



Item 7.2a

Liverpool Heart and Chest Hospital NHS Foundation Trust

Operational Plan 2018-19

Operational Plan for 2018/19

Document coordinated by:

Name	Claire Wilson
Job Title	Chief Finance Officer
e-mail address	Claire.Wilson@lhch.nhs.uk
Tel. no. for contact	
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Strategic Objectives

Liverpool Heart and Chest hospital NHS Foundation Trust has a clear vision '***to be the best, leading and delivering outstanding heart and chest care and research***'.

The Trust is operating in an environment in which the NHS is undergoing a period of significant uncertainty and challenge, including changes within the commissioning landscape, impact of deficit reduction on the wider public sector and a focus on reconfiguration of services to improve patient pathways and ensure a sustainable future, within an environment where expectations and demands on the NHS are increasing. The Trust serves a population of 2.8m which includes areas of very high deprivation and high prevalence of heart and chest diseases. As a tertiary centre for heart and chest services, the Trust's leadership role across the wider health system is key in delivering the transformational change needed to improve patient care and clinical outcomes, eliminate duplication and ensure a sustainable and integrated service model across the wider health system. Given the Trust's mission to provide *excellent, compassionate and safe care for every patient, every day*, the strategic objectives that underpin our vision to be the best are based around 5 key strategic themes for which the Board has determined the key milestones and priorities for 2018/19:

i) Quality and Patient Experience

- Improve safety culture and reduce harm;
- Embed organisational learning such that there is clear evidence of observable changes in practice;
- Retain CQC rating of 'outstanding'
- Deliver an improvement plan in response to GIRFT Report.

ii) Research and Innovation

- Implement robotics programme
- Deliver transition plan for Congenital Heart Disease
- Deliver informatics review action plan and establish assurance mechanism for data quality;
- Raise the Trust's academic profile and increase the number of academic appointments
- Deliver Research and innovation Strategy milestones including attraction of research grants
- Develop a strategy for good corporate citizenship

iii) Finance and Value

- Retain Segmentation 1 under NHS Improvement's Single Oversight Framework
- Develop business partner model and improve business intelligence
- Operate Use of Resources Framework in shadow form
- Embed Accountability Framework
- Deliver 2018/19 targets set out in private patient strategy
- Develop 10 new international business models for future exploration with at least one contract signed in 2018/19

iv) Best NHS Employer

- Listen, involve and develop Team LHCH through delivery of an effective staff engagement plan
- Build capability for outstanding leadership at all levels

v) Partnerships

- Lead and deliver the CVD programme and specifically
- Implement single cardiology pathway
- Improve the visibility and external promotion of surgical work
- Maintain stakeholder engagement across the wider health and care partnership

Approach to Activity Planning

The Trust has developed a robust plan for 2017/19 based on extensive demand and capacity modelling which has been refreshed for the 2018/19 financial year

As part of the annual planning process for 2018/19 the Trust has undertaken a detailed review of its capacity and predicted demand building upon a comprehensive review carried out in 2015/16 which was subject to both internal and independent external review. The plan for 2018/19 is based upon the forecast outturn position for 2017/18 which has been adjusted working with the clinical teams to reflect areas of growth on the waiting list to ensure we can manage the waiting list at its current level in line with the 2018/19 national planning guidance. The following information has been used:

- Five year trend analysis by procedure.
- Clinical engagement on changes to clinical practice or guidance.
- Review of current backlog and the planned activity for 2018/19 to reduce in certain areas.

The table below shows the forecast outturn for 2017/18 and the activity plan for 2018/19.

Activity Plan: The Trust's activity plan for the new financial year is as follows:

	Forecast Outturn 2017/2018	Plan 2018/2019**
<i>In-Patient</i>	13,034	13,866
<i>Out-Patient</i>	68,632	72,909

Note: the above table includes activity from all Commissioners (including Wales & Isle of Man) and private Patient activity, excludes critical care and diagnostic activity.

The main activity planning assumptions for 2018/19 are:

1. Growth of 4% in pacing and devices driven by changes in NICE guidance.
2. Transfer of ACDH services in line with Liverpool CHD Partnership business case and drives a significant proportion of inpatient and outpatient activity.
3. Based on current and historical demand there is a 12% increase in demand to CT and MRI services. There has been significant growth in provider to provider referrals to LHCH for cardiac imaging. In addition the trust has started to see the impact of the recent changes to the stable chest pain pathway (CG95).
4. We are continuing to see major pressure on cardiac diagnostic services in particular ECHO and pulmonary function testing. Additional capacity has been built into the 2018/19 plan to accommodate these growth areas.

The Trust has continued to make progress throughout 2017/18 in reducing the number of patients waiting over 18 weeks for cardiac surgery from. At the end of February the surgical backlog was down to 80 patients and the Trust continues to drive forward with plans to deliver speciality compliance during 2018/19, which will require a backlog of no more than 36 patients waiting over 18 weeks. It is acknowledged to achieve this position will be extremely challenging due to the

continued pressure on referring trusts with capacity pressures and waiting times which impacts on the timeliness of referrals into a tertiary centre.

In line with the 2018/19 national planning guidance we will continue to actively monitor the backlog and waiting list on a weekly basis to facilitate the delivery of the waiting list being no higher in March 2019 compared to March 2018. The trust has very few 52 week breaches and this will continue to be rigorously monitored through 2018/19.

Performance Delivery

To support the delivery of this year's annual plan the Trust has developed its operational plan to cover the following key areas:

Cancer

Cancer performance has been strong during 2017/18 even with increased demand to the services. We are actively working with other providers to support delivery of the target across the system to reduce where possible our lead in time for definitive treatments. We expect to continue this strong performance into the 2018/19 financial year.

Diagnostics

Following a number of years of strong performance against the diagnostic target the trust performance has now dropped due to the sustained increase in demand to the services. We have carried out a capacity review with external partners within our diagnostic department which has improved productivity however this has not been enough to alleviate the pressures with six week diagnostic breaches and we are now looking to increase capacity to get performance back on track. We are also cognisant about the key role that diagnostics play in delivering our cancer performance and the plans for the 28 day definitive diagnosis target delivery by 2020 which will require rapid access to diagnostics to deliver this standard.

Bed Modelling & Theatre and Catheter Laboratory Capacity

The Trust is currently in the process of changing our current bed base with the introduction of a same day admission suite which is planned to open in May 2018. This will reduce pre-operative length of stay in line with the recommendations from the GIRFT report and also improve patient experience. This development will also facilitate the opportunity for the trust to expand the private patient service offering which has been restricted due to the lack of capacity in the past.

Good progress has been made with patient flow during this financial year, which has seen reduced delays in patient discharges from critical care to the surgical ward beds. Further work is planned to keep driving improvements in patient flow in the coming years' service improvement plans.

To improve efficiency the Trust will continue to utilise benchmarking data provided by the National Cardiothoracic Benchmarking Collaborative (NCBC), Model Hospital and GIRFT recommendations to improve the efficiency of service delivery. The trust has seen pressures during the current year due to acuity of patients on the critical care unit and we are currently reviewing opportunities to expand capacity within critical care which are focussed around the workforce requirements as we have physical infrastructure available.

Catheter Laboratory and Theatre schedules have been reviewed based on the activity assumptions within the 2018/19 plan and these will be monitored via utilisation rates throughout the year.

Proposed Service Developments

As part of its Innovation Strategy, LHCH is keen to develop and evaluate new treatments and procedures to improve care and outcomes for patients. The Trust is looking to work with NHS England and commissioning colleagues to develop the following:

1. Very high risk and high risk NSTEMI new pathway development which will see the early transfer of patients to the tertiary centre which will free up capacity within the acute trusts.
2. The development of a cardiac enhanced care unit to facilitate the increase in patient acuity and dependency.
3. Implementation of the North West CHD service working with NHS England and partnership providers.
4. Expansion of cardiac CT and MRI services.

Key Activity Risks and Mitigation

Risks	Mitigation
RTT Incomplete Compliance	<ul style="list-style-type: none"> • Weekly performance meetings chaired by the Senior Operational Team to drive delivery of the 92% RTT target. • Revised trajectories in place to reduce backlog of patients waiting for treatment, good progress made to date. • As a tertiary provider reliance on timely referrals and late referrals will inhibit ability to deliver the target. • Growing referrals for minimally invasive surgery and whilst growing capacity in this area there is a lead in period for this capacity to be available due to training time required. • Implementation of cardiac robotic surgery has begun and over time this will mitigate the risk around minimally invasive surgery.
Delivery of the Diagnostic Target	<ul style="list-style-type: none"> • Service improvement projects will deliver additional capacity using extended days. • Development of a business to support the expansion in CT and MRI services. • Partnership working across the health economy looking at options to have more integrated pathways. We have also established a Liverpool single cardiology service operational group looking at integrating cardiology care within Liverpool based on the work from the Healthy Liverpool Programme.

Quality, Research and Innovation

The Director of Nursing and Quality and the Medical Director are the two named Executive leads for quality improvement in the Trust. The Trust has achieved an outstanding rating in its CQC inspection in April 2016. The Trust has an action plan in place to address the areas for improvements highlighted within the inspection report.

The Trust has a Quality Strategy which sets out the priorities for 2017-20 which includes improving the patient and family experience together with key quality and safety improvements. The strategy was created with the involvement of staff and patients and approved by the Board of Directors with assurance and progress against the implementation plan monitored via the Trust's Quality Assurance Committee which is a subcommittee of the Board. The strategy is shared Trust wide and operational delivery monitored through the Divisional Governance committees, within each of the Trust's three clinical divisions.

The Trust commissioned an independent review of its governance arrangements in accordance with the *'Well Led Framework for Governance Reviews: Guidance for NHS Foundation Trusts, Updated April 2015'* (Monitor). The review was conducted by Mersey Internal Audit Agency and reported in March 2017. The overall conclusion was that the Trust is well led. Examples of outstanding practice were identified across all four domains of the Well Led Framework. There were no significant findings but areas for development were considered and an action plan put in place. The Board reviewed the action plan in November 2017, confirming that three key pieces of work would continue:

- i) embedding of a new accountability framework to incentivise Divisional performance;
- ii) a further review focussed on the efficiency of Assurance Committees and associated administrative practices; and
- iii) Implementation of findings from an external review of the informatics function undertaken by KPMG.

These areas will be a focus for 2018/19 and the Trust has put in place processes to ensure continuous self-assessment and improvement work in relation to the CQC's new standards for Well Led.

The national priorities for CQUIN will be included within the planned quality improvements. In addition, the Trust will agree four quality priorities with its Governors to be taken forward during 2018/19.

The Trust will use the national patient survey, staff survey and the clinical outcome data to measure and evidence the impact of its investment in quality improvements. In addition, internal targets aligned to the planned improvements within the quality strategy are used to measure progress in reducing patient harm and improving safety and quality.

The Trust committed to the National "Sign up to Safety" campaign in July 2014 which has now concluded. The Trust achieved a 43% improvement in incident reporting as a result of this work. Whilst the campaign has now ceased, the Trust will continue to drive the safety culture..

A key focus for the Trust is to strengthen organisational wide learning. The Trust has implemented its organisational learning policy which is now embedded. There is an established organisational

learning forum supported by focused time through governance on learning outcomes and how this has changed practice and care. In addition, there are regular sharing and learning meetings and bulletins of learning that are cascaded trust wide.

Summary of the Quality Improvement Plan (inclusive of the national quality priorities)

The Trust has identified five key milestones within its Quality Strategy:-

1. Continuously seek out and reduce patient harm

- Increasing incident reporting by 20% by 2020
- Reduce the incidence of falls by 10% across the three surgical wards
- Continue to maintain low incidence of infections – C diff and MRSA bacteraemia
- Communicate systems for staff to report any concerns relating to patient or staff safety such as speak out safely, daily safety huddles, our freedom to speak up guardian roles and using the HALT (**H**ave you noticed this; **A**sk – did you hear my concern; **L**et them know it is a patient safety issue; **T**ell them to stop until it is agreed it is safe to continue) process.
- Achieve 80% compliance with mortality reviews being carried out within 30 days of a patient death increasing to 90% by 2019 and implement the Trust's new mortality process.
- Implement the Trust's human factors strategy
- Demonstrate the learning embedded from any identified avoidable deaths, of which the numbers are very low
- Measurable reduction in the variation and management and care of patients with diabetes
- Measurable improvement in antimicrobial prescribing

Measured through: Incident reporting numbers, numbers of incidents raised through other channels, bereavement survey, antibiotic audits, and compliance with mortality policy and examples of learning from patient deaths.

2. Deliver the highest standard of reliable evidence based care

- Achieve 90% compliance with the sepsis bundle within one hour – by systematic screening for Sepsis of appropriate patients and where sepsis is identified, to provide timely and appropriate treatment and review.
- Antimicrobial resistance - aim to reduce antibiotic consumption by encouraging focus on antimicrobial stewardship and ensuring antibiotic review within 72 hours
- Acute Kidney Injury – The Trust has appointed a lead that will explore the data in relation to acute kidney injury and from that set an improvement plan
- Ensure safe staffing levels by reviewing all nurse staffing establishments utilising the methodology for care hours per patient day and the care team approach to delivery to ensure safe staffing
- Structured medical ward rounds with transparency on times for patients and families providing opportunities for families to be present
- National clinical audits – LHCH will participate in all mandatory audits applicable to the services we provide. All audits required for reporting in the NHSE Quality Account which include Ncepod commissioned by HQIP and produce Consultant Outcome Publications.

Measured by: incidents pertaining to safe staffing, sepsis bundle compliance, antibiotic audits, family experience survey

3. Caring – Ensure that all care delivered is patient and family centred.

- Achieve 95% or above in friends and family recommending the Trust
- Ensure all patients are offered the opportunity to have a care partner
- Ensure all families are aware of times of medical ward rounds in order that they have an opportunity to attend and feel involved
- 95% of all appropriate inpatients will be assessed for frailty

Measured through: Friends and family test, national patient survey scores.

4. Responsive - to ensure that patients are discharged as planned and improve patient satisfaction with the discharge experience

- To ensure that patients have a planned date of discharge on admission to hospital - achieve 90% compliance
- To improve the patient experience of their discharge process
- Four priority standards for seven day services

Measured through: Local patient experience surveys, national patient survey

5. Well-led – To provide demonstrable changes in practice or care from the learning shared from complaints/incidents/claims/serious incidents and progress towards implementation of our organisational learning policy

- Quarterly learning and sharing forum
- Key actions and learning to be shared Trust wide via organisational learning bulletin quarterly
- 6 monthly presentation of learning via team brief

Measured through: examples of organisational learning and the examples of changes in practice

7 Day Service

The delivery of 7 day services, where clinically appropriate, is a major priority for the Trust. The current performance against the four 'must do' clinical standards is as follows:

7 Day Standard	Trust Compliance September 2016
Patients wait no longer than 14 hours to initial consultant review	100%
Patients get access to diagnostic tests with a 24 hour turnaround time. For urgent requests, this drops to 12 hours and for critical patients, one hour	100%
Patients get access to specialist, consultant-directed interventions	100%
Patients with high-dependency care needs receive twice-daily specialist consultant review	96%

Patients admitted to hospital in an emergency will experience daily consultant-directed ward rounds	98%
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Research and Innovation:

LHCH is a very research active organisation with the ambition to do more. This has been reflected in a significant change to the Trust's vision statement to reflect this commitment.

Over the past year the Trust planned to:

- Exceed its research recruitment target set by the Clinical Research Network
 - Achieved – plan was 800, achieved 1020
- Initiate a number of doctor and nurse investigator led clinical trials designed to directly improve clinical care
 - Achieved – e.g. CRAFT (cryo versus radiofrequency ablation for AF), radial compression device evaluation
- Lead the development of a lung cancer research collaboration across the City of Liverpool
 - Not achieved – Unproductive academic incumbent who has now left
- Ensuring the rapid transfer of research into practice by recruiting two industrial partners to our strategic research relationship with the Royal Brompton & Harefield NHSFT (the Institute of Cardiovascular Medicine and Science)
 - Achieved – Medtronic and Astra Zeneca
- Lead the evaluation of an innovative procurement model for cardiac devices as part of a major EU funded project (Horizon 2020)
 - In progress. This is part of a 5 year project
- Use innovative digital technology to further improve research recruitment and develop a population health management offer
 - In progress. Developing our data warehouse to feed InSite; Have used FarSite to identify sub-optimally managed patients in primary care who have received specialise cardiology intervention
- Become a designated “super recruitment” centre for the 100,000 genome project
 - Achieved
- Be the first Trust in the country to develop and implement a genomics strategy
 - Achieved

Building upon a highly successful 2016/17, and in recognition that the Trust must stay at the cutting edge of the services it provides to stay competitive, the Trust will place additional emphasis upon research and innovation during this planning period.

The Trust will:

Work with the University of Liverpool and John Moores University to develop a plan to establish a new academic department dedicated to cardiovascular research in the City

Take advantage of recent research governance regulatory changes to implement a new model for large scale, pragmatic comparative effectiveness research trials that utilise routine data collection via the electronic patient record and engage a high proportion of the workforce

Develop a robust programme of research in cardiac and thoracic surgery that leverages the recent purchase of the Da Vinci robot

Exploit new service developments (e.g. inherited cardiac conditions, adult congenital heart disease) to establish complimentary programmes of research and innovation

Work in collaboration with the Innovation Agency to actively identify our need for innovation and match this with what is available or being developed within the industrial landscape

Devise a process to rapidly adopt nationally designated “transformative innovations”

Triangulation of Quality, Workforce and Financial Performance

A comprehensive balanced scorecard dashboard of Key Performance Indicators is reviewed monthly by the Board of Directors to ensure delivery of the five strategic objectives. The dashboard triangulates information on quality and activity, workforce and financial performance. This information is cascaded throughout the organisation at Divisional level and through team brief. In addition the Board of Directors receives a monthly Board Assurance Framework (BAF) key issues report from each Assurance Committee regularly.

The Board Governance structure consists of three Assurance Committees plus Audit Committee chaired by Non-Executive Directors, namely:

- Quality Committee
- People Committee
- Integrated Performance Committee

The Quality Committee reviews and monitors the systems and processes required to ensure the effectiveness of patient care, patient experience and clinical risks. The Integrated Performance Committee provides assurance to the Board in relation to the operational and financial performance of the Trust. A quarterly People Committee was introduced in 2015 to provide greater assurance to the Board that the Trust has the right culture, staffing and engagement levels to deliver services effectively and efficiently. The Audit Committee has overall responsibility for assuring the Board of Directors that financial and quality reporting and internal control systems are in place and are being applied effectively.

Operational performance against each of these three divisions is managed through the Operational Board which meets monthly. This is chaired by the Chief Executive and comprises of the divisional senior clinical leadership teams and the executive team. Twice yearly in depth performance reviews are held with each division to review on going performance against plan and agree any remedial action.

Key Quality Risks and Mitigation

Risks	Mitigation
Compliance with the sepsis bundle	<ul style="list-style-type: none">• Weekly monitoring of compliance• Clinical lead for sepsis to drive improvements• Implementation of new system for patients observations and monitoring and role of outreach in delivery of sepsis bundle
Continued risk of maintaining safe staffing levels across wards– Cath Labs; Theatres: Specialist therapies due to national shortage	<ul style="list-style-type: none">• Robust recruitment campaign inclusive of recruitment of overseas nursing staff• Rotation programme in place for newly qualified nurses to rotate to the highly specialized areas
Increasing number of patient falls	<ul style="list-style-type: none">• Falls improvement work in place• Review of every fall in detail

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| | <ul style="list-style-type: none">• Involvement of the MDT in prevention |
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Approach to Financial Planning

Financial Forecasts and Modelling

The Trust's financial plan has been developed in line with the annual planning timetable set out by NHS Improvement. The overarching financial strategy principles agreed by the Board of Directors is to ensure that the organisation is financially sustainable and delivers value for money.

2018/19 Financial Plan

The table below sets out the key financial headlines submitted for Liverpool Heart and Chest Hospitals Foundation Trust. The Trust accepts its control total and the draft plan has been submitted in line with this target. However, this plan assumes payment of HRG4+ for Welsh activity on a recurrent basis from 1 April 2017 which is still not agreed and continues to be negotiated at a national level. The Trust and NHS Improvement are both assuming that this is resolved imminently and therefore this income has been assumed in the plan. The control total could not be delivered without this issue being resolved in both cash and income terms.

£m	2017/18 Plan	2017/18 Forecast	2018/19 Original Plan	2018/19 Plan
Surplus (normalised)	6.863	8.454	3.000	7.686
Performance against Control Total	6.868	8.407	N/A	7.756
Capital Investment	5.4	5.99	4.5	10.7
CIP	3.8	3.5	2.4	3.8
Cash Balance	9.4	7.5	12.2	12.8
Use of Resources	1	1	2	1

Key movements from the 2018/19 original planned surplus are as follows:

	Surplus £m
Original 18/19 Plan	3.000
Additional CIP	1.400
Base STF, following Control Total	2.554
Additional STF, awarded in Jan 18	1.038
Other movements	-0.306
18/19 Plan	7.686
Removal of Donated asset depn	0.070
Control Total	7.756

2018/19 Contracts

The Trust has 3 key commissioner contracts

- **Specialised Commissioning (NHS England)**

Opening contract has been signed and reflected in the finance and activity plan. However, this excludes the transfer of CHD activity during the year which will be subject to a contract variation once agreed.

- **North Mersey CCG contracts.** The Trust had agreed to participate in an 'acting as one' arrangement between the Trusts and CCGs in North Mersey, which means that our contract will be based upon 2017/18 planned activity plus an additional 1% for growth, paid on a block basis.
- **Other CCG Contracts.** All other CCG contracts been signed and reflected in the financial plan.
- **Welsh Contract** – Welsh commissioners have not yet confirmed agreement to HRG 4+ tariff and are negotiating with their Government for funding. This is a risk within our plan which assumes full payment. Contract discussions have not yet commenced in earnest as the Welsh Health system has a different planning timetable.

Capital

The capital plan for 2018/19 is significantly higher than previous years, reflecting the ageing estate and increasing diagnostic demand. The surpluses made by the Trust in 2017/18 and 2018/19 allow for this plan to be funded primarily from depreciation and existing cash balances.

The capital plan is set out below.

Capital Programme	£000s
Essential estates infrastructure	1,973
Replacement medical equipment	1,800
IT	1,049
CT scanner	1,700
Theatre imaging equipment	900
Cath lab (year 1)	1,300
PP unit	675
Other	397
CHD equipment	600
Contingency	300
TOTAL	10,694

Funded by:	
Depreciation	5,403
Cash Balances	4,195
Salix Interest-free Loan	421
Loan for Private Patient development being explored (alternatively cash balances)	675
	10,694

Cash

Cash balances improve over the life of the plan with cash balances forecast to be £12.8m by 31st of March 2019 (from £7.5m at the end of March 2017). This is driven by the additional cash associated with the surplus plan, but reduces as a result of the £10.7m capital programme discussed above.

The Trust continues to maximise options to improve working capital management and is in particular focusing on improving debt balances.

Financial Performance Metrics

The table below provides a summary of the Trust's Financial Performance Metrics for each year in line with the Single Oversight Framework.

Table: Plan Financial Performance Metrics

	Year Ending 31/03/2018	Year Ending 31/03/2019
Capital Service Cover rating	1	1
Liquidity rating	1	1
I&E Margin rating	1	1
Variance from Control Total rating	1	1
Agency rating	1	1
Plan Risk Rating after overrides	1	1

Cost Improvement Plan 2018/19

The table below provides a divisional summary of the Trusts Cost Improvement programme for 2018/19. All schemes are subject to a robust QIA and EIA process before implementation.

Efficiency theme

£000

Procurement	505
Workforce (Nursing)	491
Workforce (Medical)	398
Non pay savings	321
Income incl. Private Patients strategy	301
Other savings schemes	300
Corporate & Admin	275
Estates & Facilities	211
Drugs savings	110
Workforce (AHP)	104
Management Pay	70
Workforce (Other)	69
Unidentified	646
Grand Total	3,800

Quality Impact Process

The Quality Impact Assessment (QIA) process has been developed to ensure that appropriate steps are in place to safeguard quality whilst delivering significant changes to service delivery. This process is administered by the Programme Management Office (PMO) and is used to assess the impact that any individual CIP, service development or improvement project may have on the quality of care provided to patients. Those projects or schemes that are assessed as unrealistic or pose an unwarranted impact on quality or services are not approved.

A full Quality Impact Assessment is required when embarking on any CIP Scheme or Improvement Project valued at greater than £25k, or if the scheme is considered a potential quality or safety risk. Each scheme is assessed using the Trust's standard risk assessment method (5x5 risk rating system) and risk rated against the following themes: Patient Safety, Clinical Effectiveness, Patient Experience and Operational/Non-Clinical.

The Medical Director, Director of Nursing & Quality and Head of Nursing (Corporate) are all responsible for signing off the QIA document for all clinical schemes/projects. In doing so they are ratifying that the assessment has been completed correctly and full consideration has been given to potential impacts on quality as well as how on-going monitoring will be managed within the clinical department.

The Business Transformation Steering Group is the final approval for all QIAs. QIA assurance is received by the Quality Committee; the Programme Management Office (PMO) monitors the schemes through monthly highlight reports, and will report any compromise to quality and safety.

Risks

- **Welsh Commissioners**
Welsh commissioners have still not confirmed agreement to HRG 4+ tariff and negotiations with government are on-going. Our plan assumes full payment.
- **Cost Improvement Plan**
Recurrent achievement of a £3.8m CIP will be extremely challenging but work is underway to ensure that robust plans are in place before the beginning of the financial year.
- **CQUIN**
We have budgeted for 90% delivery of CQUIN schemes but given the stretching nature of many of the schemes, in particular the Clinical Utilisation Review project, this is a risk which will be closely monitored during the year.
- **Knowsley COPD**
The community contract with Knowsley CCG includes a performance-based payment, which increases in 2018/19.

Mitigations

- **General Contingency**
Set at £800k

Business Development

Business Development activity at LHCH

The Trust is seeking to maximise opportunities for non-NHS income generation to support core NHS activities over the current planning period. These fall into two broad areas.

Private Patient Services

Following extensive market analysis conducted in 2017, the Trust is refreshing its private patient strategy in early 2018. The current turnover is circa £3m or around 2% of overall Trust turnover. The strategy includes an enhanced focus on the operational delivery of the service including dedicated management support, and proposals to grow the business and subsequent financial contribution to the Trust by way of a targeted marketing strategy coupled with a review of the tariff and contractual relationships with major insurers.

International Offer

The Trust is focussing on exploring the potential to secure income from overseas partners based upon the outstanding rating of NHS services and expertise. The Trust will develop key strategic relationships with existing NHS partners involved in international service delivery as well as NHS England and Government bodies such as Healthcare UK, Dept for International Trade, and UKIHMA in this regard.

During 2018, the Trust will develop and refine its international offer and market it via appropriate channels including responding to prospective enquiries via bodies such as DIT, UKIHMA, etc as well as exhibiting at major healthcare exhibitions and by joining specific trade missions to target markets in China, India and the Middle East.

The offer will be in the areas of international consultancy (including design and feasibility studies, clinical pathway development/accreditation and education & training), international private patients and second clinical opinion.

The Trust has set a corporate objective to deliver a minimum of one international contract by March 2019.

Workforce Priorities

Team LHCH – Our People Strategy

At Liverpool Heart and Chest Hospital, our Team LHCH Strategy for 2017-2020, clearly articulates that the core strength of our Trust is our people and by working together as 'Team LHCH', we can ensure the continued delivery of outstanding quality care.

Attracting the best staff, governors and volunteers to be part of the Trust will assist us in delivering our vision ***'to be the best - leading and delivering outstanding heart and chest care and research'*** and in ensuring we provide a consistent excellent experience for patients, carers and staff. Investing in all our staff across the organisation and professions will ensure we create a truly outstanding place to work and receive treatment.

An annual implementation plan has been developed with specific measures and assurance provided to the People Committee against key deliverables. The workforce team will be aligned to assist our staff in delivering their objectives in relation to Team LHCH.

The workforce team will continually strive to ensure we get the basics right across all the services we deliver and offer timely support, communication, guidance and training to leaders and managers across the Trust. All underpinned with a focus on equality and inclusion.

Workforce Planning

Liverpool Heart & Chest has adopted a pro-active approach to workforce planning that builds upon the strategic process led by NHS Improvement and Health Education England and reflects that workforce plans are led by clinical and corporate divisions to ensure that staffing models are aligned with the Trust's strategic framework, long term financial models and CIP plans.

There are no intentions to substantially increase the workforce establishment in 2018-2019. The priority for the Trust will be to re-model the workforce, undertake skill mix reviews and organisational change processes in order to meet the increased demands without increasing the establishment whilst delivering a 3% CIP (£3.8m).

Liverpool Heart & Chest Hospital forms a part of the North West CHD Partnership which has been established between Liverpool Heart & Chest Hospital, Alder Hey Children's Hospital, Royal Liverpool & Broadgreen Hospital and Liverpool Women's Hospital to provide an all age CHD level 1 services for the North West population.

This is a key priority for the Trust, a staffing model has been developed setting out the workforce requirements to deliver the level 1 service and recruitment has commenced with a view to the partnership vacancies being in post by April / May 2018. An assessment of TUPE has been undertaken with a proposed transfer date of 1st April 2018

A key part of delivering this will be the successful recruitment to a number of clinical vacancies in order to ensure the Trust can sustainably deliver its key operational standards such as RTT, Incomplete Cancer Pathway and Diagnostics waiting times, as well as continuing to achieve recommended national safe staffing levels in the face of increasing patient acuity. The workforce

gaps are primarily qualified nurses in three areas of national shortage namely in Radiology, Cardiac Catheter Laboratory and junior doctor medical staff. This will be achieved through developing bespoke recruitment plans covering local and national recruitment from outside the European Union and through the exploration of collaborative and joint working with partner Trusts.

Workforce Utilisation

The Trust saw a reduction in agency usage for nursing staff in 2016/17. There has been an increase in bank usage from 69% to 84% which has helped support the reduction in agency usage, in addition to filling vacancies and improving time to hire from 46 to 37 days.

The agency usage and spend has shifted from nursing to Radiology & Medical staff and non-clinical areas as Finance. Reduction plans are in place to reduce agency significantly within radiology and non-clinical, however, due to national immigration/visa issues, agency spend is likely to continue for medical staff in 2018-19. However, to mitigate this risk, the Trust have are embarking on a pilot with 5 other Trusts to implement a collaborative bank.

The Trust intends to further strengthen its bank staffing arrangements and utilisation of its workforce. To support this, the Trust will drive workforce efficiencies through the utilisation of the E-roster system through management of rotas; better planning of cover and leave allocation and identifying gaps in staffing levels at the earliest opportunity.

The focus on reducing sickness absence through robust systems and processes will continue in 2018-19. LHCH is reporting sickness at 4.06% (as at January 18) and whilst sickness absence improvements can be made in 2018-19, there been significant improvement within with Surgical Division from 2016-17.

Sustainability and Transformational Plan (STP)

The Trust will play a key part in helping develop the 2016-2021 Sustainability and Transformation plan. The achievement of workforce efficiency will be reliant on capitalising on collaborative opportunities to increase workforce productivity and through Cost Improvement Programmes (CIP). The Trust is engaged in the Cheshire and Merseyside HR Streamlining Project in scoping this and understanding the wider workforce implications.

The focus for the STP in 2018-19 will be developing dedicated plans to improve efficiencies across clinical support functions and understanding the potential for sharing and merging Radiology, Pharmacy and Therapy services.

The Carter Review recommends that all Trusts rationalise their corporate and administration functions to ensure their costs do not exceed 7% of income by April 2018 and 6% of income by 2020, and resources are used cost effectively, current modelling suggests the Trust is already meeting the 2020 requirement.

The Medical Workforce

Liverpool Heart and Chest has a medical workforce strategy to support the delivery and development of services across the Trust.

The consultant job planning system electronic reporting system is now fully implemented throughout the Trust. The priority for 18-19 is to implement a consultant rostering system using

the Allocate Health roster (medic roster). This will enable the trust to review and assess productivity and potentially help to reduce the reliance on additional payments for weekend work activity.

National Junior Doctor training has been identified as a risk to the Trust due to the reduced numbers of trainees entering the national programme and being placed on rotation at LHCH. The ability to recruit into these gaps remains a challenge, especially overseas medics. In response this, the Trust has recruited 16 Advanced Practitioners as part of a wider plan to ensure patient safety is maintained.

The Trust recognises the benefits of collaborative and joint working and has a number of joint appointees across most specialities. In 2017-18 the Trust will continue to promote collaborative working across institutional boundaries between secondary and tertiary care and also community and hospital based care.

Education & Training

Apprenticeships - The Trust is working with several providers including Everton in the Community, Hugh Baird College, Chester University and LJM University. Business Administration, Healthcare Support, Leadership & Management Level 3 and MBA (Level 7) are currently being delivered within the Organisation.

Nursing Competency Framework - A three tier competency framework is being developed for nurses working within the Organisation. Level one is for newly qualified nurses, level two for experienced nurses and level three for leadership & management competencies. Competency framework includes all generic competencies and specific cardiothoracic competencies, and is line with the Critical Care Step one, two and three competency framework.

Nursing Associates - LHCH continues to be part of the Merseyside pilot programme for trainee nursing associates. The partnership includes acute Trusts, Community Trusts, CCG and 2 Higher Education Institutes. As a partnership placements are provided across the patient continuum from conception to end of life care, to ensure a robust and skilled workforce to work alongside nurses in practice. The March 17 cohort of 4 trainee nursing associates have all reached the end of the first year of their programme and will continue into year two. LHCH continue to work in collaboration with the North Merseyside Partnership for trainee nursing associates.

Funding - The reduction in HEE funding for professionally registered staff has been a challenge. LHCH has maintained its collaboration with Edge Hill University, and continues to provide academic programmes across non-medical professions. EHU have worked with LHCH to provide non-academic programmes such as Clinical Supervision in response to the needs of LHCH staff.

Joint Working - LHCH are working in collaboration with several partners including : Mersey Apprenticeship Partnership delivering an apprenticeship strategy across Merseyside; Liverpool women's Hospital, working to deliver a cohort of assistant practitioners via apprenticeship, and to work collaboratively with leadership and management programmes; MYA Partners working together with Walton Centre, Merseycare and LWH to engage pre-employment, traineeships and returneeships across the four Trusts and Merseyside Youth Association.

Key Workforce Risks and Mitigation

Risks	Mitigation
Impact of Organisational Change on staff morale and engagement(CIP)	<ul style="list-style-type: none"> • Development of an organisational change register to monitor and plan organisational change • Promote and foster good partnership relationships to support change • Encourage open and early communication to staff to help manage staff expectations. • Robust absence management • Refreshed exit interview process to understand the impact of change versus turnover.
Junior Doctor Deanery Gaps	<ul style="list-style-type: none"> • Develop a strategy for succession planning –advertise for international and clinical fellowship programmes. • Task and Finish Group established to understand workforce requirements for out of hours cover. (First meeting 25.04.18) • Develop the ANP's workforce to support • Explore and scope international recruitment strategies • Explore the opportunities for joint working
Agency usage and spend in hard to recruit to areas	<ul style="list-style-type: none"> • Development of Divisional Trajectories to monitor agency spend • Reduce sickness absence and turnover in line with plan • Improve e-Roster efficiency • Centralise and strengthen the agency booking processes • Adhere to NHS Improvement recommendations, including booking from the framework and paying within the price cap. • Participating in a pilot of a Collaborative Bank with 5 other Trusts in Cheshire & Merseyside

Membership and Elections

Membership and Elections

Governor Elections

A number of the Trust's 'founding' governors reached the end of their maximum term of office at the Annual Members' Meeting 2017. In the summer 2017, the Trust held elections, in accordance with the election rules set out in the Trust's constitution, to fill seven public and two staff governor seats. The public seats (3 for Merseyside, 2 for Cheshire) were contested with an election turnout 19.8% and 18.7% respectively. The North Wales election was uncontested – one seat was filled and one remains vacant. One of the staff seats was contested (Non Clinical) with an election turnout of 33.3% and the staff seat for Allied Healthcare Professionals, Technical and Scientific staff elected uncontested.

In 2018, elections are expected to be held for 4 public seats (2 of which are currently held by governors reaching the end of their maximum term of office) and 3 staff seats.

Governor Recruitment, Training and Development

Eight new governors were recruited and inducted in 2017/18. The Trust hosts an annual induction day for new Governors in collaboration with neighbouring foundation trusts and an external facilitator is employed to facilitate the day. The programme provides for a mix of presentations and group discussion, with opportunity to network and to hear of the experiences of longer serving governors.

All new governors also attend a local induction meeting with the Chairman and Director of Corporate Affairs and are provided with essential local induction material.

The Trust encourages governors to access regional and national development opportunities throughout the year. These include the North West Governors Forum, Mersey Internal Audit Agency Governor Learning Series and Govern Well workshops. This is in addition to planned internal events including an annual joint Council of Governors and Board of Directors development day, executive director led interest groups (quarterly); Chairman's lunch meetings (quarterly); annual planning workshops, scheduled walkabouts to wards and departments, regular update presentations from service leads and membership of governor sub committees and task and finish groups.

An annual calendar of events is organised to give governors the opportunity to engage with members and the public. This includes regular 'Medicine for Members' events as well as the Annual Members' Meeting. Governors are also invited to attend patient and family listening events - an invaluable way of engaging with patients and families.

All governors participate in an annual evaluation of the training and development provision and contribute to a governor skills audit which informs their development programme.

Membership Strategy

The Council of Governors' Membership and Communications Sub Committee, chaired by a public governor is responsible for the review, delivery and implementation of the Trust's membership strategy. The Trust maintains a target of 10,100 for public membership (9,924 at 31/01/18). All

new permanent employees and those who have worked for the Trust for 12 months or more automatically become a staff member but may 'opt out'.

The membership strategy is reviewed and implemented by the Membership and Communications Sub Committee and includes an annual communications, recruitment and engagement plan which incorporates a calendar of events is delivered across the catchment area - Merseyside, North Wales, Cheshire and Rest of England and Wales. The Trust's membership strategy is focused on retention and engagement of members and active targeted recruitment to manage the small turnover rate of members, whilst striving to increase representation in relation to age profile, ethnicity, gender and demographics across the patient and public population. Demographic data analysis is used to inform a programme of targeted recruitment. Primary focus is on the engagement of members and the public and Governors are active in the organisation of a programme of events including quarterly 'Medicine for Members' meetings, engagement with local community groups and the publication of our 'Members Matters' Newsletter. The strategy is reviewed on a bi-annual basis and will be reviewed next in 2018.

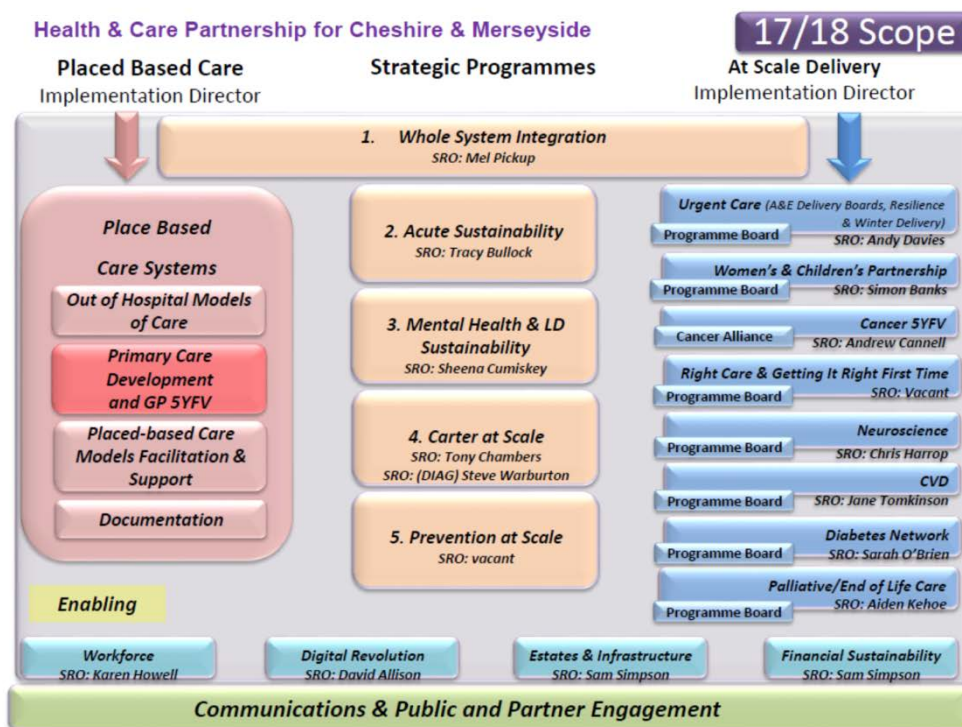
The Chair of the Council of Governors' Membership and Communications Sub Committee reports regularly to Council of Governor meetings and provides an annual report on the delivery of the Membership Strategy at the Annual Members' meeting.

Sustainability and Transformation Plan (STP)

LHCH's role in the Health and Care Partnership for Cheshire and Merseyside

LHCH continues its commitment to the Cheshire and Merseyside STP, operating now under the name of “Health and Care Partnership for Cheshire and Merseyside” (HCP C&M). The partnership has been the subject of a review of its activity over the last 18 months. As a consequence of this, our Trust's CEO has been re-appointed as the Senior Responsible Officer (SRO) for the CVD programme in the HCP C&M.

Cardiovascular Disease (CVD) is one of priority areas for improvement in the HCP C&M. It is one of eight cross-cutting themes identified in C&M.



The CVD programme has 8 workstreams:

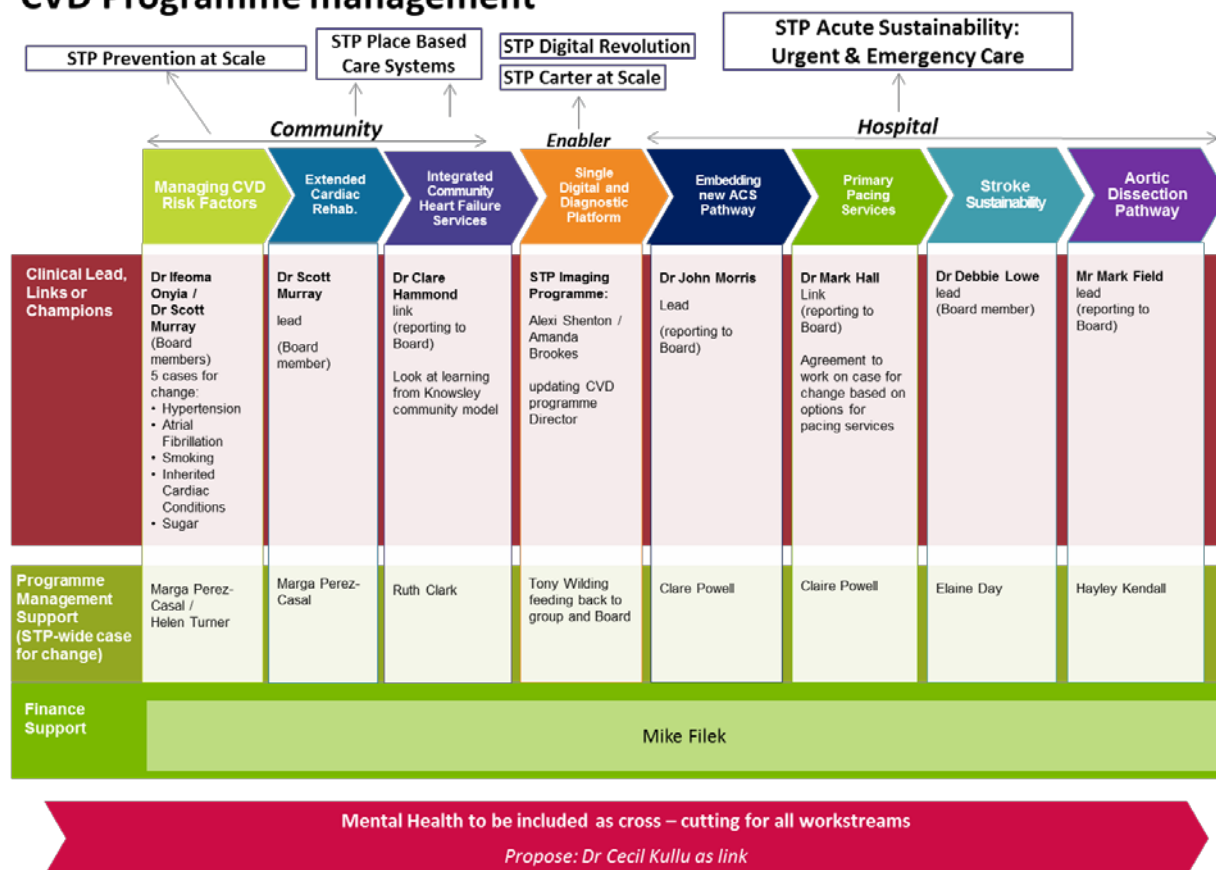
- Managing CVD risk factors
- Extended cardiac rehabilitation
- Integrated community Heart Failure services
- Single Digital and Diagnostic platform
- Embedding a new Acute Coronary Syndromes pathway
- Primary Pacing services (acute bradycardia)
- Stroke sustainability
- Aortic dissection pathway

Delivery of improvements in all these workstreams will be essential in closing the three gaps that are at the centre of C&M system:

1. Health and wellbeing gap
2. Care and quality gap

3. Funding and efficiency gap

CVD Programme management



Each workstream has a clinical lead that is either a member of or reports to the CVD Programme Board. The Board has representation from all sectors involved: local authority, public health, primary care, secondary care, tertiary care, mental health and patients/public. The Board meets monthly to ensure progress in all workstreams and escalation of issues as required.

The programmes of work are aligned to system-wide priorities as indicated in the above graphic. The workstreams which are based around community link to the STP Prevention at Scale and the STP Place Based Care programmes; the Digital workstream links to the STP Digital Revolution and STP Carter at Scale; whilst the four workstreams focused around hospital care link to the STP Acute Sustainability: Urgent and Emergency Care programme.

Each workstream is expected to deliver a Case for Change document to the CVD Programme Board; once approved by the Board, the case will be taken up through the C&M governance structure to get system approval for the proposed improvements. Delivery plans will then be developed with each impacted provider and organisation.

Throughout the programme one of the main activities is engagement with stakeholders from different sectors. A number of clinical summits have taken place during 2017/18 and will continue in 2018/19 and 2019/20. These summits are a good place to work with peers and public on the solutions for the issues discussed. Through these platforms the CVD programme develops a system-wide approach for the improvement required. Additionally, the CVD programme produces a newsletter shared with stakeholders every quarter.

In addition to the CVD programme leadership role in the wide STP, LHCH has also been identified as the chair organisation in the programme of work around a Single Cardiology Service in Liverpool. Working in partnership with the Royal Liverpool and Broadgreen University Hospital and Aintree University Hospital, LHCH is actively involved in the development of a single service for the city. This has identified areas that will provide quick wins and will serve as the foundation stone for further partnership ventures:

- Transient loss of consciousness clinics
- Cardiac rehabilitation services
- Heart failure services in the community

LHCH is also working with the wider system to introduce interoperability to electronic systems across the city and the region. This is one of the major priorities for the NHS and is essential for the delivery of certain system-wide improvements.