

Annual plan

2019-20

**Purpose**

The purpose of this annual plan is to set out the Trust’s Intentions for the 2019-20 financial year by:

* Demonstrating a strong understanding of our services and their challenges and opportunities
* Providing a clear vision and direction of travel to meet the needs of Lincolnshire patients
* Detailing plans for key services including activity, workforce and financial plans

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26 March 2019

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1. **Who we are**

**This section provides a summary of the Trust’s current range of services and a profile of the population we care for.**

* 1. **Trust overview**

United Lincolnshire Hospitals NHS Trust (ULHT) is situated in the county of Lincolnshire and is one of the biggest acute hospital trusts in England, serving a population of over 750,000 people. The Trust provides a broad range of clinical services including community services, population-screening services, and routine and urgent secondary care services including specialised services for stroke, vascular and cardiac services.

The Trust’s services are provided from three principal hospital sites: Lincoln County Hospital, Pilgrim Hospital, Boston and Grantham and District Hospital. In addition, a number of services are provided from community hospitals closer to patients’ homes at Louth County Hospital, John Coupland Hospital, Gainsborough, Johnson Community Hospital, Spalding and Skegness and District General Hospital.

In an average year, we treat more than 150,000 accident and emergency patients, over 600,000 outpatients and over 140,000 inpatients. We also deliver over 5,000 babies.

We employ over 7,500 staff including 770 doctors, 2,200 nurses and 2,000 other health professionals.

While the Trust is facing some significant challenges, having been in financial special measures and quality special measures in 2018/19, there is much work going on to address these challenges. In 2018/19, we have:

* improved our CQC rating, with over 80 domains across our services being rated as good, despite our overall rating being ‘requires improvement’
* piloted a new orthopaedic surgery model which has significantly reduced cancellation of operations
* increased the number of outpatient appointments completed by 6,000
* invested £1.8million in the ‘Big Change’ project at Pilgrim which is leading to improvements in our delivery of urgent care
* almost halved our ambulance handover times due to an innovative partnership with EMAS and SSG Health Consultants
* improved our compliance with the hygiene code to 96%
* had no hospital-acquired pressure grade three and four pressure ulcers at our Grantham site for over 12 months

This work has laid a strong foundation for the further improvements that we need to make in 2019/20.**Our services**

We provide a full range of locally commissioned acute hospital services with some specialist services commissioned by NHS England

|  |  |  |  |
| --- | --- | --- | --- |
| Audiology | Diagnostic services | Medical physics | Radiotherapy |
| Breast services | Dietetics | Medical oncology | Rehab Medicine |
| Cardiology | Ear, nose and throat | Neonatology | Respiratory medicine |
| Chemotherapy | Endocrinology | Nephrology | Respiratory physiology |
| Children’s services & paediatrics | Gastroenterology | Neurology | Rheumatology |
| Clinical immunology | General medicine | Neurophysiology | Specialist rehabilitation medicine |
| Clinical oncology | General surgery | Nuclear medicine | Vascular surgery |
| Colorectal surgery | Gynaecology | Ophthalmology | Therapies |
| Critical care | Haematology | Oral and maxillofacial surgery | Trauma and orthopaedics |
| Dermatology | Hepatobiliary & pancreatic surgery | Orthodontics | Urology |
| Diabetic medicine | Maternity and obstetrics | Palliative care |  |

**Our Divisions**

This year, the Trust has piloted a simplified, divisional structure Trust-wide rather than local site management of services. This piloted structure will be formally implemented from 1 April 2019 and will deliver greater consistency to patient care across our hospital sites.

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| --- | --- | --- | --- |
| **Medicine** | **Surgery** | **Family Health** | **Clinical Support Services** |
| Urgent and Emergency Care | Trauma and Orthopaedics and Ophthalmology | Women’s Health | Diagnostics |
| Therapies and Rehabilitation |
| Specialty Medicine | General Surgery | Children’s Health | Pharmacy |
| Cardiovascular | Theatres, Anaesthetics and Critical Care (TACC) |  | Outpatients |
|  |  |  | Cancer Services |

* 1. **Our mission statement**

The Trust’s mission statement sets out our purpose and aims and the values we strive to exhibit at work.

**Our vision:** We will provide excellent specialist care to the people of Lincolnshire, and collaborate with local partners to prevent the need for people to be dependent upon our services.

**Our purpose:** We are here to deliver the most effective, safe and personal care to every patient through our team of safe, skilled, compassionate, dedicated and valued staff.

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**Four ambitions:** Our Patients Providing consistently safe, responsive, high quality care

Our Services Providing efficient, effective and financially sustainable services

Our People Providing services by staff who demonstrate our values and behaviours

Our System/Partners Providing seamless integrated care across the Lincolnshire health community

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**Five values:** Met through our staff charter

**Patient-centred** Putting patients at the heart of everything we do, listening and responding to their needs and wishes.

**Safety** Following ULHT and your own professional guidelines. Speaking up to make sure patients and staff are safe from harm

**Excellence** Striving to be the best that we can be. Innovating and learning from others.

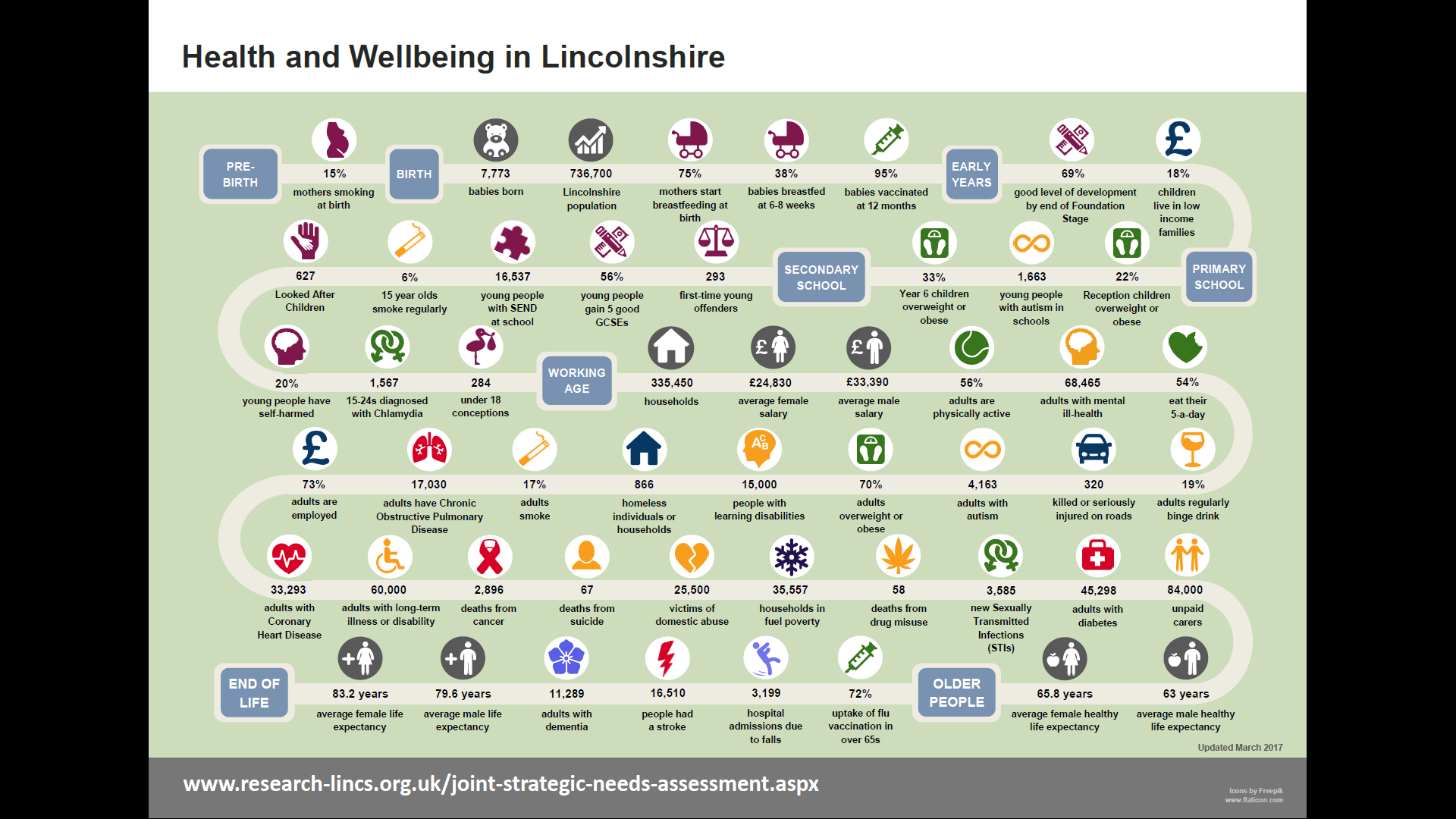
**Compassion** Caring for patients and their loved ones in ways we would want for our friends and family.

**Respect** Behaving and using language that demonstrates respect and courtesy of others. Zero tolerance to bullying, inequality, prejudice or discrimination.

**Our Lincolnshire population** Lincolnshire is the second largest county in the UK with a dispersed population in towns and in the city of Lincoln with many rural communities.

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| **Population estimates** | The population of Lincolnshire is currently estimated to be 751,200 (Office of National Statistics, 2017), a rise of 1% (6,400 persons) on the previous year.  Over the past ten years Lincolnshire’s population increased by 8.3%, which is similar to East Midlands (8.3%) and England (8.2%). |
| **Age Profile** | There are less young people and more older people in the population now.  The proportion of young people in Lincolnshire (aged 0-19) has fallen from approximately 23% of the population in 2007 to 22% in 2017.  In contrast, over the same period the number of people aged 65+ has increased by 3% to 22% in 2017 (compared to a 2% increase nationally to 18%).  9.9% of our population are aged 75 years and over compared with 7.8% in England overall. |
| **Population Projections** | Projections indicate that by 2041 the population in Lincolnshire will have grown by 11% which is below the projected national growth rate of 17%. The population in Lincolnshire is projected to increase by approximately 79,000 people.  This rate of change is not uniform across the county. Between 2016 and 2041, South Kesteven's population is projected to see the largest growth at 15%, followed closely by South Holland (14%). East Lindsey, however, has a much lower predicted growth rate of 6%.  The trend towards an ageing population profile will continue, with the proportion of people aged 65 and over projected to increase from 22% in 2017 to 30% in 2041 and those over the age of 75 is predicted to increase by 88% between 2016 and 2041, which will lead to a higher demand for hospital care from this age group. |
| **Deprivation** | Lincolnshire has areas that are ranked amongst the most deprived in the country, but also has areas that are ranked amongst the least deprived in the country. |
| **Life Expectancy** | Life expectancy at birth has continued to increase. Between 2015 and 2017, life expectancy for both males and females was comparable with the England averages of 79.2 years and 82.9 years respectively. The gap in life expectancy between males and females is narrowing slightly. |
| **Mortality rates** | The infant mortality rate in Lincolnshire is 3.2 deaths/1,000 live births. This is lower than both East Midlands & England averages.  Since 2011 there has been a slight fall in the number of people in Lincolnshire dying from causes considered preventable, the current rate is 101.8 deaths per 100,000 which is higher than the national average of 97.36 per 100,000. |
| **Ethnicity and language** | Lincolnshire as a whole is predominately of white-British ethnicity. However, 15.1% of the population of Boston were born outside the UK, which is higher than the UK average. The use of hospital services is lower for the migrant population compared to the Lincolnshire population as a whole, with the exception of maternity services.  Proficiency in English among those who don't speak it as their first language is poorer in Lincolnshire than in England (69.3% compared to 79.3%). Polish, Latvian and Lithuanian are the most common non-English languages spoken in the county. |

* 1. **Health and wellbeing in Lincolnshire**

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Variances within LincolnshireThe following variances exist in the health of the populations covered by the four clinical commissioning groups.

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| **Lincs West:** Coronary Heart Disease (CHD), lung cancer, COPD and mental health affect life expectancy most. Overweight and obesity are higher than average | **Lincs East:** Prevalence of cancer, diabetes, CHD, stroke, obesity and respiratory disease is high. Emergency admissions of CHD and stroke are significantly worse |
| **South West Lincs:** The prevalence of diabetes, CHD, stroke and cancer is higher. Under-75 mortality rates from respiratory disease is slightly higher | **South Lincs:** The prevalence of diabetes, chronic heart disease, stroke and cancer is higher in SLCCG than England as a whole. Obesity is higher. |

1. **Where we are now**

This section provides a summary of the Trust’s current performance and financial situation, together with the external environment impacting on the Trust.

* 1. **The Trust’s current performance**

**Financial, quality and operational performance**

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| **Quality** | * During 2018/19, the Trust was re-inspected by the Care Quality Commission (CQC) and our rating was improved to ‘Requires Improvement’ but with over 80 individual service domains rated as Good. * The Trust has made significant progress in reducing its Hospital Mortality Rate as measured by HSMR – the November 18 rolling year shows a reduction to 95.43 against a national average of 100 * New Harm Free Care incidents at the Trust have fallen below the national average during 2018/19 with the January 19 figure being 97.8 against a national average of 98.5 |
| **Operational Performance** | * The Trust’s Accident & Emergency (A&E) services continue to operate under pressure – attendances are 14.86% above plan year to date. GP Streaming, however, is progressing well with 33% of A&E attendances diverted to streaming at Pilgrim in February 2019. A&E and Non-elective admissions still exceeded capacity as some of the winter-funded schemes did not deliver the expected benefits. Staffing levels continued to be of concern but Emergency Department recruitment has shown an improving position. * In a year when the Trust experienced a 10% increase in referrals under the two week cancer pathway, the services still achieved some of the best individual month’s performances against the 62 day cancer treatment standard and treated 13% more patients. * On 1 April 2018, there were 39,300 patients on the Trust’s waiting lists. The Trust will meet the NHS target to have a smaller waiting list size at 31 March 2019 with a current waiting list size of 36,657, reflecting increased productivity across most ULHT services. * As of 31 March 2019, the Trust had no patients waiting over 52 weeks for treatment and the Trust is delivering against plans to reduce the number of patients waiting beyond the 18 week standard. * Productive work with partners is developing innovative alternatives to hospital attendance, eg, community based dermatology “spot” clinics and GP-delivered specialist headache clinics. Internal productivity schemes are also delivering improved utilisation of Theatre capacity and Outpatient Clinics. |
| **Finance** | * The Trust was in Financial Special Measures throughout 18/19 and submitted an 18-month Financial Recovery Plan in October 2018. With a revised forecast outturn of £89.4m deficit, further work has now reduced that forecast outturn deficit to £88.2m. * Workforce costs continue to be the Trust’s largest financial challenge due to the level of vacancies and difficulty in recruiting. |

**The Trust’s biggest challenges**The biggest challenge facing the Trust is the recruitment of a full workforce to support the Trust’s operations. Historically, the Trust has struggled to fill vacancies and has had to resort to short-term staffing at higher costs. The workforce plan for 19/20 will have a strong focus on recruitment and retention of skilled staff, with a focus also on changing the skill mix within the Trust, continuing to embrace new roles where opportunities arise.

As a result of the workforce challenges, the Trust is currently under financial special measures and faces a significant challenge in 2019/20 in reducing its deficit to a control total of £70.3m deficit. A full financial recovery plan has been submitted to NHSI which will support the reduction of the Trust’s deficit to £70.3m in 2019/20. The financial recovery plan is supported by a range of financial efficiency plans which will enable the new divisions to achieve significant reductions in operating costs.

In addition, the Trust is in quality special measures and in 2018, the Trust was re-inspected by the Care Quality Commission (CQC) and received an improvement in their rating to ‘requires improvement’. It is the Trust’s ambition to improve that rating further to ‘good’ and a quality improvement plan is being implemented to that end. The Trust continues to have some fragile services which lack capacity to meet demand and we are working both internally and with the wider system to resolve these issues in 2019/20. Additionally, there have been some recent disappointing reports following CQC visits to Pilgrim A&E and the Trust has an action plan in place to address the issues.

The Trust is working with the whole Lincolnshire healthcare system on the ‘Healthy Conversation’ – engaging with the whole community in a consultation on proposals for improvements to services across all its sites, including the centralisation of some services to provide centres of excellence. The public’s top health concerns include self-care, prevention, cancer and mental health and the Trust will look at how it can work with the wider system to support these concerns.

Following a review of the Trust’s operating structure, the Trust has implemented a pilot Trust Operating Model (TOM) which has restructured the Trust’s services to operate across all sites via a four division structure: surgery, medicine, family health and clinical support services. This change has been successful in standardising services across the Trust’s sites and will become permanent from Monday 1 April 2019. A recruitment and redeployment programme is ongoing to fill all of the new management posts associated with this restructure.

* 1. **The external environment**

**Analysis of external influences**

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| **Political** | The outcome of Brexit will have a significant impact on the health economy and, at the time of writing, the detail of the deal and potential impact remains unknown. However, the Trust and the NHS as a whole have contingency plans in place to manage any risks that arise.  The NHS Ten Year Plan[[1]](#footnote-2) was published in 2018/19 and aims to improve the health and wellbeing of the national population over the next ten years. The key points of the plan are set out separately in the NHS Ten Year plan section below. There will also be an accompanying workforce implementation plan, recognising the workforce challenges that the whole of the NHS faces around recruitment and retention.  The sustainability and transformation partnership’s (STP) plans including the acute service review will have a high impact as detailed below. |
| **Regulatory  and legal** | The Health and Social Care Act 2012, led to the set-up of the Lincolnshire Health and Wellbeing Board as the forum for improving and protecting the health and wellbeing of local populations and communities through the health and wellbeing strategy[[2]](#footnote-3).  The NHS Long Term Plan sets out a provisional list of potential legislative changes which key bodies would seek from government which include:   * CCGs and providers shared new duties to promote the ‘triple aim’ of better health for everyone, better care for patients, and local and national NHS sustainability. * Removing specific impediments to ‘place-based’ NHS commissioning. * Allowing trusts and CCGs to exercise functions and make decisions jointly. * Supporting the creation of NHS integrated care trusts. * Removing the Competition and Markets Authority’s (CMA’s) duties to intervene in NHS provider mergers. * Allowing NHS commissioners to use the ‘best value’ test for procurement processes. * Increasing flexibility in the NHS pricing regime, to move away from activity based tariffs. |
| **Technological** | The digital strategy is a key enabler to harness digital technology across our Trusts and working with our key partners.  The NHS Long Term Plan sets out the ambitions for the NHS to drive forwards research and innovation, together with a wide-ranging and funded programme to upgrade technology and digitally enabled care across the NHS.  The plan commits the NHS to be “digital first” in ten years’ time. Particular attention has been given to digitally-enabled primary and outpatient care, primarily via a digital NHS front door in the form of the NHS App. By 2023/24 every patient will have access to a ‘digital first’ primary care provider. The Ten Year Plan targets a 30% reduction in face-to-face hospital appointments over the next tjree years with virtual (non-face-to-face) appointments available to patients where appropriate. |

**The NHS Ten Year Plan**

This table shows the highlights of the initiatives to improve health and care for patients over the next ten years, outlined in the NHS Long Term Plan published on Monday 7 January 2019

|  |  |  |
| --- | --- | --- |
| **Making sure everyone gets the best start in life** | |  | | --- | | * Reducing stillbirths and mother and child deaths during birth by 50% * Ensuring most women can benefit from continuity of carer through and beyond their pregnancy, targeted towards those who will benefit most * Providing extra support for expectant mothers at risk of premature birth * Expanding support for perinatal mental health conditions * Taking further action on childhood obesity * Increasing funding for children and young people’s mental health * Bringing down waiting times for autism assessments * Providing the right care for children with a learning disability * Delivering the best treatments available for children with cancer, including CAR-T and proton beam therapy | |
| **Delivering world-class care for major health problems** | |  | | --- | | * Preventing 150,000 heart attacks, strokes and dementia cases providing education and exercise programmes to tens of thousands more patients with heart problems, preventing up to 14,000 premature deaths * Saving 55,000 more lives a year by diagnosing more cancers early * Investing in diagnosing and treating lung conditions early to prevent 80,000 stays in hospital * Spending at least £2.3bn more a year on mental health care * Helping 380,000 more people get therapy for depression and anxiety by 2023/24 * Delivering community-based physical and mental care for 370,000 people with severe mental illness a year by 2023/24 | |
| **Supporting people to age well** | |  | | --- | | * Increasing funding for primary and community care by at least £4.5bn * Bringing together different professionals to coordinate care better * Helping more people to live independently at home for longer * Developing more rapid community response teams to prevent unnecessary hospital spells, and speed up discharges home * Upgrading NHS staff support to people living in care homes * Improving the recognition of carers and support they receive * Making further progress on care for people with dementia * Giving more people more say about the care they receive and where they receive it, particularly towards the end of their lives. | |

* 1. **The Lincolnshire health and care system**

The Trust is an active partner in the Lincolnshire Sustainability and Transformation Partnership (STP). The STP is managed by health and care providers and commissioners (organisations who manage the funding of service providers) and is made up of doctors, nurses, health practitioners, care providers, voluntary groups, managers, council officials and the most important partner – the population of Lincolnshire.

We believe that we need to work with a common purpose, to continue raising standards and to ensure that we deliver the best possible outcomes for people who need to access our health and care services at any time in their lives and they have formulated a plan to support that purpose.

Our plan addresses the challenges facing Lincolnshire’s health and social care services– the failure to meet key NHS standards, the system’s financial overspend and the need to move patient treatment from a hospital setting to the community, focusing more on prevention and early intervention. The STP recognises that change is needed to ensure that the NHS can continue to provide for patient care and support the health of the population. The whole of the health and social care system must work together to achieve that change.

The Lincolnshire STP plan sets out five system themes that are planned to support improved patient care across the county:

* clinical redesign – ensuring that our clinical pathways support the best possible patient care.
* capacity optimisation – making the best use of our workforce and our facilities.
* operational efficiency – ensuring that all of our care is delivered in the most efficient way possible.
* workforce productivity and redesign – making the most of our staff including developing and retaining them and attracting the right people to work with us.
* delivering the right care – working with national partners to make sure we are delivering the right care for our population using national benchmarking.

Overall, there is a focus on delivering more care in the community, where appropriate, closer to where people live. This will also support patient pathways that are more preventative and community-based.

**A medical school for Lincolnshire**

During 18/19, it was announced that a new medical school will be established in a collaboration between the University of Lincoln and the University of Nottingham to offer first-class medical education in Lincolnshire. The University of Nottingham Lincoln Medical School will go ahead after a successful joint bid for more funding to increase medical school places. When it is at full capacity in a few years’ time, the new school will deliver medical training to around 400 undergraduate students in Lincoln.

From September 2019, students will be able to study for a University of Nottingham BMBS medical degree at the University of Lincoln site on Brayford Pool. Clinical placements will take place at hospitals, GP surgeries and other healthcare units in the county including ULHT. Lincolnshire has a severe shortage of doctors in a range of specialties and having a local medical school will support the Trust in the longer-term with recruiting doctors and keeping them in county as many people remain in the areas where they train.

1. **Where we want to be**

This section articulates our vision for ensuring high quality, sustainable services that best support the Lincolnshire health & care system

**3.1 Excellence in Rural Healthcare – our 2021 strategy**

We have been continuing to develop our 2021 strategy since its launch in November 2017, where we outlined our vision and our ambitions together, with the changes we need to make to achieve them. We are clear that we are striving for excellence in everything we do in caring for our patients.

2021 is a marker in time, where our ambitions are for our services to be consistently safe, responsive and give great care to our patients. Our 2021 programme outlines the affordability and sustainability of transformational changes. It sets out how we will put our people (our staff and volunteers) at the heart of how change is managed and how we will equip and empower them to make improvements.

This year our Board have completed further work to identify our ‘True North’ – our top priorities to which we should align all activity and against which we can systematically monitor progress.

**Striving for excellence**

Our ambitions for our patients, our services, our people and our partners are described below:

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| --- | --- | --- |
| **Ambitions** | **Objectives** | **True North** |
| **Our patients** | * Will receive consistently compassionate, safe high quality care * Will be listened to and be involved in shaping their care around their needs to achieve successful health outcomes * Will be involved in shaping our services around lessons learned from their care * Will want to choose us for their care and be champions in our communities | We will deliver harm-free care  We will value our patients’ Time |
| **Our services** | * Will work in partnership to develop integrated models of care * Will value our patients time and get things right first time * Will develop centres of excellence across all of our hospitals * Will deliver financially sustainable services | There will be ‘zero waits’ to access our services  We will ensure that our services are sustainable on a long-term basis i.e. here to stay |
| **Our People** | * Will be proud to work at ULHT * Will feel valued, motivated and adaptive to change * Will challenge convention and improve the way we do things * Will strive for continuous learning and development being supported to be innovative | We will have a modern & progressive workforce  Our workforce will work as one team |
| **Our System/Partners** | * Will work with us to provide seamless integrated care across the Lincolnshire health community | We will make sure that the care given to our patients is seamless between ULHT and other service providers through better service integration |

* 1. **Our clinical vision**

**Acute Services Review**

Acute hospitals, like our Lincoln County and Pilgrim hospitals, take up the highest proportion of NHS funding in the county and the services provided at those hospitals are critical to the health and wellbeing of the Lincolnshire population. As the Trust was placed into special measures for finance and quality, there has been some risk to the safe delivery of these services. The Trust has developed both a financial recovery plan to improve the financial position and a quality improvement plan to ensure the safe delivery of high quality services to all our patients.

Additionally, a review of acute services was commissioned by the Lincolnshire health and care system, and was led by the consultancy firm, KPMG. Throughout 2018, commissioners and providers across the county came together to answer the question posed by the Lincolnshire Co-ordinating Board:

“What is the optimum configuration of ULHT services (and the role of neighbouring acute trusts), in order to achieve a thriving acute hospital service in Lincolnshire (and for the population as a whole) achieving clinical and financial sustainability across the Lincolnshire NHS health economy?”

The output from this review has identified opportunities for clinical redesign to optimise quality and financial sustainability for the future. The findings are now forming part of the ‘Healthy Conversation’ that has been launched across Lincolnshire to seek the views of the whole population on the need for change.

**Healthy Conversation**As part of the Healthy Conversation, views are being sought on the future of each of the Trust’s main hospital sites and the services they provide. Further details of the consultation and proposals for the services to be provided at each of our sites are available on the [Healthy Conversation website](https://www.lincolnshire.nhs.uk/healthy-conversation)..  
  
Following completion of the consultation with the public, the output of the consultation will be used to inform the decision making business case, which is will conclude the consultation process. Once the this is approved, the Trust and the healthcare system, will then begin delivery and implementation of the agreed new clinical service delivery models. It is hoped that this phase will begin in the autumn of 2019.

**Our clinical vision**

The opportunity for developing new and innovative systems of care through integrated partnership pathways will mean:

* Our hospitals will be smaller with fewer beds as more patients are treated and cared for in their communities.
* Improved patient care and patient access to services locally.
* Prevention of admissions to hospitals, whilst ensuring that those patients who need specialist hospital treatment get safe, high quality care at the best hospital, not always at their nearest hospital.
* Our patients will have shorter stays and be discharged home as quickly as possible with local support.
* Improved health, quicker access to tests and treatments, fewer cancellations, and better hospital care for the people of Lincolnshire.
* Developing our potential to become a national, if not international, Centre for Rural Health and Care, through health and care reform working in collaboration with our wider health partners and stakeholders.
* For staff, this will mean that there will be new roles and new opportunities and that they will be part of well-staffed teams, which often work across professions and organisations, providing an integrated care approach combining all clinical expert input to deliver robust patient centred care
* Our staff will have access to training and development and have opportunities to retrain and gain new qualifications together with access to the latest technology to help in their role.
* Our patients and staff “voices” will be listened to, and will lead to improving care, and shaping and improving our services.

The core themes in our transformation and efficiency programmes include:

* Consolidating services where necessary to promote safety, clinical and financial sustainability.
* Protecting bed and theatre capacity for elective activity, to reduce the number of procedures currently being cancelled due to pressures of non-elective medical admissions; Maximising the use of Grantham and Louth hospital sites for elective work, thereby improving our performance against the NHS Standards and ensuring their future viability.
* Creating “hub and spoke” models to deliver care close to home where possible and safe to do so.
* Optimising productivity and efficiency through the implementation of the national GIRFT (Getting it Right First Time) programme for all clinical specialities.
* Localising more routine care to ensure easy access for most outpatient, diagnostic and therapy services.
* Shorter hospital stays requiring fewer hospital beds, with sufficient protected elective beds to meet patients’ expectations for waiting times and timely access for planned operations and treatment.
* Increased focus on Pilgrim and Lincoln Hospitals for a broad range of emergency services where it is safe and viable to do so, but with a concentration of very specialised emergency care on a single site.
* Single site services for areas where there is evidence it will improve outcomes e.g. acute cardiology, stroke services and vascular surgery.
* Urgent and emergency care services being delivered as part of a network of care ensuring rapid access to urgent care in the right place when needed with a tiered A&E service that is staffed on a sustainable basis, with the development of urgent care models which are less dependent upon scarce skills.
* Developing and expanding our workforce skills to enable specialist care to be delivered in an integrated way in the community.
* Developing new and different roles, where historically it has been difficult to recruit.

**3.3 Supporting the sustainability and transformation plan – system intentions**

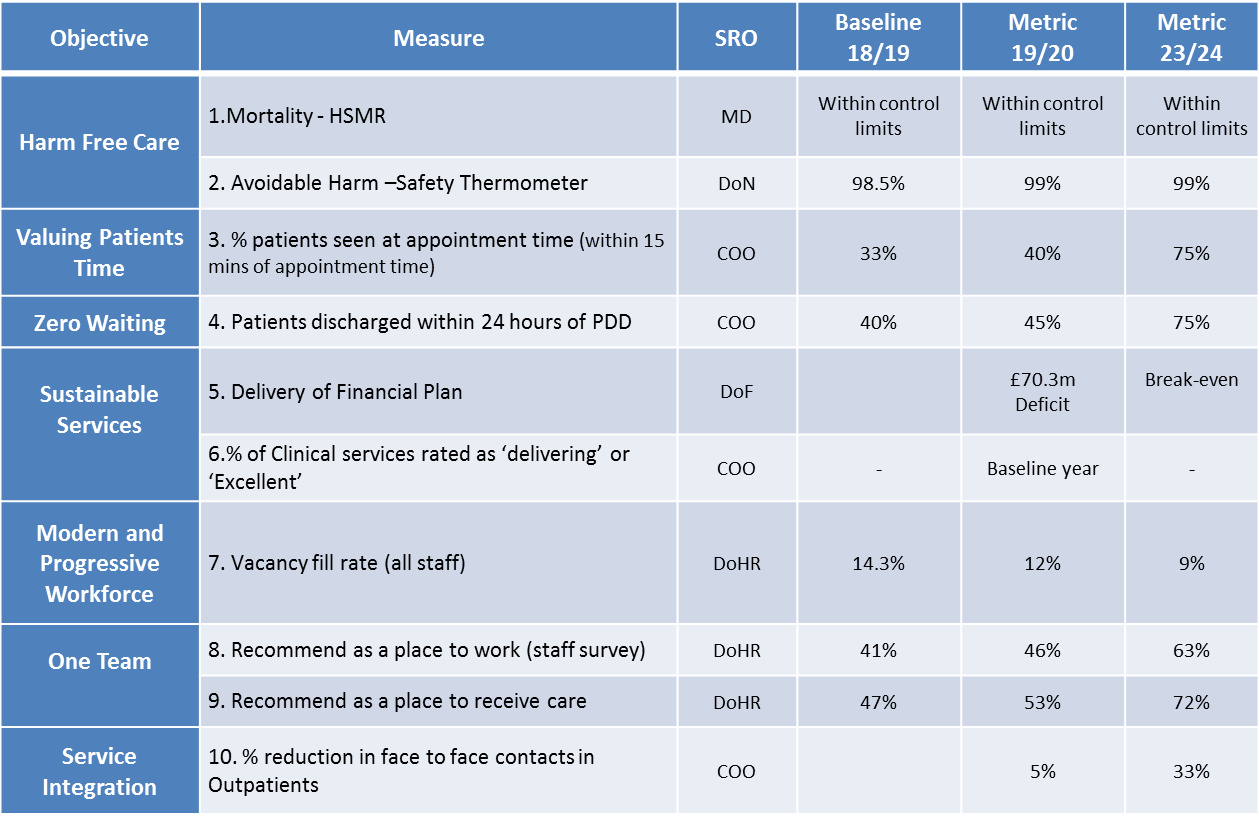
The Trust is working with the system to support the following programmes of transformation which form the key system intentions for 2019-20

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| **Area** | **System intention** |
| **Integrated community care** | Working with commissioners and community providers to redesign pathways for conditions such as Diabetes, ensuring that patients receive care in the most appropriate setting, in home or closer to home. |
| **Urgent care** | Working with the commissioners and community providers to ensure that patients requiring unplanned, urgent care are seen in the most appropriate setting for that care by:   * Providing increased capacity for GP streaming services at our acute hospital sites * Improving the provision of urgent treatment centres, at our sites and within the community – reducing patients’ travel time to receive urgent care. |
| **Planned care** | Led by the Trust, these programmes will address the following key objectives:   * Outpatient transformation – ensuring that patients’ time is not wasted with unnecessary follow-up attendances and that ‘virtual’ appointments are offered wherever possible to reduce patient travel. * Digital pre-operative assessment – offering patients an initial online pre-operative assessment which identifies ‘at risk’ patients who require a physical attendance for pre-operative assessment. * Repatriation – improving the capacity of our services so that Lincolnshire patients who would prefer to receive their treatment closer to home within Lincolnshire are able to do so. |
| **System Efficiency** | * Introducing technology into acute care services across the Trust, including telehealth, telemedicine and self-care apps to transform the way people engage in and control their own healthcare. * Using telemedicine to facilitate the introduction of one medical rota for stroke medicine across the Trust’s hospital sites. * Taking forward and implementing the recommendations from the national GIRFT (Getting it Right First Time) programme. Services currently in the programme for the Trust include trauma and orthopaedics, ophthalmology, general surgery, gynaecology, vascular services, urology, hospital dentistry, paediatric general surgery, radiology, ENT, oral maxillo facial, and emergency medicine. * Right-care: positioning Trust services to be better placed to realise ‘Right-Care – Commissioning for Value’ opportunities to improve outcomes & efficiencies, specifically with regards to reducing non-elective admissions. |
| **Making it happen** | * Supporting the development and implementation of: * Innovative contractual solutions (e.g. alliance, lead provider) which focus on system value, outcomes and accountability for STP delivery * The single system plan, which includes single system efficiency and investment plans and aligned incentives across providers |

1. **How we will get there**

This section provides a summary of the Trust’s service plans, highlighting key developments and priorities.

* 1. **Summary of the key deliverables for 2019/20**



**4.3 Enabling Strategies**

The 2021 Improvement Programme is underpinned by the following Enabling Strategies.

**Clinical Strategy**

The clinical vision for ULHT is summarised in section 3 and delivery of that vision is underpinned by an organisation led strategy which has been developed in conjunction with the system-led Acute Services Review (ASR), and the Out of Hospital Integrated Community Care programme.

The ASR focussed on eight services as listed in section 3, and the out of hospital integrated community care programme of work is currently focussing on three areas, these being enhanced Stroke rehabilitation, Frailty and Diabetes.  The Trust’s clinical strategy is aligned fully to these programmes of work, and to the resulting strategies for these services. In addition the Trust’s clinical strategy also includes strategies for all other services provided by the Trust that are not included within the scope of the ASR and Integrated community care programme.

**Digital strategy**

Recent Department of Health and Social Care policy publications including Matt Hancock’s “The future of healthcare: our vision for digital, data and technology in health and care” and especially the “Topol Review – Preparing the healthcare workforce to deliver the digital future” set out the Government’s ambitions to revolutionise the use of technology within the NHS.

To deliver this technology at the scope and pace required ULHT’s digital strategy aims to ensure that we have in place robust infrastructure (including information and cyber security), workforce and appropriately trained staff. We also need to acquire and implement the new state-of-the-art health and care systems that our staff and patients will use in this modern era.

Our digital strategy addresses these aims and also the staffing levels, skill mix and accommodation (including agile working) needs to deliver our plans. We will see our ICT staffing numbers increase significantly as we ramp up to deliver the numerous large and complex projects including the electronic health record, electronic prescribing, pharmacy robotics, cyber security, and Health and Social Care Network (the infrastructure that joins up providers within Lincolnshire).

**Estates strategy**

The Estates strategy has the following key priorities:

* **Effective Capital, Land and Estate Utilisation** - to support the Trust’s Clinical Strategy and the Acute Services Review and improve maintenance, land usage and deliver the fire and capital programmes.
* **Financial Turnaround including Carter Efficiency -** to develop a long-term Estates efficiency programme and improve energy performance and data quality.
* **Safety and Compliance -** to deliver the safety improvement plan and compliance action plan.
* **Staffing and Engagement -** to include housekeeping centralisation and a portering review.
* **Facilities-** to invest in PLACE through a closer relationship with corporate nursing and to include improvements to the car park facilities for patients, visitors and staff.
* **Health & Safety –** to deliver on the 5 Year Health and Safety Strategic plan and the 5 Star Occupational Health and Safety Audit and the outcomes of Directorate Business Cases.
* **Local Security Management –** to implement new security provision and implement lockdown planning.
* **Environmental Strategy -** The Trust is currently working on the development of an Environmental Strategy to include a refresh of the current Sustainable Development Management Plan.

**People Strategy**

Our People Strategy was first agreed in 2017. It is a five year strategy and is refreshed every year to ensure that we continue to reflect the broader changes taking place in the NHS (including the people commitments of the Ten Year Plan), in the Lincolnshire STP, and in ULHT itself. The People Strategy delivers the “Developing the workforce to meet future needs” programme in the 2021 Strategy and the people outcome, **providing services by staff who demonstrate our values and behaviours**.

The strategy is structured around a number of key areas of focus, under two themes, which reflect the two ULHT workforce risks in the Board Assurance Framework:

* **A workforce that is fit for purpose, reflects our clinical strategy and is affordable and**
* **A workforce that is engaged with what the Trust is seeking to achieve and its values (which has patient safety at its heart)**

The 2019/20 refreshed strategy will reflect more clearly the other priorities in the True North work around “One Team”, the “Learning and Safety Culture” and the intention to embed our Quality Improvement work as an underpinning methodology to drive overall improvement. It will also set out the ambition of the Trust to be known as a learning organisation where people have opportunities to develop themselves and their careers, where the experience of our trainees is excellent and where we are curious to learn from our experience to make us an even safer and more patient-focused organisation.

**Financial Strategy**

2019/20 forms year one of the Trust’s long term financial strategy that sets out a framework for how the Trust will deliver against our ambition to achieve financial balance by 2023/24 in line with the NHS Long Term plan. The Trust was placed into Financial Special Measures (FSM) in September 2017. Since that time, the Trust has been supported by an external partner and initially a Turnaround Director and lately a Financial Advisor. During 2019/20 the Trust has an ambition to exit FSM supported by NHSI by demonstrating an improving financial position driven primarily by productivity, reduced temporary staff costs and procurement savings.

This strategy will be our road map to eliminate our current financial deficit and build sustainable business processes across the Trust. The strategy is being developed in consultation with System, Estate, Operational and Clinical colleagues and underpinned by these enabling strategies.

Within the strategy we have identified a number of ‘pillars’ of activity which will move the Trust towards a breakeven position. The strategy will identify and quantify the structural deficit that is an outcome of providing acute clinical care across a number of sites that are spread across the county. It will also set out the key workstreams that are required to enable gradual and sustained financial improvement. Whilst the year-on-year financial improvement will require transformational changes, it is also underpinned by continuous delivery of business-as-usual Financial Efficiency Programmes (FEP). These FEPs are currently planned to deliver £25.6m in 19/20 from cash savings through more efficient use of resources/processes to facilitate meeting inflation pressures for both pay and non-pay and to provide an envelope for investment in service developments.

Among the FEPs identified, we will be looking at Procurement as we currently spend over £200M a year on non-pay expenditure of which c£120M can be influenced and is under the control of the Procurement department. The Trust is implementing a Procurement Strategy which aims to maximise efficiency and reduce costs of procurement activities, whilst continuing to provide quality products and services to support the clinical strategy and deliver value for money.The strategy will form the basis for a focused annual work plan which will ensure the Trust continues to deliver savings compliantly whilst actively seeking achievement to level 3 of the NHS Standards of Procurement by 2020/21.

Additionally, the Trust are undertaking a review of additional potential income sources to support the financing of patient care in line with the NHS Ten Year plan and have benchmarked commercial and private patient income against comparator Trusts. The Trust will work with peers to identify the income opportunities that the Trust can develop and an outline Commercial and Private Patient Strategy will be presented to the Board for approval in June 2019.

**Detailed plans**

This section provides a summary of key planning assumptions, triangulating activity, workforce and finance plans and supports the delivery of the 2021 Strategy

**5.1 Operational Activity Planning**

Activity planning has been undertaken in conjunction with commissioning colleagues. This coordinated approach allows the plan to represent a community wide view of requirements for acute services and strengthens the level of challenge imposed throughout every stage of the process. Delivery has been modelled at site and specialty level providing a clinically recognised level of granularity.

For all types of activity the plan has taken account of 2017/18 actual activity to ensure that the data reflects the full seasonal effect of winter experienced in the acute sector. The approach to capacity modelling is based on the following basic principles:

* Business Units supplied basic capacity based on Clinic slots, Theatre and Endoscopy lists. This includes accounting for Bank Holidays, staff leave and training.
* Adjustments have then been made for experienced DNA rates, where patients fail to attend their appointment.
* Where there are Consultant vacancies an assessment has been made of the likelihood of recruitment/locum cover being required

Non elective spells capacity has been modelled as matching local demand for 18/19 and Accident and Emergency capacity has been set at 18/19 forecast outturn (FOT). Agreed population growth has then been applied.

Aggregated summaries of both demand and capacity were shared with Divisions, Clinical Business Units and specialties at various iterations, enabling adjustments to be made where necessary. Where there is a significant variance between demand and capacity, narrative explanations have been developed and shared with commissioners to agree a level of system demand and agreement on internal capacity to deliver.

**Performance Expectations for 2019/20**

The following performance expectations have been agreed with commissioners and regulators for 2019/20

|  |  |
| --- | --- |
| **Performance Measure** | **2019/20 target** |
| **A&E 4 Hour** | 80.14% |
| **Patients Waiting over 60 minutes for ambulance handover** | <2% |
| **62 Day Cancer** | 80.04% |
| **Waiting List Size** | <36,700 |
| **Patients waiting over 26 weeks for treatment** | <5% |
| **Patients waiting over 52 weeks for treatment** | 0 |

* 1. **Quality Improvement Plan**

**Approach to quality improvement, leadership and governance**

Through our 2021 Strategy, which is our 5 year programme to drive improvements and change, the Trust is striving to transform and improve services, care, productivity, efficiency and sustainability. The Trust is currently developing the Quality Strategy which supports the 2021 Strategy and aligns to the five domains of quality used by the Care Quality Commission (CQC) as well as incorporating the findings from our CQC inspection in March 2018. The Quality Strategy will also align with the Lincolnshire Sustainability and Transformation Partnership (STP) Plan.

The Trust has developed a Quality and Safety Improvement Plan (QSIP) specifically targeted at responding to the findings from the March 2018 CQC inspection and delivering an improvement in the Trust’s rating on re-inspection (expected in April/May 2019) from ‘Requires Improvement’ to ‘Good’.

Progress against the Quality and Safety Improvement plan is monitored weekly at the Quality & Safety Improvement Group (QSIG) which is chaired by the Director of Nursing, Michelle Rhodes. Michelle is the Executive Lead for Quality Improvement.

*Quality Improvement Monitoring Framework*

**Quality & Safety Improvement Board**

**Quality & Safety Improvement Group**

**2021 Programme Board**

**Quality Improvement Initiatives**

**Triangulation with Quality, Workforce and Finance**

A key priority for the Trust is to ensure that there is an integrated approach to managing quality, performance, workforce and finance. For this reason, an Integrated Performance Report (IPR) is established alongside a governance structure to ensure balance in achieving key performance indicators set out in the operational plan. The primary role of the IPR is to assist Executives in monitoring, reviewing and challenging progress in delivering Quality, Performance, Workforce and Financial standards. The IPR provides assurance to the Executive Team that the Divisions will deliver required performance levels and monitors effective management of the assurance process and associated deliverables to support safe care, best practice in the support and management of staff and adherence to national and local performance targets.

**Approach to Quality Improvement**

The Quality Improvement Programme was launched as part of the Trust wide transformation programme in order to build quality improvement capability into the organisation at all levels. The programme is beginning to integrate quality improvement initiatives across the trust, and define the Trust’s standard model of quality improvement. Implementation of this methodology is supported by QI coaches and champions. Following training, our staff are encouraged to apply this approach at departmental level through a managed improvement project that has appropriate local senior sponsorship and includes departmental level management and governance.

**Learning organisation**

The Trust is focused on becoming a learning organisation which will use data from risk management systems to implement change in practice - applying learning from clinical audits and incidents and listening to feedback from patients, staff, external bodies, regulators and partners.

**Learning from Deaths**

The Trust has updated the Learning from Deaths policy since the introduction of Medical Examiners (MEs) at the Trust. The Trust will be compliant with a case note review within 7 days of a patient’s death when there is a full complement of MEs in place which is expected early in 2019/20.

The Trust has also developed a Mortality Reduction Strategy to ensure there is an effective mortality review programme in place that identifies areas for improvement, and a governance structure that monitors delivery of improvements. This strategy combines a focus on complete and accurate clinical documentation and data quality and the delivery of high quality care.

**NEWS2**

The Trust implemented NEWS2 in March 2018. The Trust has a Critical Care Outreach Team (CCOT) to review deteriorating patients. If patients score a NEWS of 5 or more, CCOT will automatically receive an alert for each individual patient. All wards and departments are monitored for their compliance for ‘observations on time’.

**Gram-negative bloodstream infections**

The Trust currently has good compliance with the requirements on Gram-negative bloodstream infections and is working with the wider health economy to ensure continued low rates of these infections.

**Seven Day Services**

The Trust is compiling the information required for the March 2019 submission for the seven day services audit. The Board Assurance Framework will enable the Trust to triangulate the relevant information eg patient outcomes, mortality, length of stay, and audits to assess the services provided for our patients. The outcome of this review will be the development of an improvement plan designed to achieve the required standards.

The Trust’s performance against the four clinical standards from spring survey 2018 is:

* Clinical Standard 2 (Senior review within 14 hours of admission) – achieved 79% against a standard of 90%
* Clinical Standard 5 (Seven day access to consultant directed diagnostic tests) – provides 4 of 6 tests available
* Clinical Standard 6 (Access to Interventions) – provides 9 of 9 directed interventions
* Clinical Standard 8 (Daily consultant review) – achieved 89% against a target of 90%

**GIRFT (Getting It Right First Time)**

The Trust is participating in the GIRFT programme. Following the GIRFT Team’s initial visit to a specialty, recommendations are made with the intention of improving standardisation across the specialty nationally. A core group from ULHT then meets to assign owners to each action, and develop the recommendations into a remedial action plan. In cases where the specialty is also going through a Service Review or larger-scale remedial action planning the recommendations made by GIRFT are incorporated into that plan. Monthly progress against the GIRFT actions is gathered by ULHT’s GIRFT lead, and discussed at a monthly Action Group with the 4 Divisional Leads (Medicine, Surgery, Family Health, and Clinical Support Services). Progress overall is reported to the Clinical Strategy Steering Group, chaired by Medical Director, Dr Neill Hepburn. ULHT maintains regular communication with the GIRFT teams, and this is managed by ULHT’s GIRFT lead.

**Risks to Quality**

The Trust’s three highest risks to quality are detailed below. All three areas are incorporated within the Quality & Safety Improvement Plan (QSIP) and have a detailed action plan detailing key milestones to ensure delivery of the improvements required. The following mitigations have been implemented:

**Duty of Candour**

In order to consistently achieve compliance with the statutory Duty of Candour (DoC) the Trust has:

* Launched an animated guidance video for DoC
* Introduced a mandatory e-learning module for all clinical and patient-facing staff to complete every 3 years
* Performance against both the initial notification and written follow-up requirements are already monitored on a monthly basis
* From April 2019 in line with the implementation of a new divisional structure accountability will be strengthened through a revised performance management framework and live management data dashboards that function at both a divisional and Trust-wide level.

**Pilgrim Emergency Department**

* A senior leadership assurance group (to include partners and CCG) oversee the delivery of the whole patient pathway and provide increased level of support for the delivery of this shared plan
* There is a weekly Trust Clinical Leadership Emergency Care Board to ensure monitoring of plan and oversight of task and finish groups
* Patients are streamed to the most appropriate service to meet their health care needs
* Recruitment of staff to enable safe staffing levels
* Review & development of Standard operating procedures for RAIT, Streaming and Triage
* To increase the number of urgent, emergency and ambulatory care pathways to avoid unnecessary attendance at ED and improve the patients outcome and experience
* Deliver an effective GP streaming service

**Medicines Management**

* The Trust is undertaking a baseline of external benchmarking and audit to enable monitoring of performance and support to Directorate Service Improvement Plans
* A local ward accreditation medication action plan with measurable outcomes for all areas for medications has been developed
* The Summary Care Record (SCR) will be used for medicines reconciliation
* The Clinical Pharmacy Technician Role will be integrated into the nursing team
* Pharmacy Open Hours are being extended
* Pharmacy Team Leaders are now integrated into Divisional Governance Meetings
* Improved Medicines security, storage and safe handling is being implemented
* Core learning is being reviewed and updated as required

**Quality Impact Assessment process and oversight of implementation**

The Trust has a robust Quality Impact Assessment (QIA) process which ensures, where appropriate, a QIA is completed and submitted to a QIA Panel for approval.

A QIA is completed for projects falling into any of the following categories:-

* Financial Efficiency Programme (FEP)
* Skill mix reviews
* Policy change
* Service change
* Service development

The QIA process is currently managed by the Director of Nursing and the Medical Director with support from the 2021 Project Management Office (PMO). All QIAs are reviewed and approved by the Medical Director and Director of Nursing in line with national guidance.

The QIA process assesses impact on the following three core quality domains:-

* Quality (Duty of Quality and Patient Safety)
* Experience (Patient and Staff)
* Effectiveness (Clinical Effectiveness and Outcomes)

As part of the QIA process, each QIA is risk assessed. The Trust Board will receive all QIAs with a risk rating of 15 and over and quarterly impact assessment overview reports will be channelled through the Quality Governance Committee. The Trust Board has corporate responsibility for ensuring that financial efficiency plans and service changes are not detrimental to the quality of services.

The process for identifying and managing the FEP (CIP) process is currently being reviewed for 2019/20. For 2019/20 FEPs have been categorised into Cross cutting schemes, those that go across the organisation and are linked to improving productivity and efficiency, or those that are transactional in nature and are identified by the Divisions as an opportunity.

All schemes are required to have a fully developed Project Initiation Document (PID) which details the benefits and objectives of the scheme. All schemes will have an appropriate risk assessment and quality impact assessment undertaken and these will be included in the PID.

The PID document specifies that any schemes rated high risk (15 or above) or with a financial value of above £100k require an automatic review 3 months from the date the PID document is approved to move into delivery. This process is currently under review with a new process to be launched from end Feb 2019 which will put a more structured framework in place to ensure there is alignment and triangulation with quality, workforce, activity and financial key performance indicators and to provide greater transparency and assurance to the Board including the management of interdependencies between projects and the combined impact on services. In addition the structure will allow more formal reporting to the Board on progress, risks and issues.

* 1. **Workforce Planning**

**Short-term Workforce Planning**

During 2018/19 vacancy rates have declined and therefore planned increases in capacity, to improve the safety and quality of care we provide to our patients, have resulted in higher than planned costs.

The key focus of our workforce plan for 2019/20 is improving the balance of substantive and temporary staffing thus reducing the cost of our workforce whilst improving the quality of patient care.

We have set out an ambitious recruitment improvement programme for medical and clinical roles whilst and the same time taking steps to reduce attrition through a number of retention interventions. Whilst optimising domestic recruitment, capitalising on the opportunity of newly qualifying professionals, continuing to develop to these roles within our staff, we will further develop our international recruitment programmes.

To support our ambitions we will work with a market leader on our employment brand and our offer to staff, transform our transactional recruitment services and improve the support for the effective on-boarding of staff.

Through improved alignment of contracted activity and the required planned resource, medical job planning and more robust rostering we intend to improve the productivity of our workforce and further contribute to a reduction in the demand for temporary staffing.

We will start 2019/20 with a new Trust Operating Model with a new four clinical divisional structure each led by a triumvirate. During 2019/20 we will review our operational support services within each division to ensure the support they provide is well aligned.

Whilst reducing the need for temporary staffing is a key priority for 2019/20, our temporary staff working alongside our substantive staff will continue to be important to the delivery of the most effective, safe and personal care to every patient. However we will take action to reduce the proportionate cost by encouraging our temporary staff to join our internal staff banks and negotiating the very best rates for agency cover.

**Medium-term Workforce Planning**

In 2019/20 we will be taking steps to plan in greater detail for our future workforce.

The NHS Long Term Plan is clear that the main organising unit of our health system will be ICSs and all local health economies will move to become ICSs over the next 5 years. We will explore models of sharing staff across NHS providers and supporting rotational placements to support varied and rewarding careers.

Through contract negotiations with CCGs and new funding models there will be an expectation of efficiency savings to be delivered by the Trust, shifts in health and care priorities and new models of delivery.

The continuing internal review of all of our clinical services (Clinical Services Review) will continue to focus on improving the quality, productivity and performance of each service. Aligned with the Lincolnshire STP System Intentions work and the Acute Service Review, this will set a future direction for our services and changes required in our workforce.

With a new shared national definition of advanced level practice and continued national workforce shortages we must assess and maximise the contribution to be made by new roles, such as Nursing Associates, Physician Associates and Advanced Clinical Practitioners by clarifying career pathways and planning for a sustainable pipeline and

**5.4 Finance**

**Financial forecasts and modelling**

The Trust is in Financial Special Measures and has submitted an 18 month Financial Recovery Plan (FRP) to NHSI that is inclusive of the 2019/20 financial year. The FRP and its underpinning assumptions were accepted by NHSI, inclusive of a forecast outturn for 2018/19 of £89.4m deficit with an improvement trajectory in 2019/20 to a £75.2m deficit.

Subsequently the Trust has been formally notified of its 2019/20 control total of £70.3m deficit before the application of the Provider Sustainability Fund (PSF), Financial Recovery Fund (FRF) and Marginal Rate Emergency Threshold (MRET) funding that are predicated on acceptance of, and delivery of, the £70.3m.

In addition planning and tariff guidance has been and continues to be released that was not available when the FRP was being developed and following application of this the updated FRP is broadly aligned to the Control Total. The draft financial plan has therefore been completed on the assumption that the Trust will formally accept the Control Total.

**Formal acceptance of the control total by the Trust Board has not been approved to date whilst validation of the assumptions continues.**

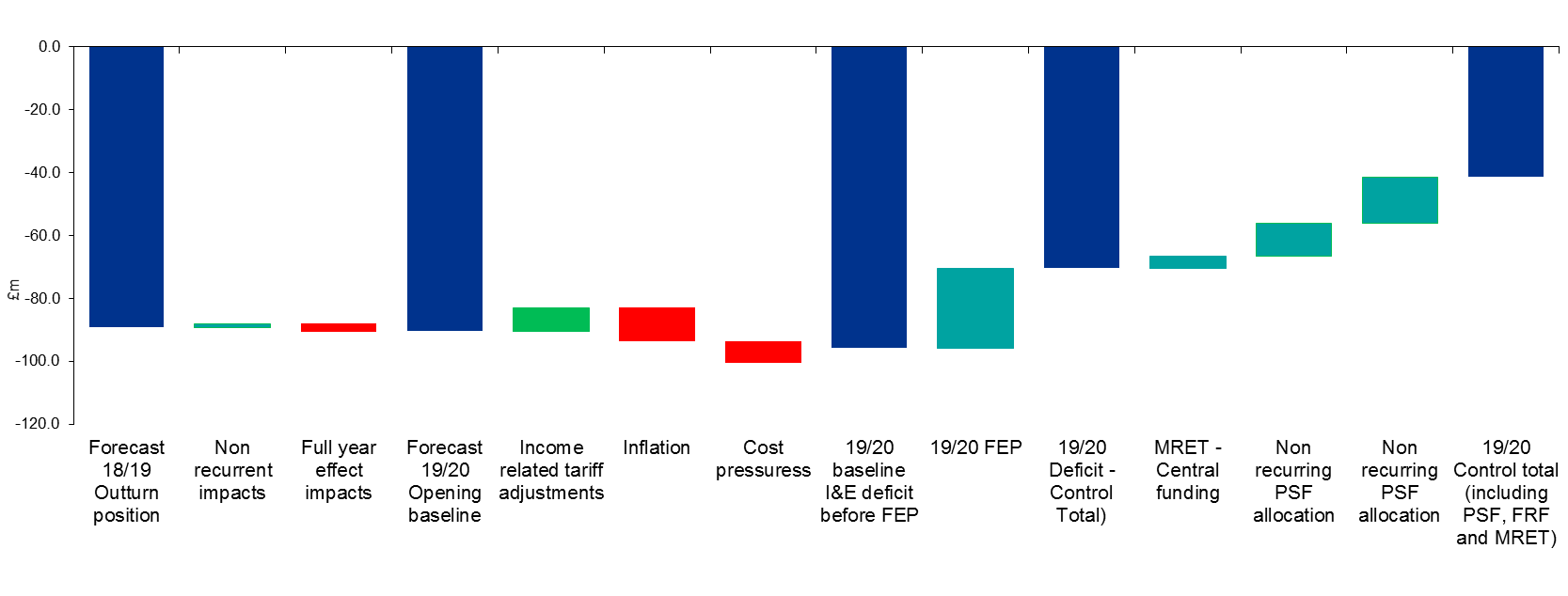
The key planned financial metrics for 2019/20 are:



As part of the Trust’s planning process the Board will consider the financial parameters it wishes to operate within with a balanced view between challenge, risk and long term sustainability. The plan is therefore predicated on the following key assumptions:

* The Trust’s Single Oversight Framework risk rating remains at a 4.
* Inflation assumptions have been based on national guidance unless the Trust has specific knowledge to the contrary.
* Cash support through Department of Health and Social Care (DHSC) loans continues to be available to the Trust to cover the deficit.
* Delivery of a Financial Efficiency Plan (FEP) of £25.6m in year, the majority of which is recurrent.
* Delivering an improvement trajectory towards the Trust agency cap of £21m.
* Access to the PSF, FRF and MRET funding through achievement of the control total for the financial year and in month delivery.
* Alignment of Trust investment decisions to the Trust and system priorities within the parameters contained in the financial plan.
* The agreement with commissioner partners of a contract income value as per the assumptions in the 2019/20 financial plan.
* The key operational priorities set out in the national planning guidance are achieved during 2019/20.

Financial Bridge



2019/20 is the first year in the Trust long term financial plan which is currently being developed and which will be underpinned by a refreshed financial strategy. This framework will develop a clear model to identify the Trust’s structural deficit by speciality. The Trust has carried out acute

service reconfiguration analysis across its main sites in conjunction with the System Transformation Partnership (STP) but is the only acute provider in the STP and due to the nature of the geography, population and need for duplicated / safe staffing of services, the Trust has a significant structural deficit.

**Key Financial Risks**

* All FEP schemes deliver cash savings in full to an in year value of £25.6m.
* The Trust delivers the signed activity contracts and values.
* The Trust agency improvement trajectories are delivered.
* CCG Quality, Innovation, Productivity and Prevention (QIPP) actions facilitate a direct offset in cost reduction
* The cash plan is predicated upon achievement of the control total and award of PSF, FRF and MRET funding. Should the Trust fail in this regard there is minimal cash flexibility and additional borrowing beyond the levels indicated in the plan will be required.

**Efficiency savings for 2019/20**

The Trust has embarked on an Efficiency Programme for 2019/20 and has identified a FEP target of 25.6m for the year.

Achievement of the FEP remains the key to financial sustainability and the Trust is focussing its workforce on identifying tangible plans for FEP for 2019/20 and beyond.

For 2019/20 the FEP is focussed on Divisional or Transactional FEPs which are supported by internal partners from Finance, Procurement, IT, HR, Corporate Nursing, Medical Staffing, Strategy, and Pharmacy. An inherent theme within these will be following the recommendations from Model Hospital.

In addition we are focussing on transformation or cross cutting themes i.e.

* Increasing productivity,
* Managing down variation in Outpatients and Theatres,
* Procurement,
* Workforce redesign, workforce being a significant component of our Efficiency Programme for 2019/20 as detailed in section 4 of this document.



**Capital planning**

The Trust has internally generated capital resource of c£8.7m. This is an extremely limited resource to maintain the estate and infrastructure of the organisation across three main and a number of peripheral sites.

Capital plans are risk based with the majority of resources targeted at medical and IT equipment replacement and estate backlog compliance. The opportunities to invest in service and clinical developments are significantly constrained. Any funding available will be prioritised based on the combined impact on quality, access, performance and finance.

The Trust was served two fire enforcement notices in 2017/18 at Pilgrim and Lincoln sites with a timetable of compliance phased over 3 financial years. The significant capital requirement to deliver this programme was supported in 2017/18 and 2018/19 with loans of £9.5m, £2.1m and £26.6m respectively, the Trust is pursuing confirmation of the remaining 2019/20 external support of £1.7m.

The Trust is in discussions with NHS Improvement and fellow Lincolnshire healthcare organisations on opportunities to access additional capital funding to support transformational change and investments in improved and modernised IT and clinical capacity. Specifically for 2019/20, successful bids include;

* National wave 4 estates capital application for £1.5m to support the Trust Medical School
* National energy efficiency application for £2.8m to support the introduction of LED lighting

2019/20 Indicative Capital Plan

|  |  |
| --- | --- |
| **Scheme** | **2019/20 £m** |
| Statutory backlog | 3.8 |
| I.T | 1.9 |
| Fire Safety | 2.0 |
| Medical equipment | 2.6 |
| Medical School | 0.3 |
| **Total (Funded by Trust)** | **10.6** |
| LED lighting | 2.8 |
| Energy performance contract | 3.7 |
| Fire Safety | 13.4 |
| Medical school | 1.5 |
| **Grand Total** | **32.0** |

**Financial Summary**

The following tables provide a summary statement of Income, Financial Position and Cash flow for 18/19 and 19/20.

Statement of Comprehensive Income 18/19 – 19/20 Statement of Financial Position 18/19 – 19/20



Statement of Cash flow 18/19 – 19/20



1. NHS Long Term Plan: <https://www.longtermplan.nhs.uk/> [↑](#footnote-ref-2)
2. Lincolnshire Health and Wellbeing Strategy: <https://www.lincolnshire.gov.uk/residents/public-health/behind-the-scenes/policies-and-publications/joint-health-and-wellbeing-strategy/115339.article> [↑](#footnote-ref-3)