

Operational Plan 2016/17 – our priorities and measures of success



Bolton NHS Foundation Trust

Who we are

Bolton NHS Foundation Trust is an integrated care organisation providing care and support in health centres and clinics, including the prestigious Bolton One complex in the town centre, as well as domiciliary and ill-health prevention services. We also provide intermediate care in the community and a wide range of services at the Royal Bolton Hospital.

Our Primary Objectives



“Our vision is to be an excellent integrated care provider within Bolton and beyond delivering patient centred, efficient and safe service.”

Our part in Greater Manchester

In February 2015 the 37 NHS organisations and local authorities in Greater Manchester signed a landmark agreement with the government to take charge of health and social care spending and decisions in our city region

As part of Greater Manchester we are committed to 5 clear transformational priorities



Bolton **NHS**
NHS Foundation Trust

Salford Royal **NHS**
NHS Foundation Trust
University Teaching Trust

safe • clean • personal

Wrightington, Wigan and Leigh **NHS**
NHS Foundation Trust

We will not achieve this in isolation. We will work both across the sector in collaboration with our partner Foundation Trusts to deliver best care for our most sick patients and with commissioners and providers within Bolton to deliver place based care at pace tailored to the needs of our Bolton residents.

Bolton
Council

NHS
in Bolton

Bolton Health and Care 5 Year Locality Plan

How we are working to achieve our vision.

The journey towards achieving our vision is underpinned by strategies and plans. Trust strategies are reviewed annually as to recommit, refresh or renew with approved annual operational plans for delivery. These individual operational plans inform the trust operational plan.

Name of Strategy	Strategy Period	Approving Committee for New Strategy	Approving Committee for annual review	Strategy Review date
Taking Charge of our Health and Social Care in Greater Manchester	2016-2021	Board of Directors/GM Strategic Partnership Board	Board of Directors/GM Strategic Partnership Board	January 2016
Bolton Locality Plan	2016-2021	Board and Directors/Health and Well-being Board	Board of Directors/Health and Wellbeing Board	November 2016
Trust Strategic Direction	2013/14-2018/19	Board of Directors	Board of Directors	June 2016
People Strategy	2016-2021	Board of Directors	Board of Directors	December 2016
Quality Improvement Strategy	2014-2017	Board of Directors	Board of Directors	April 2016
Long term Financial Plan	2014-2019	Board of Directors	Finance and Investment Committee	June 2016
Integrated Patient, Family and Carer Experience Strategy	2013-2015	Board of Directors	Board of Directors	March 2016
Informatics Strategy	2015-2025	Board of Directors	Quality Assurance Committee	May 2016
Service Strategy	2016-2021	Board of Directors	Board of Directors	May 2016
Estates Strategy	2016-2021	Board of Directors	Finance and Investment Committee	September 2016

Our 2016/17 Operational Plan

Our operational plan has been developed over a number of months through engagement with our clinical teams and senior managers and has evolved to adhere to national guidance, the key objectives from the local sustainability and transformation plan, our North West Sector Acute Care Collaboration and own internal priorities. This plan will engage with the Bolton Health and Well-being Board and will be approved by our Board of Directors.



Above are our 6 strategic goals. Our operational plan is presented in 6 sections that describe how we will achieve our strategic goals in 2016-17. A table follows the narrative within each section which defines our objectives. Once approved, performance against these objectives will be monitored monthly by our Board of Directors.

Bolton NHS Foundation Trust will start 2016/17 having received a visit from the Care Quality Commission in March 2016. Thus feedback from this visit will influence positively the quality priorities for the organisation over the next five years. The Trust has considered:

- The Academy of Medical Royal Colleges' 2014 report Guidance for taking responsibility: accountable clinicians and informed patients – and has an in date and approved consent policy as well as a host of policies and procedures that cover the points of the report
- The Trust has quality objectives set out in its Quality Improvement Strategy 2014 – 2017 as well as through its quality account.
- The Trust has a mature risk register culture and Board Assurance Framework which highlights the key quality risks to the organisation and its plan to address these. The Trust commissioned the Royal College of Surgeons to undertake an 'invited review' of theatres in mid-2015, its action plan shows considerable progress but remains a focus for the Board of Directors and all staff in the organisation
- Through the BAF and the work of the Mortality Reduction Group the Trust is committed to reducing patient deaths.

Our approach to Quality Improvement

The Trust is a signatory to the 'Sign Up to Safety' campaign since 2014 and has linked its 'Sign Up' work with the Quality Improvement Strategy and Integrated Patient, Family and Carer Experience Strategy.

- From April 2016 the organisational approach to Quality Improvement will be developed by a Quality Improvement Facilitator working with corporate and operational colleagues to ensure continuous improvement of services and promote a culture of innovation.
- Scrutiny of the achievement of the Quality Improvement Strategy goals is the responsibility of the Clinical Governance & Quality Committee, oversight rests with the Quality Assurance Committee chaired by a non-executive director
- The Medical Director is the named executive lead for Quality
- The Quality Improvement Strategy 2014 – 2017 and the Sign up to Safety pledges include:
 - Bolton to be within the top ten NHS hospitals for risk adjusted mortality
 - Bolton to be a leading unit for low perinatal mortality
 - Strengthen the infection control culture, with infection control champions in all clinical areas

- The Integrated Patient, Family and Carer Experience Strategy aims for our organisation to be in the top 20% of responses for the inpatient survey results.

Our top 3 risks to quality

The BAF (Board Assurance Framework) captures the three top risks for Quality as:

- Failure to reduce the number of hospital acquired infections.
- Failure to provide appropriate skill mix for “safe and suitable” staffing
- Failure to provide an adequate timely response to the deteriorating patient.

Although high level actions targeting the mitigation of these risks have been captured within this section of the Operational Plan further, underpinning detailed action plans are in place.

Being well-led

The Trust has engaged leadership throughout the organisation, initiatives include structured walk rounds, newsletters in electronic and hard copy format, staff awards and a good relationship with unions. The Trust has a variety of organisational development work streams to ensure the Trust and its workforce is fit for the future which is fully captured within our People Strategy.

The responsible consultant.

Our system for ensuring each patient has a named consultant throughout their in-patient stay complies with the Association of Medical Royal College guidance. It is visible to staff on our electronic patient administration system and to patients on their bed headboards”

Seven Day Services

The trust is currently undertaking the development of the service strategy utilising the Monitor toolkit for strategy development. The strategy will, in line with the locality plan, outline the organisations intentions to deliver high quality and financially sustainable services over 7 days and for further integration with social and primary care services. This may be achieved through a number of innovations such as working with other providers in new ways, improving productivity or further integration with our GPs and Local Authority services.

Quality Impact Assessment Process

A robust quality impact assessment process (QIA) is in place to provide assurance that savings schemes have minimal impact on quality and that all are approved by the Medical Director and Director of Nursing. The QIA process also ensures that key performance indicators are measured and monitored following scheme implementation for a period of 6 months post implementation. The QIA process is managed through the Programme Management Office (PMO) who regularly review and enhance based on learning. The process works as follows:

- The scheme Lead uses the QIA guidance to make an assessment on whether the scheme has the potential to impact on safety, quality and patient and staff experience and therefore whether it requires a QIA
- If the decision is taken that a QIA is not required (not applicable) then the reason is recorded. Divisional Head of Division and Divisional Nurse Director will review this decision. The 'Not applicable' list is also reviewed by the Medical Director and Director of Nursing for challenge.
- If a QIA is required submit to the Head of Division and Divisional Nurse Director for divisional sign off following their agreed divisional process.
- The corporate sign off by Medical Director and Director of Nursing is the final approval that a team can proceed with their savings scheme. A scheme can be rejected and suspended at this or any point and feedback provided to the team if there is a view that risks to quality have not been mitigated.

Quality Safety & Patient Experience	Trust Wide Objective	Lead Director	Outcome Measure	Target 16/17
	1.1 Respond to the deteriorating patient	Medical Director (MD)	Reduction of avoidable cardiac arrests	50% Reduction by March 2017
			Recording of National Early Warning Scores (NEWS) to Gold Standard.	80% achieved monthly
			Replacement of current Hospital at Night system, with a fully supported and auditable system capable monitoring the deteriorating patient (e-obs)	System replaced by December 2016
			Documented evidence of timely and appropriate medical response to the NEWS algorithm	Baseline data available
			Documented evidence of timely and appropriate nursing response to the NEWS algorithm	Baseline data available
			To be able measure avoidable death in hospital *NHS Planning Guidance	Measure available
			Standardised Hospital Mortality	100
			Risk Adjusted Mortality	100
	1.2 Reduce healthcare acquired infections	DON	Compliance of Department of Health's Best Practice Guidance for Antimicrobial Stewardship in Hospitals (England)	85% monthly target
			Infection control champions in all clinical areas	100% by trajectory
			Clostridium Difficile hospital acquired infections	TBC by NHS England
	1.3 Implement priorities for care for the dying person	DON	Delivery of Sage and Thyme definitions of training delivered to clinical staff with direct patient contact	50% by trajectory
			Enhanced Communication training delivered to band 7 and above clinical staff/medics	30% by trajectory
			Establish a reliable after death survey and produce quarterly reports with identified themes of learning	Quarterly reports produced
			Establish and embed a robust system for auditing 'do not attempt resuscitation' communication with patients and relatives	Audit process implemented

	1.4 To develop a systematic process to ensure safe staffing levels both within the hospital and the community	DON	Use data from e-roster systems to ensure actual staffing levels are appropriate to the Trust policy, planned establishments and patient acuity.	100%
			Roll e-rostering tool out to departments and community services	Full Roll Out
	1.5 For our patients to receive harm free care	DON	All patient falls	982
			Acute inpatients acquiring grades 2+ pressure damage	27
			Community patients acquiring pressure damage	76
			Total number of medication incidents	1200
			Compliance with preventative measures for Venous Thromboembolism	95%
			Same sex accommodation breaches	0
			Theatre list team INBRIEF completed	100%
			Theatre SIGN IN completed	100%
			Theatre TIME OUT completed	100%
			Theatre SIGN OUT completed	100%
			Theatre list team OUTBRIEF completed	100%
			Total number of Serious Untoward Incidents received	0
			Never events	0
	1.6 For our patients to experience good care	DON	To be placed in the top 20% of responses for the inpatient survey results	Top 20% by March 2017
			Formal Complaints from Patients	240
			Complaints responded to within the time period	95%

2. To be a valued provider – activity planning

- The Trust works closely with NHS Bolton CCG, Bolton Council and NHS England to develop realistic and aligned activity plans. A number of joint workshops have already taken place to review historic activity, current levels and any trends that have been identified. These events have also sought to identify and quantify the impact on activity of any changes to national guidance such as the two week cancer waits in order to ensure these are taken into account when activity plans are agreed.
- Together the Trust, the CCG and Bolton Council are looking at a different form of contract for 2016/17 that will better align the financial risks and incentives for all parties.
- Currently the Trust uses its own model for Capacity and Demand Planning. The models are divisional and then specialty based, with some complex specialties drilled down to individual pathways. Additionally, inpatient waiting list data is used in conjunction with theatre data to model through the capacity and demand for surgical specialties.
- To ensure that timely treatment is received the Trust currently has a contract with 18 Weeks Support to assist with additional capacity to meet the needs of the high Ophthalmology demand.
- The Trust has based its activity plans from month eight 2015/16 and these should be deliver, or achieve recovery milestones for, all key operational standards, and in particular Accident and Emergency (A&E), Referral to Treatment (RTT) Incomplete, Cancer and Diagnostics waiting times.
- The Trust currently operates an A&E deflection scheme and has implemented an Ambulatory Care Centre. Standardisation of ambulatory care pathways are being developed as part of Greater Manchester Strategic Plan.
- Negotiations for local CQUINs are ongoing and currently include a significant reduction to non-elective activity for certain specialties.

Valued Provider	Trust Wide Objective	Lead Director	Outcome Measure	Target 16/17
	2.1 To deliver the NHS constitution, achieve Monitor standards and contractual targets * NHS Planning Guidance	Chief Operating officer (COO)	18 weeks incomplete	92%
			Diagnostic Waits > 6 weeks	1%
			Cancer 62 day (standard)	85%
			Cancer 62 day (screening)	90%
			Cancer 31 days to first treatment	96%
			Cancer 31 days to subsequent treatment (surgery)	94%
			Cancer 31 days to subsequent treatment (anti-cancer drugs)	98%
			Cancer 2 weeks (all cancers)	93%
			Cancer 2 weeks (breast symptomatic)	93%
			A+E 4 hour	93% * per trajectory
			Community Data Completeness	100%
			% of stroke patients who spend 90% of their stay on the stroke unit	80%
			% readmissions within 30 days of discharge	14%
	2.2 Clear strategy for our services considering the challenges of system resilience and the provision of 7 day and out of hour services. *NHS Planning Guidance	DSOD	Board approved service strategy	Board Approved Strategy May 2016
	2.3 To improve system resilience to enable timely and appropriate flow through the hospital.	COO	Bolton System wide plan agreed by August 16/17 Delivery of Key milestones within the Bolton system wide plan	Agreed Plan August 2016 Milestones delivered

			Discharges by Midday	25%
			Discharges by 4pm	60%
	2.4 To have clear plans in place to ensure our IT systems are fit for the future.	COO	To replace all out of date and not fit for purpose desktops and roll out a virtual desk top environment	December 2016
			To deploy 370 more WIFI points to enable accessibility across the acute hospital site	April 2016
			Implementation of ophthalmic electronic patient records for cataract patients	Go live Oct 2016
			Move to one single Patient Administration System (PAS)	October 2016
	2.5 To increase the care delivered closer to the patients home	COO	Increase in community services activity	16/17 plans yet to be confirmed
			To agree models of ambulatory care pathways and delivery of 7 day services as part of the Greater Manchester North West Sector Programme.	Pathways and model agreed
	2.6 To offer the best care to patients with Dementia <i>*NHS Planning Guidance</i>	DON	Dedicated Dementia Friendly Ward	1 Dedicated dementia ward assigned and all required adjustments completed
	2.7 To develop our role and expertise in ill health prevention	COO	Work with Bolton Locality to agree a new care model for the delivery of an integrated wellness service	Care model agreed
			Utilise the Rightcare information and conversations from developing the service strategy to identify key areas of influence in ill-health prevention with clear actions to address agreed.	Priorities agreed by November 2016

Our People Strategy 2016-2021

Our organisation can only ever be as good as the people who work in it. Our goal for Bolton people is therefore simple: the team should feel fully engaged in their work, well recognised and fairly rewarded. Only as we achieve this can the Trust achieve its goals.

We need to fully align the people and their skills and efforts to our objectives. There are real areas of current strength.

We need to continue our efforts towards those areas that will yield the biggest benefits over the next few years. These are:

- Ensuring we are fit for the future – implementing new workforce models, responding to the ageing workforce and working across organisational boundaries.
- Engagement and experience - maximising effort through open communication, ample recognition, staff health and wellbeing and evident connection to our values i.e. the way we do things round here.
- Managing an efficient workforce – fairly rewarded and flexible staff fully aligned to demand for our services and deployed in agile ways.
- Developing capabilities in management and leadership – the three priority areas above require strong and demonstrable management and leadership at all levels across the organisation.

Board level responsibility for the implementation of our People Strategy rests with the Director of Strategic and Organisational Development. The workforce committee will oversee the actions to ensure progress is being made and provide assurance to the Board of Directors via the Quality Assurance Committee.

The table on the next page illustrates the main workforce challenges which our People Strategy aims to address.

<i>Focus for Change</i>	<i>Challenge</i>
Engagement and Experience	1. Maximising discretionary effort through an engaged and committed workforce. Staff should feel engaged, recognised and rewarded.
	2. Embedding our new organisational values in 2016.
	3. Ensure our workforce reflects Bolton's people and our role in Bolton's future. Optimising our use of training and development schemes to 'grow our own' future workforce.
Fit for the future	4. Map our planned strategic service models against our workforce to determine staffing requirements; for example single service partnership models with other NHS organisations, and the growth of the advanced nurse practitioner role to alleviate recruitment challenges in key specialties such as A&E medical staff, radiology, and geriatricians.
	5. Respond to an aging workforce with innovative solutions that value experience, particularly for nurses and midwives. Supporting our staff to work for longer in roles of less 'intensity', with guidance from the NHS Working Longer Group.
	6. Develop new roles and staffing models encouraging our current and future staff to work flexibly across hospital and community settings, and also across organisational boundaries with other providers.
Efficient Workforce	7. Fully aligning workforce to demand for our services - teams need to be appropriately staffed and flexible.
	8. Improve our ability to attract talented staff in a competitive market by improving candidate attraction, speeding up our time to recruit, and ensuring the right levels of remuneration.
	9. Improve our deployment and management of temporary staffing by reviewing our levels of pay and booking systems and maximising the benefits of e-rostering.
Management and Leadership	10. Develop management and leadership capability across the trust particularly focusing on first line and middle managers. Leaders should be visible, communicate with their teams and deal with issues effectively.
	11. High quality operational management of staff performance, conduct and sickness

Initiatives have been developed in conjunction with Workforce Committee, JNCC, Executive Directors, and senior managers. Against each initiative are high level implementation and resource implications, and success measures. These initiatives underpin the People Strategy objectives

		Fit for the future	Efficient workforce	Engagement & experience	Leadership and management
15/16	Bolton Career Academy	X		X	
	Cadets and Apprenticeships	X		X	
	Recruitment Calendar		X		
	Leadership Visibility			X	X
	Recruitment Process		X		
	Recognition Strategy			X	X
	Non-commissioned Pre-registration nurse training programme and cadet scheme	X			
	Volume and Activity Tracking Tool	X			
16/17	Health and wellbeing			X	
	Case management		X		X
	Workforce planning	X			
	Integrated metrics			X	X
	Recognition and reward	X		X	X
	Temporary staffing management		X		
	Equality diversity and inclusion	X		X	X
	Implications of ageing workforce	X			

Workforce Planning

The decisions we make today about skill mix, training places and operational models will all impact on whether the workforce of the future is able to manage the key challenges of providing high quality compassionate care to our patients.

The Trust will invest time and resource to develop a robust workforce plan which supports short, medium and long terms workforce requirements of the Trust. This should be done in conjunction with robust divisional capacity and service line planning because these are the drivers for the workforce requirements.

We will:

- Secure senior leadership commitment to workforce planning, linking our service planning to deliver the planned changes as our services evolve locally and we deliver services across the North West Sector.
- Use tools to support workforce transformation within and across organisations.
- Support service line and management training to ensure leaders have a greater understanding of workforce planning and the tools and techniques that will assist.

Centralised Management of Temporary Staffing

In October 2015 the Trust commissioned a review of processes around Nurse and HCA temporary staffing booking and allocation. It found that our bank and agency booking team is much more cost effective than the equivalent solution available from NHS Professionals.

The feedback supported greater Trust centralisation of temporary staffing management based in the Workforce Directorate, with that team responsible for all bank, agency and locum bookings. This team would be aware of all national and regional restrictions on agency usage, would be linked into all the NHS frameworks which control agency usage and spend (thus ensuring best price and safe agency workers looking after our patients), and would also be able to use our internal electronic systems for best practice. This option will not require any additional resource; rather the centralisation of resource from across the organisation. A working group has been established to implement the actions from the review.

Great Place to Work	Trust Wide Objective	Lead Director	Outcome Measure	Target 16/17
	3.1 Staff feel engaged, recognised and rewarded	DSOD	Our staff tell us they would recommend the Trust as a place to work Sickness absence levels are appropriately managed Stability Index is within reasonable levels Vacancy Level	66% - achieved for Q2 by trajectory 4.2% 75-85% <6%
	3.2 Staff are proud of the work they do	DSOD	Our staff tell us they would recommend the Trust for treatment	80% - achieved for Q2 by trajectory
	3.3 Staff are clear about their objectives and development needs	DSOD	Increased staff with appraisal Staff attending statutory training Staff attending mandatory training	85% 95% 85%
	3.4 Teams are appropriately staffed and flexible	DSOD	Average Time to recruit Recruitment to unconditional offer with 8 weeks Total Bank Shifts filled Total agency shifts filled 50% nurse shifts identified	11 weeks 95% 66% 70% 14 days
	3.5 Leaders are visible, communicate. And deal with issues effectively	DSOD	Staff reporting good communication between management and staff	31% annual survey
	3.6 Compliance with NHS improvement agency rules	DSOD	Compliance with annual ceiling for nursing staff	Compliant
			Use of frameworks for all nurse agency staff	Compliant
			Compliance with hourly cap for agency staff	Compliant

4. To be well governed – Membership and Elections

- As a Foundation Trust an active and engaged membership is vital to produce an effective and dynamic Council of Governors who are capable of playing their part in holding the Non-Executive Directors to account for the performance of the Trust.
- We are committed to building a membership that is representative of and reflects the local communities we serve in terms of disability, age, gender, socio-economics, sexuality, ethnic background and faith.
- Our latest membership strategy which was approved by the Governors in 2015 recognises the importance of a rolling recruitment programme but focuses on the engagement of the existing membership through a programme of events and opportunities for members of the Trust and the wider public to engage with the Governors and with the wider Trust. Events planned for 2016/17 include continuation of our popular Medicine for Members events and Governor Coffee mornings and attendance at events within the local communities served by the Trust.
- We recognise that the age distribution of our members does not reflect our local community. To address this we will target recruitment of people aged under 50, we hope to achieve this by working with local employers, schools and colleges to focus on this age group.
- We have an engaged and active Council of Governors, however a significant proportion of our Governors have now been in post for almost eight years against a maximum term of nine years. We have identified members who have expressed an interest in becoming governors and will be offering opportunities to attend sessions to learn more about the role of the Governor in preparation for our elections this year and next year.
- In 2016/17 we plan to be able to offer on line voting in addition to the traditional postal vote as we hope this will increase voting turnout particularly amongst our younger members.
- Looking forward to late 2016/17 and 2017/18 we are working with our Governors to amend our constitution to amend our electoral boundaries creating fewer areas of the public constituency to reach a position where each area has several Governor representatives - we hope that this change might encourage more younger members to put themselves forward for election.
- We provide an on-going programme for training and development. This includes induction sessions for new Governors - also popular as a refresher course for experienced Governors, a rolling series of training sessions to focus on key skills including interview techniques, holding to account and understanding finances. We also work closely with other Trusts in the North West to share Governor training and development through a programme of regional Governor events.

Well Governed	Trust Wide Objective	Lead Director	Outcome Measure	Target 16/17
	4.1 To ensure that the organisation is actively managing risks which prevent or hinder the provision of Safe, Effective, Caring, Well-led and Responsive Services	DON	<p>To complete annual review of the effectiveness of the Risk Management Committee</p> <p>Risk register reports to provide graphical interpretation of the data, to aid services to focus on the business critical tasks</p> <p>Divisions to implement a close monitoring system of specialty and ward level risks with annual review of assurance.</p> <p>Total incidents reported on safeguard</p>	<p>Review completed</p> <p>Graphical data available</p> <p>System implemented and annual review for assurance completed.</p> <p>12000</p>
	4.2 Improving data quality, which is meaningful and fit for the future.	COO	<p>Approved Business Intelligence Strategy</p> <p>Identify appropriate external assessment framework for informatics and complete assessment against criteria</p>	<p>Strategy Approved</p> <p>Clear criteria identified with actions</p>

5. Financially Viable and Sustainable - Financial Planning

2015/16 Outturn to 2016/17 Recurrent Position

The Trust is forecasting a surplus of £1.8m for 2015/16 however there is a significant non recurrent element to this as can be seen in the table below. The underlying position is a deficit of £5.9m.

	<u>£,000</u>
1) 15/16 outturn	<u>1,863</u>
2) Non recurrent - capital to revenue transfer	-4,100
3) Non recurrent - balance sheet flexibilities	-3,612
4) Other	<u>-64</u>
5) Recurrent position	<u>-5,913</u>

2016/17 Financial Plan – Income and expenditure

The income and expenditure plan is summarised below:

Summary Income and Expenditure Account		Out-turn 2015-16	Plan Year Ending 31-Mar-17
Operating income (inc. in EBITDA)			
NHS Clinical income	£m	270.4	277.1
Non-NHS Clinical income	£m	1.5	1.8
Non-Clinical income	£m	19.3	20.2
Total operating income, inc. in EBITDA	£m	291.2	299.1
Operating expenses (inc. in EBITDA)			
Employee expense	£m	-205.1	-201.4
Non-Pay expense	£m	-75.6	-75.7
PFI / LIFT expense	£m	0.0	0.0
Total operating expense, inc. in EBITDA	£m	-280.7	-277.1
EBITDA	£m	10.5	22.0
<i>EBITDA margin %</i>	%	3.6%	7.3%
Operating expenses (exc. from EBITDA)			
Depreciation & Amortisation	£m	-5.7	-6.7
Total operating expense, exc. From EBITDA	£m	-5.7	-6.7
Non-operating expenses			
Interest expense (non-PFI / LIFT)	£m	-0.8	-0.9
PDC expense	£m	-2.2	-2.5
Total non-operating expenses	£m	-3.0	-3.4
Surplus / (Deficit) after tax	£m	1.8	11.9

The planned surplus of £11.9m is the control total proposed by NHS Improvement to which the Trust has agreed. The Trust is therefore planning to receive £9.2m from the Sustainability and Transformation Fund (S&T Fund).

There is significant risk to the achievement of this control total. Income and cost improvements of £15.3m (5.3%) are required in addition to the mitigation of a number of other risks. The overall risk range is a £19m deficit to a £11.9m surplus. These issues can be understood from the bridge below:

2016/17 Financial Risk	I&E Risk Range			Plan £,000
	Worst £,000	Med £,000	Best £,000	
1) 15/16 underlying	-5,913	-5,913	-5,913	-5,913
2) Full Year Effects	0	655	1,309	1,309
3) Quality and performance funding from CCG	0	992	1,983	1,983
4) National Efficiency Assumption	-5,740	-5,740	-5,740	-5,740
5) £30m revenue consequences	-2,827	-2,827	-2,498	-2,498
6) Quality investments	-500	-1,000	-2,000	-2,000
7) Margin impact of tenders and service transfers	-3,000	-1,850	-700	-700
8) QIPP Impact	-4,500	-2,925	-1,350	-1,350
9) Generic cost pressure risks	-2,850	-1,425	0	0
10) Generic cost income risk - including CNST fund	-2,850	-1,425	0	0
11) Assume no penalties	0	828	1,656	1,656
12) Other technical	0	327	653	653
13) Income and cost improvements	8,668	11,984	15,300	15,300
14) Sustainability fund	0	0	9,200	9,200
Risk range	-19,512	-8,321	11,900	11,900

Notes to the above are as follows:

1. 15/16 underlying position – as noted
2. Full year effects – there are £1.3m of positive full year effects to flow into 2016/17. There are some contracting risks with these which have been reflected in the risk range.
3. Quality and performance funding from the CCG - Under PBR rules notice has been given to the CCG of £1.9m of activity which has not previously been charged for. The Trust is seeking to negotiate the use of this funding to support a number of necessary quality and performance improvements. The risk range reflects potential CCG affordability issues.
4. The national efficiency assumption of 2% is certain so no risk range has been reflected.
5. The revenue consequences of the planned element of the £30m capital spend is up to £2.8m. Some mitigation is possible hence the risk range.
6. There are a number of investments in quality and organisational development proposed for 2016/17, or may result from the CQC inspection in March. It is planned that these are funded from the investments noted in 3) above. The main issue that needs to be dealt with is A&E performance. The plan as set out supports the delivery of 93% A&E performance for the year which is an improvement on the performance delivered in 2015/16. There is some potential to reduce these costs if funding is not available hence the risk range.
7. A number of services are being tendered by the CCG, specialised commissioning and the local authority. There are also potential service transfers e.g. vascular which could have a material negative impact on the Trust's margins. £3m is the indicative assessment of the potential worst case risk. It is certain that there will be a negative impact of £700k even if all the tenders are won / services retained.

8. The CCG will have a major QIPP programme in 2016/17, although it is not clear what this is currently. The income risk of £4.5m is therefore indicative at this time. The mitigations assume effective action to reduce costs where activity reduces, however there will be fixed / semi-fixed costs that cannot be reduced in year.
9. An allowance has been made for a 1% cost pressure risk, it is assumed at this stage that effective management action could mitigate this in full.
10. An allowance has been made for a 1% generic income risk, to reflect shifts in demand etc. It is assumed at this stage that effective management action could mitigate this in full.
11. As instructed in the planning guidance the Trust is not planning for penalties to be imposed by the CCG (we have assumed this includes the readmission penalty). We recognise however that penalties may be levied through the operation of the S&T fund hence the risk range.
12. Other technical – in order to achieve the plan as set out the Trust will have to identify further balance sheet / other technical flexibilities. These are not certain at this time hence the risk range.
13. The Trust is targeting income and cost improvements of £15.3m (5.3%), there is risk to the delivery of this target as described in the next section. If the target is fully achieved and other risks mitigated to the degree set out in the “plan” column then a breakeven position can be achieved for 2016/17.
14. The £11.9m surplus plan requires support from the S&T fund of £9.2m. The full business rules for the operation of this fund have not been issued yet. It is assumed for the purpose of the risk range that no funding will be made available on the mid case or worst case scenario.

Generic cost pressures are assumed in the plan as follows:

	%	£,000
Tariff	1.10%	3,162
CNST in Tariff		1,115
Payaward	1.00%	-1,852
Increments	0.98%	-1,815
Employers NI Contribution	1.73%	-3,213
Auto Enrolment	0.07%	-128
Non Pay	1.61%	-723
Drugs	6.00%	-433
CNST	17.00%	-1,116
Capital Charges	8.47%	-759
Total	-2.01%	- 5,762

Income and Cost Improvements

The Trust is planning to deliver £15.3m of income and cost improvements (5.3%) in the year. This is nearly the full value of the £16m savings identified through the Carter programme. At the time of writing £14.8m of schemes have been identified, taking into account delivery risk this is adjusted to £8.7m.

	Identified	Risk Rated	Risk Rated
2016/17 ICIP as at 5th Feb	£,000	£,000	%
CQUINs improvement	1,341	335	25%
Elective	3,621	2,585	71%
Adult and Acute	3,801	2,018	53%
Families	2,021	1,173	58%
Intgetrated community	869	606	70%
Procurement	500	250	50%
Estates	1,123	727	65%
Corporate	779	275	35%
Assets	699	699	100%
Total	14,754	8,668	59%
Target	15,300	15,300	
ICIP Identified as % of target	96.4%	56.7%	

In order to improve certainty over ICIP delivery for the year the Trust is doing the following:

- Continuing the bottom up planning process with the Divisions
- Reviewing all opportunities identified by the Carter programme
- Conducting, by the 31st March, nine specialty reviews through the Bolton Model Hospital programme
- Conducting a process to identify the potential for further material reductions in agency spending

It is anticipated that through these measures the target of £15.3m will have been more than fully identified by the 31st March and the risk adjusted number will have increased to at least £11.9m.

Contracting

The Trust is working positively with the CCG to identify how both organisations can meet their financial duties in 2016/17. The risk sharing approach to this will include a major step away from a standard PBR contract to a more outcome based contract, informed by “single control total” thinking. This work is at an early stage but rapid progress is anticipated through February. It is expected that the contract will be signed before the 31st March.

Capital

In 15/16 Monitor supported the Trust to achieve a planned term support package from the ITFF committee as part of removing the Trust from regulatory action. As part of this Monitor did significant work to verify the Trust’s need to spend £30m additional capital over four years to address a range of critical infrastructure issues that would need to be dealt with under any conceivable service configuration going forward. A significant proportion of this funding is planned to be spent in 2016/17, £18.4m capital is being spent in total, of which £6.7m is financed internally from depreciation, the balance, £11.7m, is funded by loans and PDC draw down as previously agreed.

The Trust is aware of NHS Improvement’s intention to set control totals for capital spending in 2016/17. The Trust hopes that this process will not impact on its capital spending plans for the year, due to the significant risks that need to be mitigated through the planned spending.

Cash

It is forecast that the Trust will end the year with £1.6m cash in hand, although it is forecast that this will only be achieved through limited use of the Trust’s working capital facility.

The Trust is planning for a cash balance of £7.8m at the end of 2016/17. This assumes full repayment of any use of the Trust’s working capital facility at the end of 2015/16.

Given the scale of the financial risk facing the Trust and the uncertainty therefore as to how much of the S&T Fund the Trust will actually receive, there is potential that the Trust will need to make extensive use of its working capital facility. On the mid case I&E scenario this would be sufficient to ensure the Trust meets its obligations. On the worst case scenario additional distress funding would be required.

Financial Sustainability Risk Rating (FSRR)

The Trust will have delivered a FSRR of two in 15/16. Given the S&T fund and control total the Trust is planning for a FSRR of four.

A deficit beyond £2.8m would mean a risk rating of one. On the mid case scenario therefore, the Trust would have a risk rating of one.

Financially Viable & Sustainable	Trust Wide Objective	Lead Director	Outcome Measure	Target 16/17
	5.1 Service and Financial Sustainability	DOF	Deliver control surplus of £11.9m	£11.9m
			Achieve a Financial and Sustainability Risk Rating of Four	Four
			Implement Lord Carter report recommendations	Report KPIs
	5.2 Financial Governance Improvements	DOF	Maintain an ALE score of Good	ALE KPIs
			No increase in BGAF red flags	BGAF KPIs
			Basic process assurance remains on green	Basic Process KPIs
	5.3 Finance Skills Development	DOF	Support divisions to deliver in the context of an outcome based contract	Training in Q1
			Increase commercial acumen through delivery of bid wiring/tender response training to key managers	10 managers trained by November 2016
			80% of acute spend reviewed using the Bolton Model Hospital process	80% Covered
			Implement next phase of Finance Directorate Development Plan	KPIs - trajectory

6. To be fit for the future – sustainability and transformation plan



Devolution – Taking Charge in Greater Manchester

In February 2015 the 37 NHS organisations and local authorities in Greater Manchester signed a landmark devolution agreement with the Government to take charge of health and social care spending and decisions in our region.

Our goal is to see the fastest and biggest improvement to health, wealth and wellbeing of the 2.8 million people living within Greater Manchester, so we have people, healthy and independent people.

Our vision is that we become a place where we take charge and responsibility to look after ourselves and each other. There's a role for everyone, from the individual to the family, the community, the voluntary sector and the public bodies to work together

Sustainability and Transformation Plan

The Bolton Health and Care 5 Year Locality Plan was developed and agreed by all Bolton commissioning and provider organisations in December 2015 including the Bolton Health and Well-being Board. As our Sustainability and Transformational Plan this will inform the future strategic direction of the Trust.



Bolton Health and Care 5 Year Locality Plan



University Teaching Trust

safe • clean • personal



Acute Care Collaboration – Hospital Group Vanguard

As part of the North West Sector of Greater Manchester our organisation is working in collaboration with Wigan, Wrightington and Leigh Foundation Trust and Salford Royal NHS Foundation Trust to develop single shared services for the benefit of the sector population. Discussions are currently underway around the foundation membership of a Hospital Group.

Pre-implementation plans for a single service provision of high risk emergency general surgery, urgent, acute and emergency medicine and radiology are already well underway.

Fit for the Future - Capabilities	Trust Wide Objective	Lead Director	Outcome Measure	Target 16/17
	6.1 Develop improvement capability in front line staff by adopting an integrated approach to quality improvement, and implementing improvement capability training programmes.	MD	Investment and clear processes for improvement capability and innovation <i>*NHS Planning Guidance</i>	Board Approved Plan by March 2017
	6.2 Achievement of the Better Care Fund Indicators *15/16 figures as 16/17 targets yet to be approved.	COO	Reduction in emergency admissions	16,384*
			Reduction in the permanent admission of older people to nursing and residential homes	36*
			Proportion of patients still at home 91days after discharge from hospital to re-ablement services	86%*
			Reduction in delayed transfers of care (total delayed days)	1577*
	6.3 Work alongside the CCG to Support continued provision of a sustainable and quality primary care service <i>*NHS Planning Guidance</i>	DSOD	Referrals to home based intermediate care	752*
			Continue to develop a positive relationship with an established GP Federation offering to support with challenges where able.	Actions identified and agreed
			Work closely with Primary Care colleagues to further develop integrated pathways for our elderly population and those with long term conditions	Actions identified and agreed

6.4 Establish single service partnerships across the North West Sector: General Surgery and Urgent Emergency and Acute Medicine	DSOD	Progression towards single service models	Single service models agreed with implementation plans
6.5 Work with key external stakeholders to identify estates requirements to support the integration of health and social care community services.	COO	Complete utilisation of all space used by Bolton Health and Social Care. Identify surplus / dilapidated premises for disposal and identify where premises are required to remain in service but require refurbishment.	Recommendations developed and approved for action
6.6 Progress delivery of the Bolton Locality Plan <i>*NHS Planning Guidance</i>	DSOD	<p>Delivery of 16/17 Bolton Locality Plan Objectives</p> <p>Incremental progression of services up the AQUA system integration/Accountable Care Maturity matrix</p> <p>Improve relationships with key stakeholders</p>	<p>Bolton Locality Plan 16/17 objectives achieved</p> <p>Maturity scores increased by March 2017</p> <p>Implementation of February 2016 Board action plan</p>
6.7 Be the lead provider for women and children services both for the Bolton and Salford population and the wider footprint.	DSOD	<p>Agree Sector plan for Gynaecology</p> <p>Agree Sector plans for Paediatric surgery</p> <p>Agree sector plans for SRFT PANDA Unit</p>	Activity Transfer Agreed
6.8 Approve and implement strategies that are fit for purpose through an agreed annual work plan	DSOD	16/17 Strategy Work plan	Adherence to work plan

Glossary

A+E	Accident and Emergency
BAF	Board Assurance Framework
CCG	Clinical Commissioning Group
D-diff	Clostridium Difficile
CHKS RAMI	Risk Adjusted Mortality Index
COO	Chief Operating Officer
CQC	Care Quality Commission
CQUINS	Commissioning for Quality and Innovation
DNA CPR	Do not attempt cardio pulmonary resuscitation
DOF	Director of Finance
DON	Director of Nursing
DSOD	Director of Strategic and Organisational Development
e-obs	Digital patient observation recording system
GM	Greater Manchester
HCA	Health Care Assistant
ICIP	Income and Cost Improvement Plan
IG	Information Governance

IPM	Integrated Performance Management
JNCC	Joint Negotiating Consultative Committee
MD	Medical Director
NEWS	National Early Warning Score
PANDA	Paediatric Assessment Unit
PAS	Patient Administration System
PBR	Payment by Results
PMO	Programme Management Office
QI	Quality Improvement
QIA	Quality Impact Assessment
RTT	Referral to Treatment
SHMI	Standardised Hospital Mortality Index
SRFT	Salford Royal Foundation Trust
S&T	Sustainability and Transformation
VTE	Venous –thrombosis embolism