10 Capital Planning

The Trust's capital plan is being shaped by the revision of the clinical strategy, the emergence of the STP and the need to maintain business as usual. The estate needs to provide a level of flexibility as future care models are developed and implemented with a view to facilitating out of hospital care and an accountable care service model. This includes further estates rationalisation to create efficiencies and generate additional revenue.

In the shorter term there are a number of priority schemes that will be supported to enhance Trust services. These include:

MRI 2

Activity supports the procurement of a second permanent MRI scanner in 2017/18 and this is to be funded in part through charitable funds and housed in a purpose built facility under a traditional form of contract adjacent to MRI 1. Completion of the scanner phase is planned for late 2017.

Accident and Emergency Department

Bedford's current A&E department now sees double the number of patients it was originally designed for and with poor clinical adjacencies. There is therefore a need to redevelop A&E ideally in a purpose-built facility. Affordability dictates that instead the department will have to be extended. This needs to deliver better access to imaging and proximity to primary care, ambulatory emergency care and to the acute assessment unit. Phase 1 of this project is planned to start in 2018/19 with the profile of spend being £4.0m in year 1, £4.0m in year 2 and £2.0m in 2020/21.

Primary and Integrated Care

The development of a primary care facility in the Cauldwell Centre (formerly Weller Wing) can incorporate a number of services from other parts of the hospital estate including outpatient services and the relocation of rehabilitation services from Gilbert Hitchcock House. There is also an opportunity to offer physiotherapy and dental services as part of an

integrated care model. Within the capital programme for 2017/18 and 2018/19 £2.4m has been allocated for these and related works within Weller Wing.

Theatres

As part of a programme to upgrade theatre capacity, there are two key schemes planned:

- replace the mechanical systems to Theatres 3 & 4 (currently combined) to introduce Laminar Flow in to theatre 3 and stand-alone plant for both - planned for 2017/18
- develop a first-floor extension of the Theatre Block (40) to accommodate a single new theatre or two Theatres depending upon the capacity requirements of the Trust's future activity, currently planned for 2021/22

Learning and Education

A replacement for the portable accommodation currently being used is required. This is planned to be delivered through relocation to the lower ground floor of the Cauldwell Centre and use of networked off site accommodations being identified with partners. This scheme would be implemented in 2017/18.

Cauldwell Centre

As well as the development of the primary care facility and education centre mentioned above, there is capital included within the STP plans to ensure that Weller Wing can be fully utilised for healthcare purposes after the departure of ELFT from the site. There are a number of departments that are under consideration for a move to this wing including out-patients, therapies and pre-op assessment. Phlebotomy has already moved to the property. This is a key part of the Trust's plans to move towards a more integrated healthcare facility on the Kempston Road site.

EPR

A further part of the STP capital programme is the development of an Electronic Patient Record (EPR) across the three hospitals. As part of this during 2017/18, Bedford Hospital will be undertaking a preparatory programme to ensure that it is ready to implement this according to the agreed timetable. The capital programme is currently structured to commit £1.4m in 2017/18 and £4.6m in 2018/19 towards this aim. Work during 2017/18 will focus on the introduction of an Electronic Document Management System which is a necessary pre-cursor to a full EPR.

Business as Usual

There is a continued programme of ward refurbishment and backlog maintenance. The Trust has a total maintenance backlog of over £10m, which will be partly addressed through the planned capital works as well as the ward refurbishment and the maintenance programme. Much of the Trust's infrastructure is in good condition as a result of programmed investment, although a number of items will need investment over the next five years.

5.11 Sustainable Development

A Sustainable Development Management Plan (SDMP) for the period 2014-2020 drives the effort to reduce the Trust's carbon footprint. Despite the age and obsolescence of some of the estate the last annual report showed that a 10.4% improvement had been achieved. There has been investment in replacement of the Combined Heat and Power (CHP) unit and investment in solar photovoltaics and LED lighting has further improved energy efficiency. A 1.2% reduction in water usage has been achieved despite increased demand through requirement for hand washing and preventative Legionella flushing, while the new Sterile Service Department has been awarded an "excellent" accreditation for its contribution to sustainability.

Replacement of obsolete and inefficient estate stock will extend the carbon emission reductions achieved so far.

6. Local Sustainability and Transformation Plan

In line with NHS England's planning guidance, a draft Sustainability and Transformation Plan (STP) was submitted on the 21st October 2016. The Trust has been playing a leading role in the development of this plan to restore clinical and financial sustainability of the local health and social care system. It is centrally involved in planning and executing transformational change across a planning footprint covering the resident populations of Bedfordshire CCG, Luton CCG, and Milton Keynes CCG (BLMK patch). There is close and active involvement from the four local authorities (Luton Borough Council, Central Bedfordshire Council, Bedford Borough Council and Milton Keynes Council) in the transformation planning and implementation process. Given BLMK's current and projected distance from financial equilibrium there is active oversight and challenge to ensure that planning and executing the necessary transformation in BLMK proceeds expeditiously.

The plan has been informed by population health analysis commissioned by STP Partners. This has been used to add precision to transformational solutions that will enable current and projected demand to be redirected from hospital into community settings and self-managed care. These solutions have been trailed extensively with primary care colleagues, at GP practice level, at CCG level and via cross-BLMK clinical engagement events.

The STP plan proceeds across 2017-2019 deploying user-facing initiatives, in the areas of prevention, primary, community and social care and hospital services, with enabling work, designed to create the right tools (e.g. digitally communicable care records), levers and incentives to support the transformation process. Considerable effort has gone into refining BLMK's five STP priorities. Each priority has an implementation plan, which sets out the key steps required to achieve STP goals.

	Description	2017/18	2018/19
Priority 1	Impactful health Improvement and illness prevention	Implementation of Fracture Liaison Service Implementation of Social Prescribing Hub Development of communication strategy	Implementation of communication strategy Sustained engagement with Health and Wellbeing Boards
Priority 2	High quality, scaled and resilient out of hospital services	Delivery of projects (enhanced primary care, complex care management, acute-based care delivery, referrals management, medicine optimisation, community based outreach) Functional integration across the footprint for Urgent Care Services (including 999, 111 and GP OOH)	Delivery of projects (enhanced primary care, complex care management, acute-based care delivery, referrals management, medicine optimisation, community based outreach) SPOA Clinical Hub
Priority 3	Sustainable secondary care services	Implementation of sustainable secondary care plans for services to new models Costed solutions for fully integrated back office services	Implementation of sustainable secondary care plans to migrate to new models

		Implementation of integrated non-clinical support services plans Integrated clinical support service plan agreed (Path/Rad/Therapies/Pharmacy) Where relevant, public consultation on sustainable secondary care plans fully determined and undertaken	Implementation of integrated clinical support services Implementation of integrated non-clinical support services plans
Priority 4	Delivering Digitisation	Intermediate solution for shared health and care citizen record available to the Clinical Hub to support care coordination. Full citizen access designed and being implemented	Shared care record optimal solution implemented Risk stratification and care coordination goes live Citizen facing technology enabled Extend and enhance shared care record capability
Priority 5	Re-engineering the system of demand management, commissioning and service provision	Accountable care system design, development and procurement planning –complete by October 2017 Commissioners undertaking procurement(s) – complete by March 2018	Mobilising an Accountable Care System delivery

All relevant NHS parties (i.e. both NHS commissioners and providers) across BLMK have expressed an appetite for exploring an accountable care approach to commissioning and delivering NHS services. Such an approach would continue to see care designed and delivered at the locality level (typically 30,000 to 50,000 population), sensitised to the needs of different localities, and in a way that list-based general practice remains front and centre. Some functions and activities would operate in patches coterminous with local Council boundaries - others, such as health population analytics, information and communications systems and technology and administration would operate across the BLMK footprint.