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Nottinghamshire Healthcare NHS
NHS Foundation Trust

BOARD OF DIRECTORS – 30th April 2015

Annual Operational Plan 2015 / 16

1 Introduction

1.1 At its March 2015 meeting, the Board of Directors received the first draft of our Annual Operational Plan for 2015/16, setting out the new style and format for our plan, reflecting the requirements of the Monitor Planning Guidance for Foundation Trusts.

1.2 The revised Monitor Planning Guidance requires a clear one year plan that remains aligned to commissioner plans, is Board approved, and demonstrates how the Trust will remain financially and operationally sustainable and resilient.

1.3 Our plan has been developed, recognising our ongoing work to update and refresh our overarching, longer term strategic direction. As such, our strategic objectives are set out within this plan and incorporate our refreshed strategic milestones, based on key strategic projects, as supported at the joint development session with the Council of Governors on the 16 April. Our plan incorporates the operational plans of our clinical and corporate divisions, having sought the views of staff, service users, patients, carers and our Governors.

1.4 This paper presents our Annual Operational plan for 2015/16 (See Appendix A) and highlights its key features and any material changes from the draft plan seen by the Board of Directors at its March meeting.

Our plan sets out our clear focus on performance, quality, workforce, activity and finance that will enable us to achieve our strategic objectives and remain a sustainable and resilient Foundation Trust, within the context of our challenging operating environment.

2 Approach to Developing the Operational Plan

2.1 The Trust submitted a summary Operational Plan to Monitor in April, as per the revised Monitor planning timelines and requirements. No concerns have been raised by Monitor on the submission.

2.2 We have continued to take an open and transparent approach to the development of our plans. There have continued to be a number of cross organisational sessions to share plans and priorities and there has been divisional and ELT confirm and challenge sessions to sign-off efficiency plans and proposals, including CCG star chamber sign-off.

2.3 The Business Interest Group from the Council of Governors (CoG) is a key forum whereby the forward plans of the organisation have been shared and the views of the CoG taken.

The key service developments were shared with the Business Interest Group at its meeting in January 2015.

The refreshed strategic projects and objectives were shared with the Business Interest Group in April 2015 and were fully supported.

3 The Annual Operational Plan

3.1 The Annual Operational Plan sets out our ongoing ambition to remain a leading national provider of high quality, safe, integrated healthcare. Our plan has been developed with input from Board of Director development sessions on the 12 March and 16 April; clinical and corporate divisional plans, themselves subject to staff, patient, service user and carer input and consultation; ongoing planning workshops and consideration of our previous two year business plan and five year integrated business plan (IBP).

3.2 Within this Annual Operational Plan, Board of Director members are asked to specifically note:

Part One – Strategic Context: Provides an overview of the broad environment and relationships with which we operate. Whilst all contractual negotiations have concluded, our commissioners continue to develop more specific responses to their Vanguard applications; we continue to receive greater clarity around our response to the South Notts Tender and our role in the Mid-Notts Better Together programme continues to develop.

Part Two – Progress Against Delivery of the Strategy: Sets out the summary of our strategic objectives and the associated strategic projects. This section also includes an overview of our transformation, service development and efficiency programmes.

Part Three – Quality Plans: Includes the background to the ongoing work to develop and refresh our Quality Priorities. These are subject to approval by Quality and Risk Committee in May 2015.

Part Four – Operational Requirements and Capacity: Our anticipated activity and demand models continue to reflect Occupied Bed Days and Contacts across all divisions until a standard model of reporting tariff based activity is made available from Monitor.

Part Five – Finance and Risk: This section provides a summary of our financial plans and sets out a refined overall 2015/16 financial position following the confirmation of a number of issues including 2014/15 outturn and contract negotiations with commissioners. Furthermore, the Trust has set and agreed a number of strategic priorities for 2015/16 which include responding to a number of challenges and risks within the wider environment, such as

significant commissioner procurements, requiring the Trust to invest to either achieve efficiencies in the future or to mitigate mid to long term risk.

As a consequence of the above, planned surplus for 2015/16 has reduced slightly to 1% from 1.3%. This still reflects strong performance and an appropriate ambitious position for 2015/16 particularly when compared to the wider NHS sector. Part Five is supported by the detailed Financial Model that will be submitted separately to Monitor.

3.3 This plan continues the direction set out in our Five Year IBP, approved by the Trust Board in September 2014. It provides assurance that the Trust has a robust and viable plan for 2015/16 and the necessary resources to deliver our objectives.

Attached at Appendix B to this paper are the suite of self-certification statements that are required by Monitor to support our annual plan. Namely:

- Compliance with the Monitor License conditions
- Certification on Academic Health Science Centre status and governance and training of governors
- Declaration of sustainability

3.4 The Equality Impact Assessment document is in the final stage of completion but no material impact is anticipated from the plan.

3.5 A summary of this document will be produced in conjunction with the communications team to ensure wide dissemination of our plan with a particular emphasis on our strategic objectives and focus on the strategic projects that will be delivered throughout 2015/16.

4 Next Steps

4.1 The final 2015/16 Annual Operational Plan is to be submitted to Monitor by midday on 14 May.

4.2 Trust Board is therefore asked to;

Approve the Annual Operational Plan for submission to Monitor
Approve the declarations and Self Certifications for signature by the Chief Executive for submission to Monitor

Angela Potter
Director of Business Development and Marketing
22nd April 2015

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Nottinghamshire Healthcare NHS
NHS Foundation Trust

Annual Operational Plan for 2015 / 16

Nottinghamshire Healthcare NHS Foundation Trust

Stonewall DIVERSITY CHAMPION

POSITIVE ABOUT DISABLED PEOPLE

INVESTORS IN PEOPLE UK

100 HEALTHCARE 2010 EMPLOYER

Part One – Strategic Context

Nottinghamshire Healthcare NHS Foundation Trust (NHCFT) is proud to present our first Annual Operational Plan as a fully authorised Foundation Trust (FT). Our authorisation on the 1March 2015 recognises our strong financial position, our robust governance and effective leadership. The Trust provides a wide range of physical, mental health and forensic services for people of all age ranges across local, regional and national populations.

Our recent authorisation by Monitor as a FT recognised that we are in the final year of our five year strategy. We have committed to a refresh of our strategy in the early part of 15/16 and believe this to be extremely timely given the nature of our newly authorised FT status. It will also enable us to fully recognise the opportunities and indeed some of the challenges that the Trust faces from the Five Year Forward View, the local health economy system pressures as well as those in specialised commissioning and to reflect the key priorities and aspirations of our service users, patient and carers along with our Council of Governors.

At its December 2014 meeting, the Board of Directors committed to a wide process of stakeholder engagement and consultation to develop the strategy refresh and is planning a number of sessions with our frontline staff and clinical leaders, commissioners and other key stakeholders in the health community to bring together their views along with those of our service users, patients and carers and our Council of Governors. We will introduce a strategy refresh approach similar to that outlined within the Monitor Strategy Development Toolkit and we anticipate a full review of options and scenarios to consider and address a range of possible futures. Driving the need to refresh/recreate our strategy is the following:

Local System Pressures

2015/16 sees the Trust operating in an environment that has an ever increasing number of challenges. The local health care system, in line with the rest of the NHS is facing unprecedented levels of financial challenge and is struggling to match the growing demands of healthcare need with the available resources. The Trust remains a committed partner within the local and regional health economy, to ensure ongoing resilience of our health and care system but we recognise the pressures within other parts of the system and our desire to strive for parity of investment in community and mental health systems. We have agreed and signed all contracts for 2015/16, following some challenging negotiation. We recognise the critical importance of working in close partnership with our commissioners and health and social care partners and we are therefore fully engaged in the transformation approach that has developed in each of its planning localities

Commissioning Arrangements

South Nottinghamshire: The three county Clinical Commissioning Groups (CCG's) (Nottingham West; Nottingham North East and Rushcliffe) along with the City CCG have joined together to develop a transformation approach. There is a growing financial challenge in the locality of circa £140m for 2015/16 and Nottingham University Hospitals as the main acute provider is facing continued financial and performance challenges. Plans for the South Nottinghamshire area remain very embryonic and a piece of external consultancy is currently being scoped to develop a clear blueprint to the future. All the CCGs have aspirations for the development of new models of care aligned to a Multispecialty Community Provider (MCP) models (with Rushcliffe and Nottingham City CCGs being nominated as Vanguard sites) and all providers along with the City and County Local Authorities are committed to working together to find a viable and sustainable way forward.

As part of their aspiration to move to new models of care, the three south county CCGs have stated their intent to competitively re-tender for all community adult services provision in their locality and to offer a new 5 year (+2 year extension option) contract along with a city and county wide approach to commissioning a range of specialist children and young people's services, set to commence from April, 2016. In the short term this will therefore pose a significant risk to the Trust and we are mobilising a strong bidding team to respond to this, but should we successfully retain this contract, it will put us in a much stronger position to move forward with long term service transformation.

Mid Nottinghamshire: The Mansfield & Ashfield and Newark & Sherwood CCG's that form the mid-Nottinghamshire planning locality have a clearly defined transformation blueprint and direction of travel towards adopting a capitated outcome based model enacted through a single contract from April 2016. This programme of change is known as the Better Together programme. They have commenced a 'Most Capable Provider' procurement and identified the Trust as one of seven 'co-ordinating providers' to move forward with the re-commissioning plans. At this stage, this covers adult's physical healthcare and some elements of mental health services but not children and young people services. Integrated children and young people's health services and services for children in care nursing will be re-tendered as part of the new models of care, set out in South Nottinghamshire above, with 10 year contracts commencing from April, 2016. At this stage, we are exploring all options as to the appropriate contract structure and delivery vehicle that will best serve the Trust and the health economies needs from this approach. The Board will continue to assess the opportunity and risks that this will present to us and where we are best placed to ensure strong governance, leadership and importantly, an improved patient experience and outcome for our service users and patients. The locality has also been successful in its application as a Vanguard site for a Primary and Acute Care system model (PACS).

There is a recognised local financial challenge of circa £100m over the next five years and the main acute provider, Sherwood Forest Hospitals FT, remain on special measures and a Keogh Trust with financial, quality and performance challenges. A key aim of the Programme is to deliver £32m recurrent financial benefit by 2018/19 through clinical re-design.

Bassetlaw: The Bassetlaw locality have not yet fully scoped their financial challenge but are recognising that there will be a gap within the 15/16 contract negotiations. There are emerging discussions that they wish to pursue an integrated model of physical and mental healthcare service provision through a single contract with the Trust and we are working proactively with key partners and stakeholders across the locality to progress this.

The two **Local Authorities** in the region are fully engaged in all aspects of locality transformation but it is recognised that they are also facing significant pressures and funding reductions. Nottinghamshire County Council has seen a reduction in Government funding of £43m (16%) with a savings requirement of £77m by 2017/18. Nottingham City has identified saving proposals totalling £27m for 2015/16 and will receive a £30m (29%) reduction in its main Government grant. Based on the 'spending power' measure, Nottingham has lost £18m (5.5%), against a 1.8% national reduction, making it one of the worst hit of the Core Cities (4.5% average).

Overall this may create both risks, as day centres and residential care provision is reduced, increasing fees for adult social care and reducing the access to intermediate care and social care assessments to support timely discharge; but may also provide an opportunity for the Trust to consider new models of provision and joint working.

Specialised Commissioning: The Trust has a significant level of income received via the NHSE commissioning processes. We have been successful in achieving a degree of certainty around our 15/16 contracts for High and Medium secure services and for Offender Health service portfolios. The Trust has also secured agreements for increases in both our CAMHS Tier 4 Inpatient beds (from 12 to 13 beds) and for our Perinatal beds (from 6 to 6.5) for 2015/16.

The Better Care Fund (BCF)

The Trust has been actively engaged with the development of the BCF plan in Nottinghamshire County and is sighted on the plan for Nottingham City. Both plans are signed off by the Health & Wellbeing Boards and implementation plans are in the process of being established. Financial values and threshold targets are currently being reviewed as part of the 15/16 contracting round with original values of investment being identified as:

	2014/15		2015/16	
	Minimum required	Agreed Pooled budget	Minimum required	Agreed Pooled budget
Nottingham City	£10,010,000	£24,000,000	£24,000,000	£24,000,000
Nottinghamshire County	£16,100,000	£54,905,000	£33,971,484	£59,464,000

Table 1.1 – Financial Commitment per Better Care Fund Submission

At this stage, plans have not been sufficiently developed for us to fully model the impact of the BCF plans into our activity projections but known developments aligned to the Better Together programme outlined in the mid-Nottinghamshire locality have been factored in. The BCF programme is delivered under the six themes of 7 day service provision and access; supporting integration; transforming patient satisfaction; protecting social care services; facilitating discharge; and infrastructure enablers and includes the following key objectives:

- Redistribution of funds (c. £1.9m) to support the implementation of the Care Act.
- Reduce emergency admissions to hospital and ensure more urgent care is available closer to home.
- Introduce seven day health and social care services, including access to GPs, to enable people to leave hospital when medically fit and to avoid hospital admissions.
- Proactive identification and care planning, by assigned key workers, of individuals at increased risk of admission to ensure care is delivered locally by their GP or clinical teams based in the community and in hospital.
- People will have a local point of contact to find out information and access local services in health, social care, and the voluntary sector.
- Patients admitted to hospital will be transferred home or to an appropriate community setting in a timely manner, where the focus will be on maximising their independence.
- People in care homes will receive the same level of proactive support and access to urgent care as those living in their own homes.
- People with long term conditions will be empowered to monitor their own condition.
- Carers will be supported through short breaks and respite services.
- Local consultation with the public and registered patient list will shape and inform how access to primary care services will be delivered locally.

The Joint Strategic Needs Assessment (JSNA)

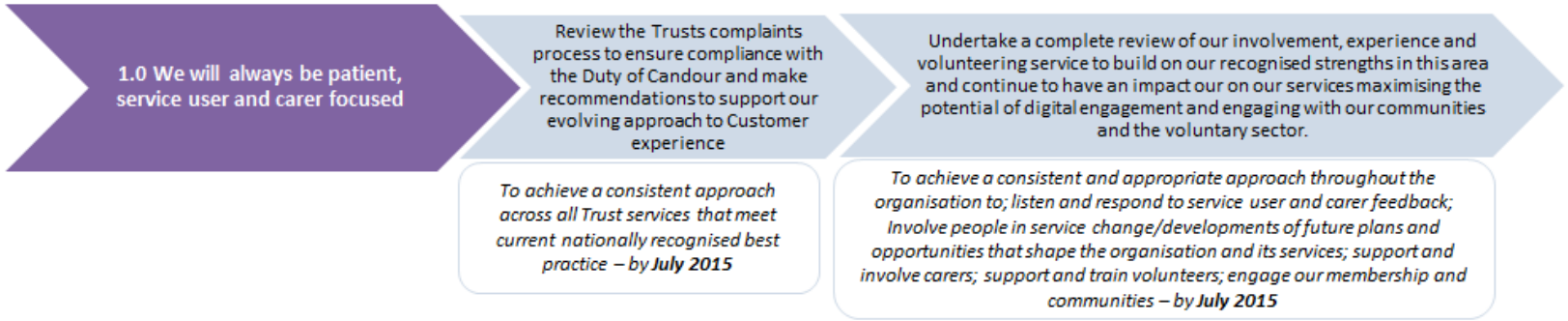
The Trust operates in a footprint with two JSNA plans and offers services to a combined local population of circa 1.1m. Our populations cover a diverse range of urban and rural areas with significant areas of deprivation that have a negative impact on people's health and life chances. Our market assessment and health needs analysis has identified that there are substantial challenges associated with the prevalence of people with one or more long term condition and supporting people to live independently and manage their own care. Mental health problems such as anxiety and depression are increasing in our communities along with rising levels of Dementia; this is set against the County's health burden from the most common long-term conditions, including hypertension, asthma, chronic kidney disease, diabetes, chronic back pain and coronary heart disease. The JSNA identifies the biggest areas of unmet need remain around dementia (60%), hypertension (45%), COPD and chronic kidney disease (35% and 34% respectively). We have focused our response to these challenges by planning to increase the capacity of our community mental health and physical health services for our adult and older adult populations, as set out within Part Two.

Part Two – Progress against delivery of the Strategy

The diversity of our services and the wide range of commissioners that we interact with means that as a Trust we have the opportunity to ensure we are able to focus on delivering quality services and to balance our risk profile and ensure that we are able to offer a degree of stability to the health system with strong governance and leadership. During the life of our strategy, the Trust has undertaken an annual review and established a range of milestones to progress the delivery of our strategy. These have been detailed within our five year Integrated Business Plan.

During this period of refreshing our strategy, our focus will remain on delivering the highest quality of care, consistently, across the entire range of services we provide. Our strategic ambition and intent is articulated within our vision statement and at its March Board Development session the Trust committed to a number of strategic projects, aligned to our strategic objectives, that will form the key measures of progress for 15/16. These have been scrutinised by our Council of Governors (CoG) at a joint Board of Directors/C0G development session on 14th April and are outlined below and demonstrate clear alignment to our strong value base and drive for continuous improvement.

Our Strategic Projects for 2015/16



2.0 We will deliver high quality, safe care across all our services

- Ensure we have safe & appropriate service models in all areas & develop the business case for the integrated children's unit via the One Door Many Pathways programme
  - *To achieve a full Business Case to Board of Directors for Approval - by **September 2015***
- Develop a consistent approach to the design and implementation of appropriate outcome measures for clinical services
  - *To achieve initial outcomes framework in use at trust level – by **March 2016***
- Revalidate our pharmacy strategy and approach to medicines management and possible alternative models of service
  - *To achieve proposed strategy and model of service approved by the Board of Directors – by **March 2016***
- Develop an aligned action plan to implement the pledges supported in the Sign up to Safety Campaign
  - *To achieve clear trajectory of ambitions for the next 3 years with a reporting dashboard in place by **September 2015** and delivery of year 1 outcomes - by **March 2016***

3.0 We will work in effective partnership with others to deliver new models of integrated care

- Fully explore the risk and opportunities within the Five Year Forward view and reflect in our Trust wide strategy our approach to new models of care
  - *To achieve a Trust-wide strategy to reflect the clinical and business response to the Five Year Forward View – by **September 2015***

4.0 We will develop Nottinghamshire Healthcare Trust through world class research, development, innovation and excellence in education

- Develop an overarching workforce education strategy with the 15/16 priority to implement a medical education strategy
  - *To achieve a Full review of the current medical education strategy and a 3 year implementation plan developed with year 1 objectives delivered - by **March 2016***
- Review strategic relationships with the wider research and higher education community to ensure maximum value back to our staff, patients and service users
  - *To achieve a complete review and recommendations made to the Board of Directors – by **March 2016***
- Review Research strategy to embed innovation; research infrastructure and develop a clear implementation approach for delivery and dissemination
  - *To achieve an approved Research strategy with clear implementation plan – by **March 2016***

5.0 We will be a best practice employer, attracting, developing and retaining the best staff

- Develop a coherent approach to staff engagement to deliver a clear development plan to engage our workforce
  - *To achieve a consistent approach across all Trust services that ensures robust and responsive communication mechanisms with staff and enables staff voice reports to be provided to the Board of Directors from all service areas - by **March 2016***
- Systematic review of workforce intelligence and planning taking into account new models of service delivery and 'safe staffing' requirements
  - *To achieve a fully aligned and future proofed workforce plans approved in each service area to meet the needs of the Trust's future service strategy – by **March 2016***

Table 2.1 Strategic Objectives, Projects and 2015/16 Outcomes

Our Transformation, Service Development and Efficiency programmes

The Trust developed a Clinical Strategy as part of our IBP which provides the framework within which our strategic decisions about service developments have been made. Our strategies, and therefore our service developments, are based upon the guiding principles of Quality; Outcomes; Involvement; Integration; Recovery and Rehabilitation; and Innovation and Research.

Clinical Vision

We will be delivering more community based care, focussing on prevention and personal recovery, empowering our service users to manage their own care, reducing the need for inpatient care. Care will become increasingly integrated between physical and mental health, between primary and secondary care, between acute providers and mental/community providers and health, social care and third sector providers. Our staff will have access to technology that allows them to become more mobile and flexible in their response, using technology where appropriate to deliver innovative treatments of the highest quality.

For 2015/16 and beyond, the Trust has developed a range of challenging, ambitious and exciting service developments. We have developed these schemes based on the comprehensive market assessment and scenario planning carried out as part of our five year integrated business plan. The schemes reflect the priorities of our key partners and commissioners, helping to ensure that patients, service users, carers and families receive the best quality care and support, in the most efficient, effective and appropriate way. The impact of these is detailed further in section four and includes:

Increasing our adolescent inpatient capacity as part of the national review of the current provision of inpatient services to children with mental health needs, with longer term provision anticipated as part of the implementation of our Children, Young People and Families Strategy.
Redesigning our adult acute mental health services and providing enhanced community services, to support the reduction of acute inpatient bed provision on the Queen's Medical Centre site.
Continuing to reconfigure our adult mental health residential rehabilitation provision.
Increasing our community support for older people with mental health problems by diverting investment from inpatient care into the community and reducing the number of inpatient beds.
Developing locality integrated community health teams that are aligned with our primary care partners and incorporate a planned, pro-active and preventative approach, with an urgent care response and robust independence and reablement functions.
Continuing the expansion and improvement of our medium secure services at Arnold Lodge

Delivering the Efficiency Requirements

The Trust has a strong track record of delivering cost improvement schemes to meet its annual efficiency requirements. Although we continue to have over 50% of our schemes delivered through transactional routes such as staffing and resource reviews and improving productivity, we recognise that these are becoming increasingly hard to identify and 2015/16 starts to see a growing proportion of our schemes delivered through transformational approaches. These schemes are strongly aligned to our service development approach outlined above and include working towards the shift to community facing care, reduction in bed based services and greater integration of services, internally and externally.

Forensic Services £4.9m and an additional £0.42m relating to schemes that have an income impact.			**Health Partnerships** £2.0m and an additional £1.1m relating to schemes that have an income impact.		**Local Services** £3.5m and an additional £1.1m relating to schemes that have an income impact.	
Type/Theme	**2015/16 – Total CIP £5.1m**		**2015/16 – Total CIP £3.1m**		**2015/16 – Total CIP £4.6m**	
	CIP £	**CIP %**	**CIP £**	**CIP %**	**CIP £**	**CIP %**
Transformational	**649,280**	**13%**	**350,000**	**11%**	**1,120,418**	**24%**
Service Redesign Schemes			Service integration		Large scale service reviews and redesign i.e. IDD review	
			Admin transformation		Resource shift from bed based to community based services	
Transactional	**3,943,755**	**77%**	**1,684,000**	**54%**	**2,407,997**	**52%**
Resource management			Increased productivity		Staffing/model reviews	
Integrated care pathways			Service reviews		Medicines/licence reviews	

Forensic Services £4.9m and an additional £0.42m relating to schemes that have an income impact.			**Health Partnerships** £2.0m and an additional £1.1m relating to schemes that have an income impact.		**Local Services** £3.5m and an additional £1.1m relating to schemes that have an income impact.	
HR & Management structures			Improved procurement and pay review		Productivity reviews	
			Service reduction (income gap)		Increase joint working	
Income	**497,965**	**10%**	**1,088,000**	**35%**	**1,109,846**	**24%**
Income generation i.e. increasing bed base			Additional income		Shifting resources and investment towards a community based focus, via bed reductions, i.e. acute admission beds and rehabilitation beds – with impact on income	
Resource shift from bed based to community based services					New business/growth opportunities	
					Recovery Education College income generation	

Table 2.2 CIP Schemes for 2015/16

Performance

The first access and waiting time standards for mental health services will be introduced during 2015/16, with a clear focus on Early Intervention in Psychosis (EIP) and Improved Access to Psychological Therapies (IAPT). Our Local Services Division are working closely with our local commissioners to establish and agree local service development and improvement plans (SDIP) that will see the effective implementation of these new standards during 2015/16, with ongoing achievement from 1 April 2016. A specific project support team is being considered to support the development and implementation of these standards, but to also consider improving access across all mental health services across the division.

Whilst we already have a well-established and well performing Liaison Psychiatry service that currently operates across both local acute trusts, we will continue to work with commissioners to develop a local SDIP to ensure these services remain adequate and effective.

The Trust has achieved all metrics on the Risk Assurance Framework (RAF) although has recently had performance challenges with the delivery of the Care Programme Approach due to a historic data collection and validation issue. Following a period of intense focus, the Trust has achieved the target at the end of Q4, with an overall quarter position of 95.2%. Throughout 2015/16 we will actively monitor our performance to ensure ongoing consistency.

Capital

The Trust has a strong position of delivering against its capital programme in order to deliver its commitment to high quality clinical care environments for patients and staff. This is evidenced by our annual EstateCode Condition and Performance data, demonstrating the appropriateness and configuration of our estate. For 2015/16 we have an approved capital Development Programme of £9.4m including the following key schemes in table

2.3 below. Our IM&T and capital schemes (highlighted) are prioritised together with Divisional requirements and all align to clinical and business requirements.

Capital Scheme	Planned Capital Commitment for 2015/16	Final Scheme Conclusion and Cost	
Rampton Hospital, C&D Block re-development	£5.1m	2017/18	£10m
Arnold Lodge, Phase 3 re-development	£1.17m	2016/17	£5.3m
Capital element of Children, Young People and Families Strategy	£0.4m	2017/18	c. £20.8m (Subject to Business Case approval)
IM&T infrastructure enhancements: Development of secondary server capability / capacity to support improved Trust business continuity and disaster recovery	£0.6m	2015/16	£0.6m
Implementation of BORIS / BORIS Phase 2 Business Intelligence System.	£0.27m	2015/16	£0.27m
Total commitment for Local Services minor block projects	£0.801m		
Total commitment for Forensic Services minor block projects	£0.645m		
Total commitment for Health Partnerships clinical equipment	£0.050m		

Table 2.3 Key Capital Projects for 2015/16

Part Three – Quality Plans

Our plan for 2015/16 also incorporates the national policy direction around 'Sign up to Safety', 'Positive and Proactive Care', a continued focus on the 'Friends and Family Test' and 'Service User and Experience Survey'.

We will continue to build on the Care Quality Commission (CQC) Chief Inspector of Hospitals' recognition of our quality services and staff attitude, following our 'Good' rating for services overall and 'Outstanding' for the caring attitude of our staff in April 2014, ensuring that we act positively to areas of improvement identified. However, we are not complacent and whilst we have concluded all action plans that were required we continue to review these areas as part of an ongoing programme, to ensure that changes and improvements have been embedded into practice.

The CQC issued 16 compliance actions, which are legally enforceable, and made 46 practice recommendations, in response to their inspection findings. The CQC were assured at the quality summit that the Trusts combined action plan was appropriate to bring about compliance. The Divisions and the Corporate Governance and Performance Team have subsequently used the combined action plan to monitor and track the progress made to achieve and sustain compliance. Our plan for 2015/16 will maintain our review programme, with the Trust anticipating our ability to demonstrate compliance with the CQC's requirements and recommendations, during this period.

Quality Governance Framework

A score of 2.5 was provided by Monitor in March 2015 for compliance with Monitor's Quality Governance Framework. There is a Quality Governance Improvement Plan in place which is monitored by the Quality and Risk Committee bi-monthly. A further strand of our Quality Governance will see the introduction of a Trust wide compliance framework, commencing April 2015, that provides a planned approach to our internal monitoring of compliance against the revised Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 and the CQC's new fundamental standards that will come into effect fully from April, 2015. This approach supports our Quality Strategy for 2014/15 – 2019/20, re-emphasising our responsibility to be 'our own first line of regulation', in order for the Trust to demonstrate that we will meet all of the new regulatory requirements.

We are strengthening and improving our approach by carrying out the following, reported through our existing committee structures, including the Compliance Assurance Committee and the Quality and Risk Committee:

- Increasing awareness and communication about services whose practice has evolved to include additional regulated activities that fall within the scope of registration;
- Increasing clarity around services directly provided or hosted and the legal responsibility for safety, quality of care and treatment for the purposes of registration;
- Regularly reviewing statement of purpose for services, ensuring documentation provides an accurate reflection of all locations providing regulated activities;
- Assessing our new services, in a timely way, for compliance with our standards and evaluate the risks to achieving compliance objectives;
- Introducing a self-assessment workbook for staff, aligned with the new fundamental standards and key lines of enquiry (KLOE);
- Developing systems and processes for better use of internal and external data systems to inform the type and frequency of our compliance assurance visits to services;
- Involving people who use services, their carers and patient representative groups, during compliance assurance visits; and
- Improve the use of skills and knowledge of different disciplines of staff for compliance monitoring visits, to help share learning and best practice.

Quality Priorities

The Board of Directors approved the refreshed Quality Strategy for 2014/15 – 2019/20. The strategy which puts 'quality at the heart of everything we do' uses the seven steps towards quality defined in *High Quality Care for All* as the delivery framework and sets 11 SMART quality priorities which are explicitly linked to the Trust's strategic objectives. The Quality Strategy is currently being reviewed for 2015/16 and will be aligned to the five CQC Domains.

Domain	Priority

Safe	• Reduce avoidable harm, with clear focus on:
	  o Physical assaults
	  o Pressure ulcers
	  o Medication errors
	  o Patient falls
	• Suicide prevention and reducing self-harm
	• Reduce restrictive practice to ensure the 'least restrictive' principle is applied for all patients
	• Effective implementation of the Trust's Think Family Strategy

Caring (Patient Experience)	• Improve experience through better management of complaints • Ensure the overall experience of patients, carers, service users and staff is positive and consistent across all Trust services
Effective	• Improve monitoring of clinical outcomes
Responsive	• Ensure timely access to services which are provided from a choice of appropriate locations
Well-Led	• Understand the impact that cost improvement programmes (CIPs) have on the quality of service provision and ensure identified risks are managed • Ensure services have the right number of staff with the right skills to deliver high quality care • Ensure the Trust has a culture that encourages staff to have the 'freedom to speak up'

Table 3.1 Proposed Quality Priorities for 2015/16 (For approval at Quality & Risk Committee May 2015)

Quality Concerns and Mitigations

A key area of focus in the past year has been to improve the Quality and Performance Report and to focus on the quality and clarity of the data that supports this. This focus will continue into 2015, including the development and use of external benchmarking to enable the Trust to compare against 'the best'. Our quality priorities have been developed and driven by the areas for improvement identified through our quality and performance reporting processes.

Managing Quality Risks

The Trust's Executive Leadership Team (ELT) and Board of Directors review all risks on Ulysses scoring 12+ and all high impact risks (impact score 5) reported via the Organisation Risk Register on a monthly basis. Our key risk identified through our robust risk review process is set out in table 3.2 below, with key Board of Directors mitigations and actions.

The Trust's risk management system was reviewed as part of the NHS Litigation Authority (NHSLA) Assessment in November 2012 when the Trust was found to be compliant with NHSLA Level 2.

The Trust's Board Assurance Framework (BAF) is being reviewed and revised for 2015/16 and enables the Board of Directors to review strategic and reputational risks on a regular basis. Our BAF risks have been aligned to our strategic objectives, projects and goals, as set out in table 2.1 Strategic Objectives, Projects and 2015/16 Outcomes.

Principal Risk	Board Mitigations & Actions	Risk Score
Failure to have effective clinical and corporate governance systems could result in unsafe patient services, regulatory enforcement and reputational damage to the Trust. *NB: The element of this risk which has influenced to score of 12 is CQC compliance*	Controls in place specifically about the CQC Compliance Framework : • Internal CQC reviews • Clinical team self-assessments, • Board level 15 Steps Challenge Visits • Systems to monitor the implementation of improvements following CQC inspections and Mental Health Act Commissioner visits • Oversight through the Compliance Assurance Committee and Quality and Risk Committee Actions currently being implemented: • Embedding action taken following Chief Inspector Inspection in April 2014 • Implementing and embedding actions following CQC inspections in Offender Health • Reviewing Compliance Framework in response to changing CQC legislation	12

Table 3.2 Board of Directors Risk and Mitigations

Part Four – Operational Requirements and Capacity

Operational Context

Our Trust is a large integrated provider of physical health, mental health and forensic services, incorporating strong research and educational collaborations to support our service delivery.

Our commissioning landscape requires us to negotiate and deliver against contracts with NHS England, through the Area Teams, for our specialised services, or with locality CCGs and Local Authorities, for non-specialised services. The format and duration of these contracts during 2015/16 range from block, national tariff payment system, outcome based and AQP, with contract terms of 5 years to spot purchase. This requires a detailed understanding of our activity and demand requirements, supported by clear workforce and infrastructure plans, to ensure that we can provide quality services, with professional staffing in a financially viable and sustainable way.

Anticipated Activity and Demand

Activity Baseline 2015/16

Our activity baseline has been adjusted to incorporate our agreed contract requirements, cost improvement and transformation programmes and our range of service developments, as set out in Part Two. The major transformation work that will impact on our activity during 2015/16 is the reduction of our bed based capacity, particularly within Local Services, as we seek to support our local health economy's focus on community based provision to reduce avoidable admissions and expedite discharges from acute services (Table 4.1). We have commenced a transformation programme that sees our resources becoming more community focused, utilising productivity reviews and improved IT infrastructure, to increase our productivity and effectiveness. These programmes are fully supported by our commissioners**.**

		Forecast Outturn	Plan	
Division	**Activity Type**	**2014_15**	**2015_16**	**2016_17**
Forensic	OBD	201,088	202,343	202,343
	Appointment	445,132	530,943	530,943
	All	646,219	733,285	733,285
Health Partnerships	OBD	25,082	25,082	25,082
	Appointment	1,427,204	1,473,108	1,519,012
	All	1,452,287	1,498,191	1,544,095
Local Services	OBD	131,576	99,926	94,998
	Appointment	538,863	566,593	588,394
	All	670,439	666,519	683,392
Trust Total	OBD	357,746	327,351	322,423
	Appointment	2,411,199	2,570,644	2,638,349
	All	2,768,945	2,897,995	2,960,772

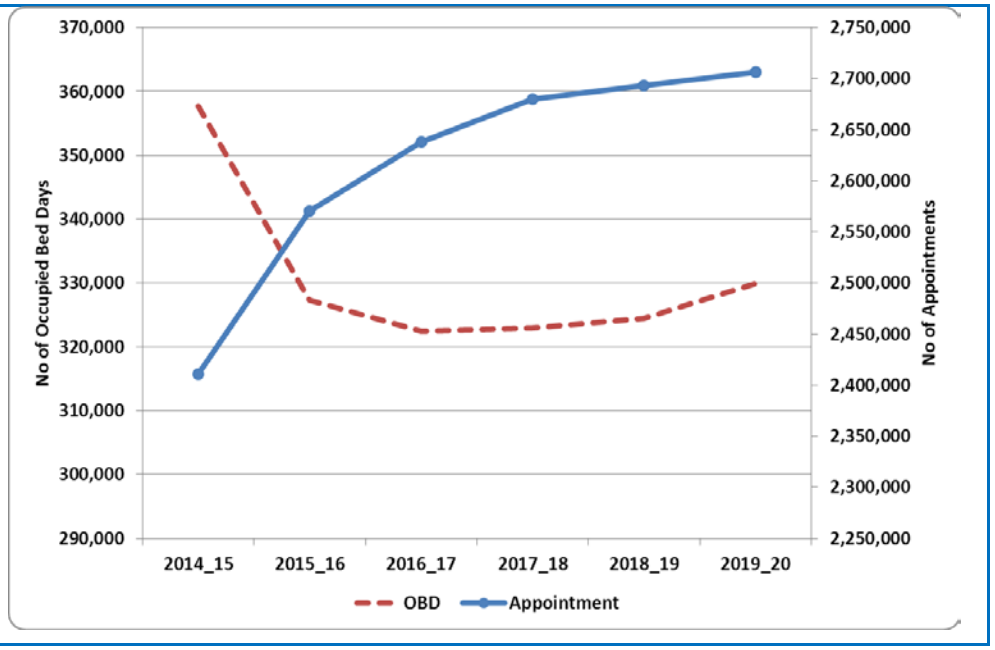


Table 4.1 Activity Model & Forecast, incorporating agreed contract levels, CIP schemes, service developments and transformation projects

The key changes are reflected within the following schemes. Table 4.2 outlines the full year effect (FYE) of our key service development, transformation or CIP schemes during 2015/16, but does not include the part year effect of schemes rolling over from 2014/15 or into 2016/17:

Scheme	OBD Impact (FYE)	Bed Number Impact (FYE)	Activity Impact (Contacts)	Workforce Impact (WTE)
Increase to adolescent inpatient capacity as part of the national review of the current provision of inpatient services to children with mental health needs, with longer term provision anticipated as part of the implementation of our Children, Young People and Families Strategy. Bed capacity increasing from 12 to 13 beds for 2015/16.	329	1	-	-
Redesign of adult acute mental health services (reduction of acute inpatient bed provision on the Queen's Medical Centre site) and enhanced community support.	-11,979	-42	12,094	-
Continued reconfiguration of adult mental health residential rehabilitation provision.	-9,855*	-12	11,952*	-22.9
Increased community support for older people with mental health problems, diverting investment from inpatient care, into the community and reducing the number of inpatient beds (closure of Daybrook Ward on the City Hospital site).	-6,205	-20	10,695	-7
Development of locality integrated community health teams aligned with primary care partners, incorporating a planned, pro-active and preventative approach, an urgent care response and robust independence and reablement functions.	-	-	45,904	20.7
Medium secure services – expansion and improvements of Arnold Lodge – Phase 3	1,971	8	-	-

Table 4.2 Summary of Key CIP, Service Development and Transformation Schemes and their Impact for 2015/16

* This scheme operates across three phases, between 2014/15 – 2016/17, with OBD reductions and community contact increases spanning financial years – 12 beds are being removed during 2015/16.

Workforce Requirements

The Trust currently employs a total of 8,901 staff, this equates to 8,599.1 whole time equivalents (wte's) who are geographically dispersed across 135 properties (spread across 60 sites).

The workforce projections for 2015/16 have been developed within each clinical division, as part of the operational planning process. These workforce plans take into account the known cost improvement schemes, transformation schemes and service developments and are reflected within our financial plan for 2015/16. Overall we anticipate a net reduction of 60.5 wtes (Table 4.3) as we introduce our cost improvement programmes, recruit into current vacancies, reduce our use of bank and agency staff and include additional staffing associated with service developments and new

contracts commencing during 2015/16, such as Morton Hall Immigration Removal Centre, Arnold Lodge expansion and Criminal Justice Liaison service.

During 2015/16 we will work closely with our training and education partners (LETB&C, EMLA) to ensure that our workforce remain appropriately skilled and supported, to meet the requirements of our transformation programmes, such as shifting skills and resources from inpatient to community services, and the newly introduced requirement for the revalidation of clinical staff. Our workforce strategy and plans ensure that our workforce know that we are an organisation which will help develop and build their professional skills and expertise; and in which they feel valued, even at times of organisational change and financial austerity. We aim to ensure that there is a sustainable highly committed workforce with strong staff engagement. We aim for our staff to display higher levels of discretionary effort and subsequently better outcomes for patients. We do this through investing in them as individuals, recruiting on a value based culture to ensure the right values and behaviours.

2015/16	Out-turn 31-Mar-15 (WTE's)	Projected WTE 31-Mar-16
Medical and Dental staff	294.3	295.4
Registered Nurses, midwives and health visiting staff	2,768.9	2,753.7
Qualified Scientific, Therapeutic and Technical staff	1,311.0	1,319.8
Support to clinical staff	2,371.1	2,290.8
Managers and infrastructure support	1,853.8	1,879.0
Total WTEs (including bank, agency and locum staff)	**8,599.1**	**8,538.6**

Table 4.3 Workforce Requirements for 2015/16

Estates/Bed Base Requirements

Our long term, sustainable estates plan anticipates an overall reduction in estate with a continued emphasis on disinvestment or demolition and disposal of poorer quality estate. We will retain our focus on estate consolidation and investment in the retained higher quality facilities. This will mean maximising any co-locating opportunities offered throughout the health economy.

Our Estate Strategy also ensures that we have a clear profile of the condition of our existing estate and that the physical environment that our clients are cared in is fit for purpose, safe and robust. Our backlog liability has reduced by 30% in the last year to £13.4m. Following a resurvey of the Local Division estate, any new high risk areas in terms of backlog maintenance have an action plan associated with addressing the matter. This is reviewed on an annual basis within each Division and schemes prioritised according to need.

Whilst our key capital programmes are outlined in table 2.3 (Part Two), our estates plan recognises an overall reduction in our bed base capacity during 2015/16 of 30,395 OBDs (8.5%), from our 2014/15 forecast outturn of 357,746 OBDs.

Health Informatics

Our Health Informatics Strategy, *"The Information Revolution"*, is set on solid foundations of technology, staff, process and policy to support the need to drive forward improvements in clinical care and efficiencies in ways of working.

The Health Informatics strategy has been developed by dialogue across the organisation and is supported by an annual work programme that is owned and managed by the individual divisions through the Informatics Strategy Group, with delivery support provided by the Health Informatics team. The Trust has committed a significant level of investment (£2.1m recurrently, £3.2m non recurrently) to ensure that our key priorities and work programmes can be deployed with speed. Table 4.4 below outlines our key schemes for 2015/16, that directly support our key strategic developments, the provision of effective information and management information systems, provision of knowledge services and the underpinning infrastructure.

Scheme Category	Scheme Description	Value (£)	Planned Date of Implementation
Supporting Clinical Strategies	• Children, Young People and Families (CYP&F) strategy, which will be the primary driver for new digital health capabilities: o Implementation of secure texting and videoconferencing services to connect service users and clinicians o Develop the Trust web site as the primary source of delivering individual and personalised content, including 'information prescriptions' for patients o Trust 'app store' for provision of Flo, SilverCloud and other apps as suggested by clinicians and MindTech	100,000	• Starting July 2015
Information Systems	• Re-procurement of electronic patient record (EPR) systems • E-Care Planning • Digital dictation/ Voice recognition system review • Mobile EPR functionality rollout	Awaiting Procurement & Business Case outcome	• Starting July 2015
Applied Information	• Continue implementation and development of BORIS • Reporting for annual CQUINs • Introduce new and updated national datasets	200,000 plus capital of 150,000	• From April 2015
Library Services	• Expand role and availability of library services • Expand media channels for skills programmes • Increase use of multi-media, web based technology to improve access to evidence base	TBC	• Continuous
IT Infrastructure	• Complete roll out of standardised Windows 7 IT infrastructure • Finalise rollout of Wi-Fi to support EPR and Restrictive Practices monitoring • Increase availability of Trust accessible networks across wider range of premises used by Trust Staff	Circa 1,000,000	• July 2015 • Dec 2015 • Dec 2015

Scheme Category	Scheme Description	Value (£)	Planned Date of Implementation
	• Complete business continuity/ disaster recovery and archiving capability		• March 2016

Table 4.4 Key Health Informatics Schemes for 2015/16

Also during 2015 / 16 we will update the Health Informatics Strategy to add new focus to these emerging areas:

a) increased use of IT to support improvements in clinical safety
b) greater use of digital health to modernise the way in which we interact with patients, service users, carers and families;
c) building a separate informatics infrastructure to support the research agenda
d) informatics support to the service improvement activities

Part Five – Finance and Risk

The 2015/16 financial plan is as a result of a well-defined, robust business planning processes embedded throughout the divisional structure of the Trust and includes both strong clinical and non-clinical input and influence. The financial position is built upon the 5 year Integrated Business Plan (IBP) and has been refined in light of 2014/15 performance, national planning guidance and positive outcomes of 2015/16 contract negotiations with our commissioners. Outcomes against key financial metrics are outlined below in table 5.1, and shows that the Trust plans to meet all its statutory targets and financial objectives for 2015/16:

FINANCIAL SUMMARY	Out-turn	Plan
	2014/15	2015/16
INCOME & EXPENDITURE	£m	£m
Total income	446.3	441.1
Total operating costs	-417.5	-413.8
EBITDA	28.8	27.4
EBITDA margin %	6.5%	6.2%
Net Surplus before impairment	8.0	4.5
Net I&E margin %	1.8%	1.0%
OTHER KEY FINANCE INFORMATION		
Year end cash balance	35.2	37.2
Capital cash expenditure (before disposals)	10.3	9.4
Continuity of Service Risk Rating	4	4

Table 5.1 Financial Summary 2014/15 and 2015/16

Historical Financial Performance

The Trust has a sound history of strong financial performance along with a track record of consistently achieving its financial duties and objectives, which has been sustained year on year since its inception. This has been achieved through the implementation of a clear financial strategy which has ensured the development of a number of key initiatives including Service Line Reporting, improved financial reporting to the Trust Board, increased transparency and accountability of key financial metrics to the board, divisions and throughout the wider organisation. The Trust enters 2015/16 on the back of successful achievement of its financial objectives for 2014/15, outlined in the table above with the achievement of the planned I&E and EBITDA margin supported by a strong cash position and continuity of services risk rating.

Financial Plan 2015/16

The Trust approached 2015/16 with a clear and robust plan set out within the Integrated Business Plan (IBP). In light of annual planning guidance and contract discussions with commissioners the financial plan has now been refined. These refinements are included in the summary of the plan highlighted in Table 5.2:

Income and Expenditure Account	2014/15 Actual £'000s	2015/16 Plan £'000s
Income	446,273	441,148
Operating expenses	-417,484	-413,788
EBITDA	28,789	27,360
Interest receivable	151	100
Depreciation & Amortisation	-8,901	-10,023
Finance costs	-1,906	-2,124
Public Dividend Capital payable	-10,113	-10,813
Retained surplus for the year	**8,020**	**4,500**
Technical adjustment re impairments	6,105	-3,586
Revised surplus	14,125	914

Table 5.2 Income & Expenditure 2014/15 and 2015/16

It is important to note from the above that the Trust is planning to meet its statutory duties and financial objectives for 2015/16. The planned Trust surplus for the year stands at £4.5m which represents a margin of 1%. This is underpinned by a contingency of 0.5%. This is in line with the principles and strategy set out in the Trust's IBP previously approved by Trust Board. The 2015/16 plan is underpinned by a number of planning assumptions, many of which are driven by national guidance. These assumptions are summarised in the following section.

Assumptions

The Trust's financial plan for 2015/16 has been prepared in accordance with national guidance and the assumptions underpinning the plan and the implications of these are a key factor in understanding the risks in delivering our financial targets. A number of these assumptions have been previously agreed throughout the Trust and are well embedded into planning processes at a service line level. Pay inflation is as per the 2015/16

agenda for change national pay award and the separate arrangements for medical and dental staff. Non pay inflation where it is applicable has been applied as part of the budget setting process.

Income

Refinement to income and expenditure has been continuous over the last quarter of 2014/15 and are now finalised in light of the delivery of the 2014/15 financial positon, 2015/16 annual planning guidance, contract agreements with commissioners and local intelligence from the divisional structures. Key points to note in respect of income are as follows:

- Full contract agreement has been reached with commissioners for 2015/16. This is, in the main, completed at a divisional level to ensure a full understanding of the financial implications of the agreement, with an overarching risk analysis undertaken at an organisational level.
- In line with the Enhanced Tariff Offer the Trust has planned to continue to receive the full amount of CQUIN income; 2.5%. This income is made available non-recurrently for quality and includes 'stretch' targets to achieve all available funding.
- Local prices have been agreed for Mental Health and Older Peoples Services based on the National Tariff Payment System guidance. However, these continue to be reviewed and refined with commissioners on an on-going basis but, importantly, agreement has been reached over prices for 2015/16. Table 5.3 provides an overview of income for 2015/16:

Income from activities	2015/16 Plan £000's
Local Services	133,210
High Secure Services	95,700
Medium Secure Services	27,594
Low Secure and Community Services	15,540
Offender Healthcare	28,752
Community Health Partnerships	77,359
Bassetlaw Health Partnerships	16,464
Total income from activities	**394,619**
Other Operating Income	
Training Education and Research	17,000
Non patient income	29,529
Total other operating income	**46,529**
TOTAL INCOME	**441,148**

Table 5.3 Income for 2015/16

Expenditure

Expenditure plans for 2015/16 has been subject to the same process and scrutiny as income and key points to note are as follows:

- Inflationary and deflationary assumptions are as those outlined above.
- Operating costs include plans required to achieve CQUIN delivery.
- Costs associated with the 2015/16 implications of delivering the underpinning strategies to the Trusts overall IBP.
- Capital charges have increased significantly following the outcome of 2014/15 asset valuation process that saw an increase in building values of c.11%. There is allowance within tariff for capital charges but the size of the increase necessitated using the flexibility afforded by the improved tariff offer.
- Operating Costs include a decrease from the impact of Cost Improvement Plans (CIP's). These are described in the following section.

Efficiency and Financial outlook

The affordability challenge over the medium term is greater than ever and as part of its overarching strategy the Trust is fully focused on financial sustainability over this period and for the long term. In order to achieve this, the Trust is actively engaged within the local health community and wider economies, in strategies to transform and redesign patient care services to be delivered in a more efficient and effective manner. As a result of this, coupled with robust internal processes the Trust has identified numerous programmes and projects that ensure it will meet its full efficiency requirement for the coming year. An overview of the efficiency requirement and the plans to meet this are outlined in Table 5.4:

Division	2014/15 B/Fwd	2015/16 Efficiency	2015/16 target	Identified recurrent	Identified non-recurrent	Total identified
	£000's	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**
Local Services	818	4,537	**5,355**	4,120	1,235	**5,355**
Forensic Services	0	5,091	**5,091**	4,822	269	**5,091**
Health Partnerships	0	3,122	**3,122**	2,714	408	**3,122**
Corporate	104	1,062	**1,166**	604	562	**1,166**
Total	**922**	**13,812**	**14,734**	**12,260**	**2,474**	**14,734**

Table 5.4 Efficiency Summary 2015/16

The Trust has an effective process in place for managing and monitoring schemes during the year and all schemes are fully embedded within services through the 'bottom up' approach to scheme creation and the divisional management structure. Further to the above, the Trust is already in the process of implementing a number of strategic priorities and projects that will stretch beyond 2015/16, ensuring plans are well placed for future years transformation and delivery of efficiency targets.

Liquidity

The Trust has historically delivered a strong cash position and enters 2015/16 in a healthy position with a continued focus on working capital. The Trust is showing a healthy net current asset position throughout the year and will hold sufficient cash balances to cover a minimum of 25 days' worth of operating expenses. As highlighted in Table 5.1 above, this results in the liquidity metric within the Continuity of Service Risk Rating (CSRR) of 4 throughout the year, with an anticipated closing cash position of £37.2m.

Capital Plans

The Trusts has an agreed and confirmed capital programme in place for 2015/16. All planned capital expenditure during 2015/16 will be funded from depreciation and underpin the key objective to provide infrastructure to support service delivery. A summary is outlined in Table 5.5:

Scheme	2015/16 £'m
Rampton C&D Block	5.3
Arnold Lodge Phase 3	1.0
IT & Communications	1.2
Children's and Younger Persons development	0.4
Backlog maintenance and minor schemes	1.5
Total Capital Spend 2015/16	**9.4**

Table 5.5 Capital expenditure 2015/16

Risks and mitigations

The Trust has a strong focus on risk management at Board level and throughout the organisation as a whole, supported by robust process to identify, report and mitigate potential risks which is underpinned by clear and transparent governance. A key part of this is the early identification of financial risks, the modelling of potential impact through sensitivity analysis and mitigation through clear actions to ensure financial sustainability.
A number of risks have been identified that may impact on the delivery of the 2015/16 financial objectives but mitigation has been addressed through a number of actions including formulation of income and expenditure plans, service line planning and management, contract agreements, contingencies and partnership working. Sensitivity analysis and downside scenario's identified and presented within the Trust IBP have been refined for the 2015/16 financial plan. An overview of key risks for 2015/16 is outlined below:

Risk	Potential Impact	Mitigations	Residual Concerns	Monitoring of residual concerns
Non delivery of CIP's.	Non achievement of financial target / impact on quality	Robust process for agreement of CIP's including Quality Impact Assessments (QIA's). Recurrent nature of schemes. Strong reporting and management processes in place.	Actions to mitigate are insufficient New risks emerge	Through monthly financial reporting and CIP reporting. Exception reports

Risk	Potential Impact	Mitigations	Residual Concerns	Monitoring of residual concerns
Significant variation in activity plans	Reduced income Capacity variation leading to excess costs	Contract agreements in place for 2015/16. Fixed / Block contracts in place for significant portion of income. Strong and robust planning based on a combination of historical data, trend analysis and local intelligence. Close monitoring of in year information around key variances to inform early decision making and mitigation.	Capacity not flexed appropriately	Monthly reporting to Board of Directors Reporting through contracting process
Financial pressures in the wider system / commissioners	Reduced funding	Contract agreements in place for 2015/16. Contract terms and conditions clearly defined. Key partner in local health community and strategic planning.	New risks emerge within the wider system	Through monthly financial reporting Environmental scan to the Board of Directors

Table 5.6 Summary of Key Risks for 2015/16

positive

Nottinghamshire Healthcare NHS
NHS Foundation Trust

Worksheet "Certification G6"

Declarations required by General condition 6 of the NHS provider licence

The board are required to respond "Confirmed" or "Not confirmed" to the following statements (please select 'not confirmed' if confirming another option). Explanatory information should be provided where required.

1 & 2 General condition 6 - Systems for compliance with license conditions

1 Following a review for the purpose of paragraph 2(b) of licence condition G6, the Directors of the Licensee are satisfied, as the case may be that, in the Financial Year most recently ended, the Licensee took all such precautions as were necessary in order to comply with the conditions of the licence, any requirements imposed on it under the NHS Acts and have had regard to the NHS — Confirmed

AND

2 The board declares that the Licensee continues to meet the criteria for holding a licence. — Confirmed

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

Signature		Signature	
Name	Ruth Hawkins	**Name**	
Capacity	Chief Executive	**Capacity**	
Date		**Date**	

Further explanatory information should be provided below where the Board has been unable to confirm declarations 1 or 2 above.

A

B

positive

Nottinghamshire Healthcare NHS
NHS Foundation Trust

Worksheet "Corporate Governance Statement"

Corporate Governance Statement

The Board are required to respond "Confirmed" or "Not confirmed" to the following statements, setting out any risks and mitigating actions planned for each one

4	Corporate Governance Statement	Response	Risks and mitigating actions
1	The Board is satisfied that the Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the NHS.	Confirmed	[including where the Board is able to respond "Confirmed"]
2	The Board has regard to such guidance on good corporate governance as may be issued by Monitor from time to time	Confirmed	
3	The Board is satisfied that the Trust implements: (a) Effective board and committee structures; (b) Clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and (c) Clear reporting lines and accountabilities throughout its organisation.	Confirmed	
4	The Board is satisfied that the Trust effectively implements systems and/or processes: (a) To ensure compliance with the Licensee's duty to operate efficiently, economically and effectively; (b) For timely and effective scrutiny and oversight by the Board of the Licensee's operations; (c) To ensure compliance with health care standards binding on the Licensee including but not restricted to standards specified by the Secretary of State, the Care Quality Commission, the NHS Commissioning Board and statutory regulators of health care professions; (d) For effective financial decision-making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licensee's ability to continue as a going concern); (e) To obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making; (f) To identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence; (g) To generate and monitor delivery of business plans (including any changes to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery; and (h) To ensure compliance with all applicable legal requirements	Confirmed	
5	The Board is satisfied that the systems and/or processes referred to in paragraph 5 should include but not be restricted to systems and/or processes to ensure: (a) That there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided; (b) That the Board's planning and decision-making processes take timely and appropriate account of quality of care considerations; (c) The collection of accurate, comprehensive, timely and up to date information on quality of care; (d) That the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care; (e) That the Trust, including its Board, actively engages on quality of care with patients, staff and other relevant stakeholders and takes into account as appropriate views and information from these sources; and (f) That there is clear accountability for quality of care throughout the Trust including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.	Confirmed	
6	The Board is satisfied that there are systems to ensure that the Trust has in place personnel on the Board, reporting to the Board and within the rest of the organisation who are sufficient in number and appropriately qualified to ensure compliance with the conditions of its NHS provider licence.	Confirmed	

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

Signature _____ **Signature** _____

Name Ruth Hawkins **Name**

The board are unable make one of more of the above confirmations and accordingly declare:

A

B

C

positive

Nottinghamshire Healthcare NHS
NHS Foundation Trust

Worksheet "Other declarations"

Certification on AHSCs and governance and training of governors

The Board are required to respond "Confirmed" or "Not confirmed" to the following statements. Explanatory information should be provided where required.

5	Certification on AHSCs and governance	Response
	For NHS foundation trusts: • that are part of a major Joint Venture or Academic Health Science Centre (AHSC); or • whose Boards are considering entering into either a major Joint Venture or an AHSC. The Board is satisfied it has or continues to: • ensure that the partnership will not inhibit the trust from remaining at all times compliant with the conditions of its licence; • have appropriate governance structures in place to maintain the decision making autonomy of the trust; • conduct an appropriate level of due diligence relating to the partners when required; • consider implications of the partnership on the trust's financial risk rating having taken full account of any contingent liabilities arising and reasonable downside sensitivities; • consider implications of the partnership on the trust's governance processes; • conduct appropriate inquiry about the nature of services provided by the partnership, especially clinical, research and education services, and consider reputational risk; • comply with any consultation requirements; • have in place the organisational and management capacity to deliver the benefits of the partnership; • involve senior clinicians at appropriate levels in the decision-making process and receive assurance from them that there are no material concerns in relation to the partnership, including consideration of any re-configuration of clinical, research or education services; • address any relevant legal and regulatory issues (including any relevant to staff, intellectual property and compliance of the partners with their own regulatory and legal framework); • ensure appropriate commercial risks are reviewed; • maintain the register of interests and no residual material conflicts identified; and • engage the governors of the trust in the development of plans and give them an opportunity to express a view on these plans.	
6	**Training of Governors**	
	The Board is satisfied that during the financial year most recently ended the Trust has provided the necessary training to its Governors, as required in s151(5) of the Health and Social Care Act, to ensure they are equipped with the skills and knowledge they need to undertake their role.	Confirmed

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

Signature		Signature	
Name	Ruth Hawkins	**Name**	
Capacity	Chief Executive	**Capacity**	
Date		**Date**	

Where boards are unable to self-certify, they should make an alternative declaration by amending the self-certification as necessary, and including any significant prospective risks and concerns the foundation trust has in respect of delivering quality services and effective quality governance

The Board are unable make one of more of the confirmations on the preceding page and accordingly declare:

A Certification on AHSN's and Governance

This is not applicable to Nottinghamshire Healthcare NHS Foundation Trust

B

C

Self Certification

1 Declaration of sustainability

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

i | Confirmed

2 Continuity of services condition 7 - Availability of Resources

EITHER:

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

OR

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

OR

- In the opinion of the Directors of the Licensee, the Licensee will not have the Required Resources available to it for the period of 12 months referred to in this certificate. — N/A

3 Declaration of interim and/or planned term support requirements

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

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

DH Support Not Required

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

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

In signing below, the board is confirming that:

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

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

i

Signature		**Signature**	
Name		**Name**	
Capacity		**Capacity**	
Date		**Date**	