St George's University Hospitals NHS
NHS Foundation Trust

St. George's University Hospitals NHS Foundation Trust

Annual Plan 2016/17

Excellence in specialist and community healthcare

Contents **Page**

1. Executive Summary

The trust had a deficit of £16.8 million in 2014/2015, and £55.1 million in 2015/2016. The plan is to achieve a reduced deficit of £17.2 million, which is also the currently agreed control total.

This figure of £17.2 million deficit specifically excludes:

- Any exceptional expenditure to catch up the capital and maintenance backlog on the St George's hospital site estate and IT infrastructures;
- Any consequential effects on clinical activity caused by construction work involved in catching up this capital and maintenance backlog;
- Any proceeds from asset sales;
- Any impairment of the balance sheet (some £4 million) with regard to costs on future redevelopments that will not now go ahead.

The task of achieving this smaller 2016/2017 deficit will be very demanding and tough. The trust is starting behind the timetable and still does not yet have the skilled resources in place to deliver the CIPs required.

The main hospital site is deceptive, on a sunny day it looks credible and functional, but in reality it is largely over 40 years old. Significantly, some 15 years ago preventative maintenance ceased, generating significant cost savings over the years, and was replaced by a regime of maintain on failure. Today the consequences of this policy are evident in the many single points of failure that exist and the growing number of incidents of basic infrastructure failure. The site does not have an adequate level of basic heat, water, light, roof and fire integrity and IT systems. Several buildings are well beyond their useful life and will soon become unfit for occupation. Furthermore to achieve adequacy a disruptive programme of construction work will be required.

It is also clear with hindsight that the trust embarked on a dash for growth, as it sought and then built on FT status. The outcome was a strategy to acquire a range of services with no discernible overview of the cumulative impact or benefits of so doing. Subsequent poor implementation has left the trust with hugely increased costs. Inadvertently this also maximised load on the infrastructure at precisely the time it could not cope.

One encouragement in this is that a return to focus offers a real opportunity for genuine efficiency increases delivering a better and safer patient experience for less cost, whilst releasing infrastructure and clinical capacity on the over stretched hospital site. Eliminating wasteful procedures and identifying true profitability on much of what we now do will enable dialogue with commissioners, staff and other stakeholders as to how we transform outcomes to the satisfaction of all parties.

The turnaround and transformation process that is now required will require a sustained 3 to 5 year programme coupled with sustained external support and cash resource to achieve.

2.0 The strategic context and the emerging local Sustainability & Transformation Plan

St. George's is located in south Wandsworth, in the centre of the south west London health economy. The health economy has been financially challenged for a number of years and there have been two major sector wide reviews in recent years, neither of which have been implemented. In both reviews, however, St. George's has remained as a fixed point in the health landscape as the tertiary provider for the sector. The health economy remains financially challenged, and the

requirement for service change and reconfiguration recognised as a key requirement in order to deliver long term service and financial sustainability in south west London.

St. George's is in the South West London Sustainability & Transformation Plan (STP) area. This annual plan is closely aligned with the Sustainability and Transformation Plan that is being produced across SWL.

Section 7 outlines St. George's financial projections for 2016/17. These should be read within the context of the other submissions from the South West London acute provider trusts (Epsom and St Helier University Hospitals NHS Trust, Croydon Health Services NHS Trust, and Kingston Hospital NHS Foundation Trust) as well as the SWL CCGs (Croydon, Kingston, Merton, Richmond, Sutton and Wandsworth) which form the STP.

The trust's development of its Transformation Programme and its overall strategic direction is taking place in the context of wider discussion between commissioners and providers around the development of the STP. There are a number of strands which St. George's is actively participating in, which will come together to shape the future of south west London for the next 5 years. The first draft STP was submitted to NHSI on 15th April, with the document having a very strong focus on primary and community services. The trust will engage constructively with the further development of the plan leading up to the submission at the end of June of the full STP.

The following points within the initially submitted STP will be developed further, and which have implications for the range of services – community to tertiary – that the trust provides:

1. The sector is failing to meet standards for urgent and emergency care, 7 days services and that there is not the workforce to deliver 24/7 care for all services on all sites (though St. George's is currently better placed than most trusts in delivering 7 day services, as outlined in section 5.3)
2. Demand is increasing, as the population and the age of that population increases, placing a particular burden on long term condition management
3. Not all hospital estate is fit for purpose and significant investment is required in health infrastructure in south west London
4. The current model of care is financially unviable, with the funding gap identified as £864m by 2020/21 in the "Do nothing" scenario
5. More care needs to be delivered outside of hospitals and new models of care need to be introduced that will transform service delivery.
6. Effort is going to be focused on reducing cost, demand and increasing throughput

The emerging solution hypotheses are based on:

1. Prevention and early intervention to reduce demand on hospitals, and build health and social care services in the community
2. Right care in the best setting – indicating breaking down of and between organisational barriers
3. Site configuration & Clinical networking – Four A&E site model for the sector and reconfiguration between sites of the current clinical service portfolio, linking to St. George's Portfolio Optimisation Transformation project as well as the development of shared staff banks, also in the trusts Transformation Programme
4. Focussing on population cohorts, and developing sector wide responses to variation in care
5. The development of place based organisational structures, implying increased vertical and horizontal integration between clinical and social care teams

The June submission will be a development of the above hypotheses into initial plans, areas of agreement, and the identification of areas needing further work. The longer term implementation of the five year plan, including any consultation on reconfiguration options, will be taken forward

through the South West London and Surrey Downs Healthcare Partnership. St. George's will work constructively and transparently with our partners in the sector to ensure the plans are robust and deliverable, and the deadline of June is met.

3.0 St. George's Corporate Objectives 2016/17

The operational plan needs to reflect St. George's corporate and organisational priorities for the coming year. 2015/16's plans articulated these within the seven strategic themes developed in 2012, but were not widely thought to enable a holistic view of organisational performance.

The trust has clearly stated its desire to refresh the overarching strategy, both as a pre-requisite to the wider health economy plan, but more importantly to ensure that the route to the future sustainability of the organisation is robustly planned and executed. Through the board strategy sessions, interactions with Monitor, consideration of guidance, internal and external issues, and participation in the SW London and Surrey Downs Health partnership, the following statement, updated since the 8th February submission, encapsulates the required direction for the organisation in the coming year:

"To support our committed staff to focus on getting the basics right, particularly by investing in our estate and IT infrastructure, ensuring the continued excellence of clinical services for our patients; and to address operational and financial performance challenges, through the implementation of the Transformation Programme"

To do this the trust will:

1. Ensure the trust has an unwavering focus on all measures of quality and safety, and patient experience.
2. Ensure our workforce is supported and motivated, and that they understand, and are engaged with, the challenges facing the organisation
3. Deliver our Transformation Programme enabling the trust to meet its operational and financial targets
4. Refresh the trust's strategy, to develop a sustainable service model with a clear and consistent message
5. To develop and deliver programmes of education and research that attract students and grow the St. George's brand
6. Ensure we make the most of our buildings and estate and maximise efficiency through improving back office and corporate functions.

The above have been updated and refined since the draft submission, and work is on-going to agree the individual actions that sit under each of these statements, delivery against which will be used to measure achievement. The Corporate Objectives are in the process of being finalised, and it is not anticipated that they will change significantly.

A major strategy refresh, as outlined in point 4 above, has the potential to seriously alter the direction of travel on individual services, transformation programmes, or the trusts stance on wider STP questions. The content of this Annual Plan therefore, whilst accurate at the point of submission, may be superseded by the content of the new strategy, and the content needs to be viewed with that understanding.

Forming part of the proposed corporate objectives are five key issues and challenges that the trust needs to address in 2016/17. These are:

Challenge	Current Status	The challenge for 2016/17
Finding a sustainable solution to core estate and infrastructure problems	The trust has experienced a number of core systems failures, for example loss of heating, steam supply, water ingress during 2015/16, which has resulted in patient evacuation on two occasions and an unacceptable impact on patient safety and overall experience of care delivered on the St. George's site. A key issue that needs to be addressed is the condition of renal estate, which has been a longstanding issue for the trust and which is beyond its working life and no longer appropriate for delivering patient care. The estate for children and women's services is poor. The trust had major plans to redevelop the Lanesborough Wing into a Children & Women's Hospital, but the proposal requires very significant capital finance and the funding for this is currently not identified.	The trust is undertaking a Six Facet Survey to ensure that it has a comprehensive understanding of the current pressures on estate and infrastructure in the trust. The trust has already allocated the vast majority of its capital funding to address a proportion of backlog maintenance and priority projects but is clear that more significant funding needs to be identified to ensure the St. George's site is safe and reliable in the delivery of core support services. With regard to renal services, the trust has to ensure that immediate risks are controlled and minimised whilst at the same time making swift progress to identify a long term solution. There is insufficient internal funding to build a new unit so innovative solutions (modular builds, moving other services to accommodate, using satellite dialysis space) are being considered. The solution will require external funding support to deliver, including funding any I&E impact from disrupted services. The Children & Women's Hospital build, and the first stage of it – the redevelopment of the 5th floor – are both at a halt due to the trusts current financial position. However, the current facilities are not fit for purpose and a solution needs to be developed that allows the trust to address the condition of the wing.
Addressing long term under-investment in ICT	The current information technology infrastructure in the trust is sub-optimal with a significant backlog of work requiring potentially significant financial investment. The weaknesses in the trusts ICT is impacting on the day to day delivery of trust operations and needs to be addressed	The trust is in the process of reviewing its ICT programme for 2016/17 and gaining a fuller understanding of the backlog in core ICT systems and hardware. Once this process has been agreed the trust will need to consider funding requirements and options to meet that funding requirement.

Delivering Access Targets	18 week RTT, A&E 4 hour and 62 day cancer target delivery are 'must-do's' for the NHS for 2016/17 and the trust needs to improve performance during 2016/17. The trust has had significant problems in a number of specialties in meeting the 18 week access target, as well as failing to meet the 4 hour A&E standard and some cancer targets. Delivery of these targets is also a key component in ensuring the trust receives its full STF funding allocation.	The trust has trajectories and associated plans for recovering its position against all three key targets and has agreed these with Commissioners. However, all targets are at risk from external pressures e.g. a harsh winter increasing the number of non-elective admissions, and internal challenges e.g. delivering the Flow programme to streamline the patient journey, as well as the risk of infrastructure failure. There also remain considerable capacity constraints. Delivering these targets will be challenging.
Addressing the wider demand and capacity challenge	The trust has a very high level of occupancy (in Q3 at 97%) and a shortage of capacity to deliver the demand for the services on site. However, it is not just inpatient beds that there are capacity constraints in – outpatient, theatres and diagnostics have their own challenges which have the potential to reduce the operational efficiency of the hospital.	There are limited opportunities to increase inpatient or diagnostic capacity on site in 2016/17 and no plans for additional theatre capacity. Various elements of the Transformation Programme will help address the capacity gap, through looking at patient flow, theatre and diagnostic systems and practices. However, the scale and ambition of the programme bring with it inherent risks to delivery The on-going challenge to the organisation is to identify better ways to work to free up capacity, whilst delivering targets and ensuring the workforce remains engaged, motivated and supported to deliver in a challenging environment.
Meeting the workforce challenge	A hospital such as St. George's, with the complex range of clinical services it provides, is reliant on having a highly trained, committed, motivated and satisfied workforce. The Annual Staff Survey, and Medical Scale Engagement Survey, the results of which have both recently been received by the trust, indicate that the trust has significant and systemic issues to address with its workforce and any failure to do so will impact on the trusts ability to deliver its complex mandate	In common with many trusts, St. George's has had significant workforce challenges and pressures during 2015/16. Rates of turnover have risen from the historical average of 13% to 17%+ and vacancy rates have risen also. The trust needs to work to retain its current workforce, and actively fill, for example through its planned International Nurse Recruitment project, its vacancies.

	in 2016/17. High rates of staff vacancies, and high staff turnover, present problems in terms of continuity of care and service delivery, increase pressure on other permanent members of staff and a difficult in planning or implementing the Transformation programme and other workforce related developments during the year.	Furthermore the trust needs to actively and meaningfully respond to the findings of the Staff Survey and the Medical Scale Engagement reports.

4.0 2016/17 Activity and Capacity Plans

4.1 St. George's capacity

St. George's is a large hospital, but has significant demand and capacity issues. Quarter 3 2015/16 bed occupancy for acute beds stood at 97%, which is well above the national guideline of 90%, and was the highest quarterly figure for 4 years at St. George's. This level of occupancy leads to delays in patient flow through hospital, with negative impacts on Referral to Treatment, A&E and Cancer target achievement.

The following table shows the bed and theatre stock available to the trust. This data has been shared with other local stakeholders in line with the open book requirements of the guidance.

Category	Position 01/04/15	FY 2016/17 Baseline bed position	Planned 2016/17 extra capacity	Projected – 31/03/17
Acute beds	919	960	29 beds*	989
Adult ICU	53	56	-	56
Paed and Neo-natal ICU	45	45	-	45
Community / Intermediate Care / Hospital at home beds	82	94	+12	106
TOTAL BEDS	**1,099**	**1,155**	**+41**	**1,196**
Theatres	29	30	0	30

*includes recovery at home beds

During 2016/17 the trust expects to increase its bed capacity by 3.5%, which along with the 13% increase in non-acute beds, is hoped will help reduce the bed occupancy rate, and contribute to addressing the significant capacity shortfall the trust faces.

4.2 St. George's activity plans and SLA proposal

The trust's activity plans are considered to be realistic and deliverable. It has used as the basis for its activity assumptions and initial SLA proposal the following methodology:

- M6 2015/16 activity doubled plus seasonality
- The impact of demographic growth, developed at Speciality and POD level.
- The impact of business cases which detail the anticipated additional activity and are clear on where the physical capacity is to deliver the activity.

There has been constructive and on-going dialogue with both CCGs and NHSE since 8th February. The trust has agreed and signed the CCG contract and has also agreed Heads of Terms with NHSE, including the quantum of income across Specialised, Public Health, Dental and Offender Health. This

represents a significant improvement on last year in terms of the early agreement of activity and associated income. The NHSE contract is expected to be signed by 13th May.

CCGs/NHSE have agreed to invest £15.5m to include growth, full year effect of 2015/16 business cases and a few specific agreed 2016/17 developments. The CCGs have also agreed to fund some capacity schemes including the new Surgical Assessment Unit which will assist in flow within the trust and also deliver an outstanding gap in the London Quality Standards.

Commissioners have submitted QIPP schemes to the value of £10m relating to demand management and other measures to reduce activity or spend within the trust. If these schemes are not successful the risk will lie with the commissioner of overperformance on the contract level. Penalties and fines are budgeted to fall by £3m on 2015/16 due to the removal of national fines for RTT, ED and Cancer. No allowance has been made for financial penalties associated with the STF but which have not yet been defined.

The following table illustrates at a POD level the outputs of this work and show the St. George's SLA position going into 2016/17. These figures include 18 week activity when it can be delivered within current or planned capacity. Where 18 week activity cannot be delivered on site, commissioners understand that they will need to make appropriate alternative provision, and the trust will work constructively to support the commissioners in the development of these plans

POD	15/16 actual Activity	15/16 actual Income (£m)	16/17 current proposal Activity	16/17 current proposal Income (£m)	% Activity Change 15/16 – 16/17	£m change 15/16 – 16/17
A&E	160,267	18.248	163,742	19.954	2%	1.706
Bed Days	68,058	56.889	71,585	61.721	5%	4.832
Daycase	34,088	31.140	34,499	30.900	1%	-0.240
Deliveries	5,005	10.810	5,307	13.493	6%	2.683
Diagnostics	8,452,840	26.038	8,122,468	26.150	-4%	0.112
Elective	16,121	66.588	18,020	76.277	11%	9.689
Emergency	39,809	106.093	37,371	114.868	-7%	8.775
Emergency short stay	4,713	2.967	7,016	3.366	33%	0.399
Other non-elective	1,790	11.066	2,280	14.760	21%	3.694
Outpatient	608,514	106.530	639,526	113.714	5%	7.184
Other Outpatients	32,206	4.035	26,616	3.702	-21%	-0.333
Programme	81,191	16.769	82,788	17.598	2%	0.829
Regular Attenders	23,307	4.278	24,650	4.904	5%	0.626
Unbundled	119,222	20.804	118,697	22.833	0%	2.029
Value Fixed	62,032,210	62.383	63,532,722	69.896	2%	7.513
Variable Value	6,413,707	69.117	3,197,241	59.351	-101%	-9.766

Other	132,830	-7.367	130,985	-6.355	-1%	1.012
Total		**606.388**		**647.133**		**40.744**

In previous years the trust has on occasion included significant local income targets (LITS) which have not always been underpinned by a robust capacity plans. This year the trust has been very careful in developing an activity plan that does not include significant LITs. This has led to a conservative set of activity assumptions, the key driver of which has been previous year's delivered activity – which provides a key assurance around deliverability.

South West London CCGs have invested in reasonable levels of growth for 2016/17 and these have been triangulated with the trust so we have a common view going forwards. NHSE (Specialised) has also commissioned a reasonable level of growth and so the specialised contract level for 2016/17 is a more reasonable starting point from the trust's perspective than in 2015/16.

The trust is still working through the details of the CCG and NHSE CQUINs with commissioners. A number of these schemes are high value and complex to deliver so detailed plans for delivery will be required.

4.3 Delivering access targets

The NHS Mandate and planning guidance make clear the requirement for trusts to meet key access targets. St. George's major trauma centre, helipad, heart attack and HASU status, alongside its delivery of core local district general hospital services, has led to an increase in demand, and the acuity of that demand, on the site. This increase, coupled with the previously detailed capacity constraints, has directly contributed to the difficulty that St. George's has experienced in delivering access targets.

The challenge the organisation will seek to tackle head on in 2016/17 is ensuring there is sufficient capacity to deliver an improving trajectory within the current bed base and a capital programme that currently has no ability to fund new capacity.

4.3.1 18 week referral to Treatment (RTT)

The trust not been delivering performance against the incomplete pathway standard since August 2014. Performance fell significantly to 89% in April 2015 and although performance improved subsequently in June 2015 to 92.38% since then the waiting list has increased substantially and performance has been below target.

Overall the trust has averaged 90% - 91% RTT performance during the first three quarters against the 92% target. However, this masks the fact that the trust has significant challenges to meet the 18 week RTT target in a number of specialties, particularly Cardiac Surgery, ENT, Gastroenterology, General Surgery, Gynaecology, Plastic Surgery, Trauma & Orthopaedics and Urology. Meeting and maintaining the 18 week target in these services presents physical, human and logistical capacity challenges.

The trust has focused during Q4 on developing a clear picture, at a clinical service level, of the backlog it faces, the nature of the backlog and developing a plan, agreed with commissioners, for its clearance and long term sustainability. Predominantly the backlog lies within outpatient services. NHSE recommend that, as a rule of thumb, the backlog size for each specialty should be no greater than three quarters of a week's activity. Historically, when undertaking RTT recovery in the trust, the focus has been on inpatients. However key to achieving sustainable delivery is in reducing the outpatient backlog in the first instance.

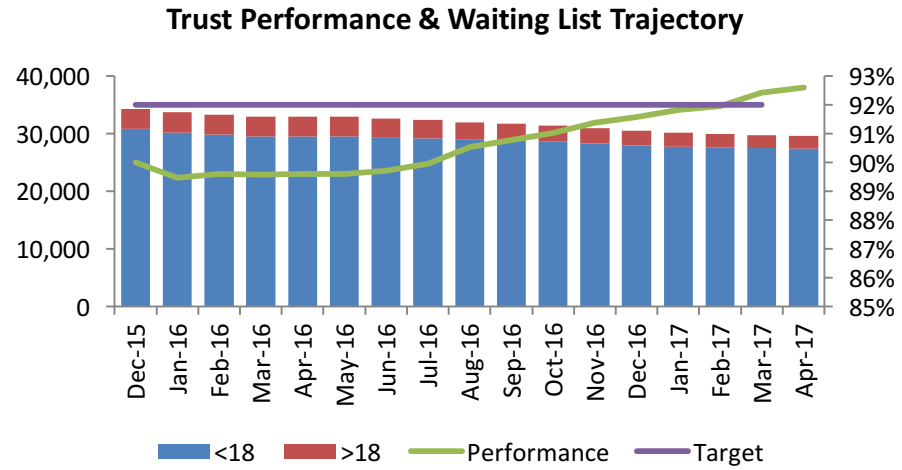
The trust's plans, though specialty specific, have a number of core elements including:

- Undertaking additional clinics and maximising utilisation of all available clinics
- Chronological booking of patients
- Utilisation of capacity at other sites, such as Queen Mary's Hospital, and the Nelson
- Utilisation of capacity on evenings and weekends as well as independent sector for some specialties

Taken together the trust believes that its plans are realistic and deliverable. The trust has been clear with commissioners where it does not believe it will be possible to deliver the 18 week RTT target, to ensure that they have the ability to formulate plans early in the year utilising alternative providers etc.

The following table and graph shows the numbers in the plan agreed with commissioners. This shows the trust meeting the target overall by March 2017, with the numbers waiting over 18 week falling from 3,556 to 2,254 during the course of the year. It is worth noting that individual specialties will be achieving the target earlier than that as the performance of the trust improves through the year.

	RTT												
	Baseline	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Numerator	30213	29526	29526	29261	29162	28956	28794	28577	28274	27932	27734	27558	27511
Denominator	33769	32957	32957	32618	32419	31985	31721	31392	30943	30504	30205	29968	29765
Performance	89.47%	89.59%	89.59%	89.71%	89.95%	90.53%	90.77%	91.03%	91.37%	91.57%	91.82%	91.96%	92.43%
>18 Weeks	3556	3431	3431	3357	3257	3029	2927	2815	2669	2572	2471	2410	2254



It is worth noting that the delivery of the RTT trajectory has a number of dependencies and risks, key to these being

- The ability to recruit and retain skilled staff in line with the services' individual plans
- Adequate winter planning
- Outpatient Capacity / Space becomes available as planned
- Growth not exceeding agreed levels of activity and referrals and therefore trust capacity
- Unclear outcome of technical review of waiting list management and how this will impact waiting list size, as well as the impact of on-going validation and changes to the rules in the Access Policy

4.3.2 A&E Target

The Emergency Department (ED) provides non-elective care to around 400 patients per day. The ED aims to assess, treat, and discharge or admit 95% of patients within four hours, in line with national

emergency access standards. The trust has struggled to meet this target with performance during the first three quarters of 2015/16 was 93%, 92% and 90% respectively. This is part of a long term trend of increased pressure on ED and a related decrease in operational performance.

It is clear to the trust that its current systems are not capable of delivering the target on a consistent basis, and the SRG commissioned McKinsey to review the operating model in the ED and recommend how ED can improve its current systems and practices – this resulted in the "One Version of the truth" (OVOT) report. OVOT identified key drivers and issues, none of which are easy or quick to address.

The report showed that St. George's 2014 performance against the 4-hour A&E target was frequently between 92% and 96%. Since November 2014, however, the 95% threshold has been missed consistently. Over the winter of 2014/15, performance dropped significantly with periods at 80-85%; ED attendances remained at the long term average but medical bed midnight occupancy rose steeply and held at 93-95%. 2015 has seen a further 3% increase in ED attendance.

Using a new approach to validate reasons for breaches an estimated 52% of all breaches are caused by lack of 'bed flow'. This includes patients directly delayed by lack of available bed capacity or the knock on effect in ED of reaching capacity constraints in cubicles where patients are unable to move to beds in the hospital. It needs to be noted that many of the ED problems are downstream and linked to the capacity issue previously noted, including those outside of our control, for example the 20 – 30 patients regularly ready for repatriation to other trusts but blocking beds at St. George's.

The work also showed that 20% of the breaches were due to delays within ED processes and 15% due to delays in specialty review in ED. The trust has also found the acuity of A&E patients increasing, even though numbers attending A&E are relatively stable, the length of stay of those admitted through A&E is increasing. The report identified nine route causes and the following solutions were proposed:

- Manage patient flow through trust and primary care action
- Streamline ED processes and review capacity
- Improve clinical specialty response and engagement
- Re-evaluate the use of short stay and assessment units
- Improve flow and occupancy of inpatient wards
- Improve the complex discharge process
- Improve out of hospital capacity
- Reduce delays due to repatriation to other hospitals
- Implement a sustainable performance management structure across the system

The trust has agreed the following trajectory with commissioners for the delivery of the A&E target during 2016/17.

	ED												
	Baseline	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Numerator	11578	12085	13098	13286	13176	12407	13086	13252	13157	12811	13225	13081	14129
Denominator	13919	13606	14521	14523	14413	13373	14075	14317	14207	14006	14275	14197	15317
Performance	83.18%	88.82%	90.20%	91.48%	91.42%	92.77%	92.97%	92.56%	92.61%	91.47%	92.65%	92.14%	92.24%
>4hours	2341	1521	1423	1237	1237	966	989	1065	1050	1195	1050	1116	1188

As can be seen from the above, the trust does not anticipate being able to meet the 95% A&E target during 2016/17, but commissioners have agreed the above as deliverable and robust and the trust

will be working hard to ensure that it both meets the agreed trajectory, and where possible, exceeds it. Delivery of this trajectory is based on assumptions and constraints including: no further growth in attendances or admissions beyond forecast; the delivery of external system workstream initiatives which will contribute to a reducing demand/attendance; improving flow by facilitating discharge and releasing occupancy as well as no unexpected/out of variation winter pressures.

4.3.3 Cancer Targets

The trust provides a comprehensive cancer service with significant surgical and oncological sub-speciality services. The trust has struggled to meet the two week wait and 62 day cancer standards in 2015/16 and in response a "Cancer Action Plan" has been agreed with commissioners and is currently being implemented. It is designed to improve all aspects of a patient's journey and experience, including meeting the access targets.

Key actions have included recruiting additional staff and increased staff training, undertaking demand and capacity modelling, more senior oversight and escalation, and weekly conference calls with referring trusts to discuss shared pathways and compliance.

The introduction of best practice pathways in breast, urology and lower GI (one stop clinics for first OP appointment) has greatly reduced the diagnostic waiting times for these higher volume tumour types, helping the trust achieve the NHS Mandate deliverable around achievement measurable progress towards the national diagnostic standard of patients waiting no more than six weeks from referral to test.

The trust has signed up to joining a 3 year pilot aiming to improve cancer care led by the Royal Marsden, as part of a Cancer Vanguard. The initial stakeholder meetings are underway. An internal steering group has been set up at a senior level to co-ordinate our relationship with the new network. The agenda for the work of the network is expected to emerge over the next few months.

The following trajectory has been agreed with commissioners for the delivery of the Cancer 62 day target, with the trust meeting and then maintaining the target from May 2016 onwards:

	Cancer - 62 Day												
	Baseline	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Numerator	9.5	10	9	11	11	11	9	10	9	10	10	10	10
Denominator	63	60	60	74	74	74	63	70	63	68	68	70	70
Performance	84.9%	83.3%	85.0%	85.1%	85.1%	85.1%	85.7%	85.7%	85.7%	85.3%	85.3%	85.7%	85.7%
	53.5	50	51	63	63	63	54	60	54	58	58	60	60

4.4 Delivering other aspects of the 2016/17 NHS Mandate

As well as the 'must-do's' relating to access target achievement and aggregate financial balance across health economies, the NHS Mandate has a number of requirements for providers. The trust is already meeting or has plans to meet many of the elements of the NHS Mandate. The following shows the trust position or plans against some of the targets more related to direct clinical care and patient experience, where these are not covered elsewhere within the plan:

Requirement	Position
Maternity services Implement agreed recommendations of the National Maternity Review in relation to safety, and support progress on delivering Sign up to Safety	The review was published in February 2016. The trust is reviewing the recommendations and is currently developing a strategy in response.
Obesity & Diabetes	This is key target for school nursing service. School nurses

Contribute to the agreed Child obesity implementation plan	will now be responsible for following up overweight / obese children in partnership with other services in Wandsworth.
Dementia Maintain a minimum of two thirds of diagnosis rates for people with dementia	All staff are expected to do basic dementia training as part of MAST and the trust will offer more in depth training for those who need it. St. George's welcomes enquiries from relatives about staying overnight with patients and will be gauging interest in this and seeking feedback on our offer via the Dementia Carers Questionnaire. The trust is committed to being more dementia friendly, as set out in its Dementia Strategy
People with Learning difficulties Increase in people with learning disabilities/autism being cared for by community not inpatient services, including implementing the 206/17 actions for Transforming Care	In accordance with the Transforming Care Programme a multi-agency Transforming Care Group has been established in Wandsworth. The responsibility of the group will be to reduce the number of learning disability patients in inpatients beds and put in place recovery plans for any failed discharges. The Transforming Care Group has established a register of individuals who are at risk of community breakdown. The Community Learning Disability Health Team (CLDHT) has a 2016/17 KPI around avoiding unnecessary hospital admissions and out of borough placements - all people at risk and known to the CLDHT will be reviewed and a plan to avoid unnecessary hospital admission will be implemented.

4.5 Demand and Capacity Modelling

Demand and capacity planning and modelling is not new to St George's and has been undertaken using a variety of tools over recent years. Typically tools have been based around a single activity type (e.g. outpatients, inpatients, diagnostics or theatres) and have found it easier to forecast demand (current activity + demographic growth + service developments) than to model capacity (because this is complicated to measure) or expected key performance impacts

In the run up to 2015/16 and recognising the capacity pressures facing the organisation, the trust increased its understanding and presentation of demand and capacity information across inpatients (activity, length of stay, capacity and occupancy) and theatres (timetable and session utilisation). It identified a shortfall of circa 90 beds to meet expected demand and deliver targets etc. Whilst progress has been made in increasing capacity there remains a shortfall, and there are no plans to increase that capacity in 2016/17, driven by the trust's overall financial position and the lack of capital funds.

As part of the Turnaround process the trust commissioned KPMG to develop a modelling workstream to *"Support the trust to develop an integrated activity and capacity model. For a five year period, the model shall seek to take forecast activity as an input and convert into capacity required and compare to capacity available."* The inpatient element of the model is functioning, and work continues to complete the outpatient, diagnostic and theatre elements of the model.

The trust remains very focussed on demand and capacity, and specialties have reviewed and considered their capacity when developing their 18 week RTT recovery plans. However, with regard to assurance regarding the delivery of the plan the trust would note:

- The agreed SLA has been run through the inpatient function and it shows that the proposal is deliverable based on Q3 occupancy of 96.8%, though with some pinch points identified and discussions about how these are addressed are underway
- That the SLA broadly reflects the same level of activity undertaken in 2016/17, as it has in 2015/16, apart from where there are known service developments that include appropriate capacity increases.
- The other major driver of increase has been demographic growth, which inevitably increases the background demand year on year, and has been agreed at between 1% and 2% depending on specialty and POD
- The Transformation programme includes various elements that will help improve the efficiency of the trusts bed base and flow through the hospital, increasing capacity, albeit such capacity improvements are back ended.

5.0 Quality Planning

5.1 Approach to quality planning and improvement

The Chief Nurse/ DIPC and Medical Director are the executive leads for the delivery of the Quality Improvement plan.

The trust has a Quality Improvement Strategy, which is refreshed annually and outlines the trust's vision for quality improvement over a 5 year period (2012 – 2017), detailing key priority areas and planned action to promote continuous improvement in the safety and quality of services provided by the trust. The Quality Improvement strategy will be reviewed in parallel with the overall trust Strategy during 16/17 to support work beyond 2017.

The strategy implementation is monitored quarterly by the trust Patient Safety Committee. Patient Experience and Clinical Audit and Outcomes Committees both feed into the Quality and Risk Committee, the board sub-committee with over-arching responsibility for quality where progress against objectives is challenged and scrutinised.

Each clinical division will have an annual quality improvement strategy which is aligned to the overarching trust strategy and implementation of these is also monitored by the Quality and Risk Committee bi-annually. Clinical divisions also drive implementation of their quality strategies through Divisional Governance Board meetings.

The principles of ensuring St. George's delivers high quality, safe compassionate, care, through an effective productive and well led workforce underpins all quality improvement work. There is an assigned SRO for each of the CQC fundamental standards and these have been reviewed and mapped, alongside work to understand the core services profile to existing governance and monitoring structures, with action plans being finalised to address any gaps which have been identified.

In order to ensure a transparent a robust quality assurance process, a revised care audit tool has been developed which is completed monthly by the matrons, the results of which are available to each ward manager to review their ward performance, alongside the divisions and board. To ensure parity, a quality inspection process is undertaken at corporate level, with each inspection team comprising a trust, clinical and patient representative lead. This inspection frequently includes a commissioner attendee. Existing governance structures receive regular reporting and updates, and in addition, changes to systems and processes to ensure maximum efficiency are being monitored in terms of impact on patient care.

St. George's, through its Quality Improvement Annual Plan and Transformation Programme for 2016/17, will focus on fundamental aspects of care within its annual improvement plan to ensure that safe and effective care is being provided during a period of significant transformational change. The priorities have been identified from Clinical outcome, incident, claims and patient feedback data to determine the programme.

The programme is being expanded to include organisational development in relation to quality including the development of a Quality Improvement faculty alongside the existing safety, experience and outcome domains.

Working to both build on and improve outcomes of care including providing transparency on outcomes, key quality priorities are anticipated to be:

- Ensuring that we are getting patients in the right place first time to improve safety of care and reduction in length of stay through the trusts flow programme, review of specific clinical pathways, management of cancer pathways and the outpatient programme.
- Agreeing and embedding high quality standardised processes 7 days a week through building on existing processes within the trust for the management of deteriorating patient's use of National Early Warning Scoring system, management of sepsis and management of results.
- Investing capital resource to reduce clinical risks through the delivery of an environmental programme that addresses both small and large scale projects during 2016/17 including the provision of dementia friendly environments.

The trust has considered the recommendations from the Association of Medical Royal Colleges guidance on the responsible consultant and is committed to ensure all patients have a 'responsible' consultant, and this is clearly indicated in the patient record and on the ward.

The responsible consultant is usually determined at the point of admission, but may be changed if the patient's needs are better met by another consultant's experience or team. The responsible consultant is identified to staff on the ward patient board and currently there is roll out of electronic boards to display this information. For patients admitted to critical care environments the responsible consultant is allocated to the patient for the period of their admission to a specialised unit, and then this responsibility explicitly returned to the responsible consultant overseeing ward care. Not all wards display the responsible consultant on bed boards at this point and the trust is working to address this. The responsible consultant has overall responsibility for management and coordination of patient care.

5.2 CQC Inspection

The trust will be formally inspected by the CQC in late June 2016. Whilst the trust seeks to meet all the CQC's standards of care at all times, there is no doubt that an inspection sharpens the focus and provides the opportunity for St. George's to take an objective review of its position and seek to address areas requiring remedial work. St. George's has invested £180k in staff costs to oversee and implement a comprehensive programme to ensure the trust is ready for the rigours of a CQC inspection, though this is against a background of limited funds being available due to the overall financial position.

The trust had commenced work in 2015 in relation to its position against CQC fundamental standards, use of Quality Inspections, self-assessment of Divisions until Quarter 2 and then a revised approach for Q4 and on-going oversight through other governance forums. A quality fundamental standards group was also established in Q3 of 15/16.

Following the formal notification of the inspection the trust has taken the following key actions:

- A trust wide programme of work led by the Chief Nurse/ DIPC to prepare for the inspection. This is supported by a small programme team
- Completion of an external inspection programme which covered 50 areas within the trust. In addition the on-going internal inspection programme covering the acute and community sites. This involves Governors, Patient reps, Board members and CCG colleagues. Feedback from this work going directly back to clinical areas
- Further external inspection by another trust will occur in May for three key core services across community and acute sites
- Completion of KLOE for all core services and self-assessment prior to the CQC Inspection
- Key work streams have been established to address the preparatory work for the inspection with the existing Quality Improvement Strategy for 16/17 including actions for medium and longer term. The final version will be signed off by the board in May.

The work being undertaken by the trust in preparation for the CQC inspection includes the following:
- Programme of IT works focusing on improving infrastructure in wards and departments, and clearing a backlog of issues
- Increased leadership of senior nursing staff through a back to the floor programme and increased quality inspections with executive input on a daily basis
- Enhanced ward leadership support to ward managers and matrons to ensure they are supported to demonstrate the characteristics of well led
- Focussed medicine safety programme with weekly audits covering key areas for improvement
- End of Life Care strategy and a 'Dying Matters' week of focussed activity
- Programme to enhance incident reporting and feedback mechanisms including focus upon Duty of Candour with bespoke training
- Trust wide programme to ensure all policies and procedures are in date and fir for purpose with newly built micro-site to ensure accessibility for all staff
- Mandatory training improved from around 50% to 78% to date with the aim to reach 85% compliance by June

The trust's capital programme for 2016/17 includes £19.4m investment to ensure that core infrastructure, essential for the day to day delivery of safe care and a positive patient experience, is fit for purpose. The total capital programme for 2016/17 is £38m, and includes a wide range of projects, both big and small, that will improve the estate. It is not easy to identify within this figure projects that are triggered by the CQC inspection – the trust considers all projects identified for investment as necessary, and which would have been invested in, notwithstanding the CQC inspection.

It should be noted that the £38m the trust has allocated is inadequate to address the extent of the estate and infrastructure, and I.T. backlog within the trust. To make a step change in the quality and condition of these key enablers, the trust will need to identify and access additional capital funding.

5.3 Seven Day Services

The trust has been working to strengthen 7 day services throughout the organisation, and has been working on delivering the London Emergency standards. Key points of the trust position are:
- The trust has 24/7 ED consultant cover and high levels of labour ward consultant cover 7 days a week.
- The London emergency standard *"All emergency admissions to be seen and assessed by a relevant consultant within 12 hours of the decision to admit or within 14 hours of the time of arrival at the hospital"* is met 7 days a week in surgery with a consultant on-site free of elective commitments between 08:00 and 20:00 7 days a week, to ensure patients are seen and assessed within 12 hours of the decision to admit.

- In medicine, the standard is met Monday – Saturday a.m. but not fully across the weekend. The appointment of the 2 new posts is underway to allow this standard to be met.
- In terms of diagnostic service, access to imaging is met within the timescales for critical and urgent diagnostic tests 7 days a week. Routine diagnostics are not all carried out 7 days a week. The trust has enhanced diagnostic services out of hours with trauma patients have 24/7 access to CT and radiology.
- As a Heart Attack centre, the trust has 24/7 services fully supported by appropriate diagnostic support.

The trust is committed to detailed mortality monitoring and our published risk adjusted mortality does not demonstrate a significant weekend difference; we continue to monitor this and embrace the national drive for detailed case note review, and oversight, to ensure learning.

5.4 Quality impact assessment process

The trust is working on finalising and delivering a significant transformation programme based on six key themes including clinical transformation. Each SRO for the work streams is required to complete a Quality Impact Assessment (QIA) for the overall work stream with individual smaller work stream completing a standardised QIA template which focusses on all aspects of quality. Each work stream is required to achieve sign off by the Medical Director and Chief Nurse/ DIPC prior to the work stream commencing.

The Clinical Divisions also are required to follow this process for any cost improvement schemes over and above those within the trust programme. The QIA needs to be approved by the clinical Divisional Chair, Divisional Director of Nursing and Governance and Divisional Director of Operations before submission to Chief Nurse and Medical Director.

QIA s are completed by the Divisions and collated by the PMO. These are reviewed through a single point electronic database by the Chief Nurse and Medical Director.

All Transformation Programme projects and divisional CIP projects now have a “Clinical Responsible Officer” (CRO) who is responsible for insuring on an on-going basis that the quality of a service is not adversely affected by the implementation of the programme. There is a continuous review loop where the CRO reviews the impacts of a project as it is implemented, raising, addressing or escalating concerns as appropriate.

Overseeing the overall programme is the “Transformation Quality Governance Group” (TQCG) which has been established to provide assurance to the board that the Transformation Programmes are not adversely impacting patient safety, patient experience, clinical outcomes and performance KPI’s.

The TQCG tests in depth whether the QIA process and on-going risk management processes being run by each programme are effective and robust. This includes a review of trending KPIs for each programme and a review of the cumulative effect of the programme on the organisation. The TQCG will receive assurances from each programme and sign off the clinical risks within the programme. The TQCG reports to the trust Turnaround Board on the top clinical risks within the programme, and also reports to the Quality & Risk Committee on an exception basis, escalating any significant risks or issues.

The TQCG will aim to be firm at which the cross-programme clinical impact of all the changes is reviewed in one forum.

5.5 Triangulation of indicators

The trust triangulates quality, workforce and financial on a monthly and quarterly basis and via a number of forums. The process is comprehensive and robust

As part of the trust performance framework, St. George's undertakes quarterly executive performance reviews where a series of indicators and their interdependencies in relation to performance, finance, quality, workforce, and risk are reviewed and key items for escalation are addressed. Areas of underperformance are reviewed in terms of delivery against national/internal standards, financial implications, impact on quality and patient care and experience, and workforce implications associated with it. In addition to this the impact of potential workforce issues are discussed and their impact on respective areas, both short and long term with remedial proposals for action.

Some of the key indicators reviewed at the quarterly meeting include:

- National access and cancer targets
- Quality targets associated to CQC domains of Safe (e.g. infection control, harm free care), Effectiveness (e.g. Mortality Bed Occupancy, re-admissions), and Caring(e.g. FFT /complaints)
- HR Targets in relation to CQC Well Led domain, to include Friends & Family Tests, turnover, sickness, vacancy and training/appraisal compliance rates.
- Finance – activity, divisional financial positions, fines
- CQC compliance and internal mock inspection results

Key actions from reviews are also discussed and monitored at various forums in relation to key domains, namely: Finance and Performance Committee, Quality and Risk Committee, Workforce and Education Committee and Monthly Finance and Performance Reviews.

Further triangulation and board scrutiny of key areas is undertaken at monthly trust Board and key indicators from all domains are reported in the monthly trust Board Performance and Quality Report. The Board scrutinise indicators/performance, request further details or recovery action plans where required. Also, in relation to particular areas the board may request specific thematic analysis and forecast for future performance and any associate implications. The board will then use this data to identify key priority and development areas for the trust for both the immediate term and strategic long term. The trust is currently reviewing its Performance Framework and it performance report in Q4, to align it to key quality priority for the forthcoming year and to make further enhancements in relation to benchmarking, trend analysis and triangulation.

In addition to the above and as the trust is in financial turnaround and impacted by a number of workforce and operational pressures. Weekly impact of quality is monitored via the Chief Nurse Quality Dashboard which shows weekly trends for the following areas: Crude Mortality, Falls, Pressure Ulcers, SIs, Complaints, Staffing Fill rates, Safe Staffing Alerts, and Staffing incidents. These metrics are also reviewed by the executive team bi-weekly at the Executive Management Committee.

5.6 Specific Quality Risks

The trust has a risk management process (which it is currently reviewing) in place but given the challenges articulated in this document there are a number of specific quality risks that have been identified, and which the trust will seek to address through its Quality Improvement Strategy Annual Plan 2016/17 and Workforce Plan. It is worth noting that although 2015/16 was a challenging year in many respects, there has not been a marked deterioration in any key quality metrics reported to the board although the Trust would recognise the impact of challenging operational performance on patients and it has addressed specific quality issues which arose during 2015/16. St. George's will

approach 2016/17 knowing that it whilst there are a number of areas where performance is consistent in relation to quality there are a number of areas impacting on quality where focus will be placed. The key issues identified include:

- Estate and infrastructure impacting on patient care and experience – the annual plan makes clear the need to invest capital resource to reduce clinical risks. This would be through the delivery of an environmental programme that addresses both small and large scale projects during 2016/17
- Staff engagement – the staff survey raised serious issues for the trust, for example a lack of confidence in raising issues, and the more recent medical engagement survey identified significant problems also. The trust needs to ensure that its workforce is fully engaged and that the organisation is seen by its staff as supportive and open.
- Overall quality focus during financial turnaround – though the trust has maintained quality as measured by KPI's, and has in place a comprehensive architecture to identify problems, but the trust needs to ensure that the board to ward process continues to function appropriately

6.0 Approach to Workforce Planning

6.1 St. George's workforce

Staff costs account for 61.9% of St. George's expenditure. Recent years have seen a steady growth in workforce numbers, and this growth has been a contributory factor to the deficit in both 2014/15 and 15/16. The drivers for this increase include:

- Safe staffing and nursing establishment review in part driven by delivering locally the recommendations of the Francis report
- Planned growth in line with agreed service developments
- Nelson hospital development
- Gordon Smith ward staffing and other incremental increases in capacity

The following table illustrates the changes in workforce over the past two years:

	Staff In Post		Establishment	
Staff Group	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**	**31-Dec-15**
Add Prof Scientific and Technic	611	561	731	737
Additional Clinical Services	719	842	840	1,034
of which Healthcare Assistants	484	584	619	757
Administrative and Clerical	1,441	1,490	1,773	1,832
Allied Health Professionals	585	579	622	685
Estates and Ancillary	215	231	263	275
Healthcare Scientists	268	270	315	339
Medical and Dental	1,134	1,152	1,139	1,222
of which Consultants	456	477	456	503
Nursing and Midwifery Registered	2,740	2,786	3,192	3,407
of which Midwives	203	191	209	231
Total	**7,712.34**	**7,912.39**	**8,875.44**	**9,531.54**

The trust is fully cognisant of the need to manage its workforce, to deliver productivity and efficiency savings, and to triangulate its workforce, activity and clinical plans.

Key challenges for the trust with regard to workforce has been a very high turnover rate, at 17% , with the impacts on patient care, continuity of care, remaining staff morale, and bank and agency

expenditure. The position at St. George's is reflective of other London trusts, particularly with regard to nursing and AHPs, and is in part reflective of the high cost of housing in the capital and other complex causal factors. The challenge will be on-going through 2016/17 and beyond.

6.2 Workforce Planning Process

The workforce planning process both a bottom up and top down. The trust requires every clinical service to produce a workforce plan for the coming year, which clearly outlines the workforce challenges faced, the plans to address those challenges, and the resultant expected changes and movements in a service's staffing requirements over the coming 12 months. Workforce plans are reflective, where appropriate, to local commissioning strategies e.g. additional Chest Medicine & Dermatology consultants to help address on-going 18 week challenges in both services. The trust has a more limited investment programme than in recent years but the following four service developments, all agreed with local CCGS for 2016/17, have significant workforce implications:

- Surgical Assessment Unit
- Cardiac intensive care unit development (4 beds)
- Thrombectomy business case
- Cardiac Theatre 4

The plans are cross-referenced against the care groups clinical plans and proposed service developments to ensure appropriate triangulation between these key planning documents. Both Care Group plan and Workforce Plan are reviewed, approved and signed-off by the Care Group Clinical Lead, ensuring the clinical workforce is appropriately engaged with the development of plans and their implications for each services workforce.

Workforce data is also considered and reviewed by the workforce planning group, which meets weekly and includes clinical membership. The workforce planning group reports to the workforce and education committee, which is a sub-committee of the trust board. The committee meets every two months and reviews workforce risks at each of its meetings. Trust board reports include workforce and quality detail on a ward by ward basis, enabling triangulation of key metrics supporting the identification of areas of risk.

The workforce plans are included in the annual business plan that is presented to the board. The annual workforce action plan is managed through the workforce and education committee, which is a sub-committee of the board. The workforce planning meeting reports into the workforce and education committee.

The individual workforce plans inform the trusts "Workforce and Organisational Development Plan", which will be approved by both the Workforce & Education Committee and the Trust Board. The totality of these plans are then used to support the submission to Health Education South London, the local LETB. High levels of turnover are a key risk for the trust along with all over major London teaching hospitals. The situation is particularly acute with band 5 nurses, specialist AHPs and specialist nursing such as paediatric nurses, prison nurses, community nurses and oncology nurses. Divisions each have plans to reduce staff turnover, which are monitored through the workforce efficiency programme.

The trust works closely with external bodies such as Health Education South London, St George's University of London, King's College and Kingston University to ensure that the trust is able to help shape the supply of the future workforce. This joint working includes developing a shared education strategy with St George's University of London that focuses on the delivery of high quality undergraduate placements and on strategically positioning the trust in order to maximise the opportunities from the changed commissioning and funding arrangements for nursing and AHP staff.

In response to the significant trust deficit in 2015/16 and the planned deficit position for 2016/17, the trust has also endeavoured to ensure that a robust process of review and challenge has been put in place with regard to workforce. Key elements of this have been:

- The review of all divisional and corporate establishments, with all vacant posts being challenged, and where appropriate permanently removed from the establishment. This is a live process, and to date has taken over £2m of pay costs recurrently out of budgets.
- The on-going Vacancy Control Panel process, to challenge and provide assurance that all posts being filled are absolutely required for the delivery of core trust functions
- The removal from budgets of short term external funding, with the services affected making decisions about whether and how the role is necessary and should be funded going forward.

6.3 Workforce Plan 2016/17

Overall, the focus for the workforce plan in 2016/17 will be:

- reducing staff turnover
- workforce efficiency
- Supporting high quality educational placements.

Workforce is one of one of the seven Transformation programmes. The programme includes the following projects.

Project	Description
Temporary staffing, staff benefits and apprentices	This scheme is about reducing the reliance on temporary staffing across all staff groups, with a focus on areas which are breaching the agency caps. Support is being provided by the NHSI team with this piece of work. The project is also focusing on increasing the number of apprentices, from their current levels of circa 40 WTE to 200 WTE by 2017 Nursing temporary staffing – this project is focusing on the nursing percentage and price caps and ensuring controls are in place to manage these. The programme includes a HESL funded project to support acute nursing with mental health skills in order to reduce the demand for mental health 'specials' The trust has an agency cap target of £24m and intends to meet this target.
SWL Bank	St George's is leading on the formation of the development of a process to enable sharing of staff bank staff amongst the four acute trusts and the mental health trust in South West London.
Organisational shape	In line with the Carter recommendations, the trust is reviewing the number of management layers and the span of management control with a view to ensuring that the organisation can function effectively with speedy and effective communication and accountability.
Medical establishment	This is a review of the job plans for all consultant staff, linking plans closely with activity and ensuring the delivery of 42 weeks' worth of activity for all consultant staff. There will also be a review of the junior doctor establishment to ensure that there are sufficient clinical staff available, especially out of hours and that the trust is making the most appropriate use of alternative roles such as physician associates, prescribing pharmacists and surgical nurse associate practitioners
Nursing establishment	This second part of the nursing establishment review is focusing on the specialist nurse practitioners and the shape of nursing management layers and spans of control.

As well as the Transformation Programme, the following areas of workforce development and focus are planned for 2016/17

Area of focus	Description
Triangulation of quality and safety metrics with workforce indicators to identify areas of risk	In the monthly quality report to the trust board there is ward 'heat map' that reports on areas of risk which have been produced through triangulating the workforce, quality and safety data.
Plans for any new workforce initiatives agreed with partners and funded specifically for 2016/17 as part of the Five Year Forward View	Additional workforce that is required through newly commissioned activity is set out in the workforce plans. The trust welcomes the opportunity to invest in staff wellbeing in accordance with the newly published CQINN details.
Balancing of agency rules with the achievement of appropriate staffing levels	There is a weekly meeting of the nursing senior team to review nursing agency and bank requirements alongside patient safety. There is a daily safe staffing alert system.
Systems in place to regularly review and address workforce risk areas.	Workforce risks are reported and regularly reviewed at the workforce and education committee meeting. The agenda is organised in response to the key risks.

Finally, and crucially, the trust will be putting in place a comprehensive response to the outcomes of the 2015 NHS Staff Survey, which saw the trust score poorly across many of the parameters tested, and the recent Medical Scale Engagement report, which showed a clinical workforce disengaged and feeling marginalised from the key decisions the trust is currently taking. The leadership of the trust is very aware that the difficult challenges currently faced by the organisation are better addressed when the workforce is positively engaged with, and understand and input into developing the solutions the trust needs.

6.4 The workforce in 2016/17

The trust is aiming for a reduction in its workforce during 2016/17, after a number of years of rising staff costs. There are a number of drivers for this, key amongst them being:

- The impact of the Transformation Programme, reducing the headcount as the trust identifies and implements more efficient ways of working
- The renewed focus on the need and requirement for all posts in the current establishment, and the cumulative impact of the trust turnaround plan
- A reduction in agency usage, with bank numbers increasing to reflect this, helping the trust meet the agency cap. This accounts for the single biggest reduction in WTE anticipated for 2016/17
- The impact of skill mix changes and new roles as the trust seeks to modernise its workforce

All Transformation schemes have to have a Quality Impact Assessment completed and approved by the Medical Director and Chief Nurse, and overseen on an on-going basis by the Transformation Quality Governance Group, referred to in 5.4 above. The trust is finalising its Transformation Programme and the final numbers are still being developed.

7.0 Financial Planning

7.1 Financial forecasts and modelling

2015/16 was a challenging year financially for the trust and, after going into turnaround in the summer, and a detailed reforecasting exercise, the trust delivered £41.5m of savings and a year-end deficit of £55.1m, which was £1m better than the revised budget deficit agreed in January. 2015/16 outturn and the 2016/17 reforecast (TRP2) form the starting point for 2016/17 plans.

The reforecasting exercise for 2015/16 was completed with extensive input from budget holders. Divisional management teams and managers welcomed the opportunity to correct anomalies in their budgets and make them more realistic. Inevitably lessons have been learned from the process and these have been applied to finalising the plan for the new year. In particular it was clear that the 2015/16 spend forecasts erred on the side of caution, especially on pay, and as a result there were pay underspends across the trust. Pay budgets for 2016/17 have been reviewed in detail to ensure that budgets are based on realistic assessments of recruitment.

Overall St. George's is working on a plan to achieve a deficit of £17.2m, excluding any profits from asset sales, and potential impairments for costs capitalised in respect of the future development of the site. This is the control total made as a condition for the receipt of Sustainability and Transformation Funding of £17.6m. This aim is the same as that in the draft Operational Plan submitted in February. The trust has carefully considered the request to improve on this position but at present the board is not able to sign up to a plan for a lower deficit.

The table below provides a bridge between 2015/16 outturn and the 2016/17 plan. The table shows a baseline deficit of £70.8m before savings of £36m (net of costs of £6.7m) and STF funding of £17.6m. After adjusting for non-recurrent items in 2015/16, the largest of which, £6.7m, mainly relates to turnaround costs, the recurrent outturn is only £0.6m less than the actual outturn reported for the year.

Income has changed primarily for tariff inflation, CQUIN payments for which the trust was not eligible last year, and commissioner QIPP plans. There is also an expectation that income will exceed agreed contract values and so a local income target has been included.

Expenditure is expected to increase by inflation of £20.3m and cost pressures of £5.9m, changes in business cases are more or less neutral and a 1% contingency is included in the plan. Work is on-going to achieve the £36m net savings in the plan.

FINANCIAL BRIDGE 2015/16 Out-turn - 2016/17 Plan	**£m**	**£m**
Out-turn 15-16		**(55.1)**
Non Recurrent adjustments		
Cap/Rev Transfers	(4.6)	
Charitable income	(1.5)	
Other Income	(2.0)	
Prior year costs	5.0	
Expenditure	6.7	3.7
Full Year Effects		
Business Cases	(1.5)	
Nursing Establishment Review	(3.0)	
Other	0.1	(4.3)
Recurrent Out-turn 15-16		**(55.7)**

Inflation		
Tariff inflation	8.3	
Pay inflation	(12.3)	
Non Pay inflation	(2.5)	
CNST inflation	(5.5)	(11.9)
Other Price changes		
CQUIN	12.5	
Other Tariff changes	(5.8)	
Penalties, fines & challenges	3.0	9.8
Volume		
RTT Improvement	4.6	
Commissioner QIPP	(10.0)	
SLA Disinvestments	(1.0)	
Local Income Targets	6.3	(0.1)
Business Case investments		
Funded Developments	8.0	
Unfunded Developments	(5.2)	2.8
Other		
Cost Pressures	(5.9)	
Non Operating Costs	(2.2)	
Contingency	(7.5)	(15.6)
Baseline before savings & STF		**(70.8)**
Savings / Efficiencies		36.0
Sustainability and Transformation Funding		17.6
		(17.2)

7.2 2016/17 Service Developments & SLA negotiations

As well as the focus on transformation and savings, a number of business cases that will make a positive financial contribution to the trust are included in plans for 2016/17 and several went live in the last quarter of 2015/16. Commissioners have expressed support for these developments. These include:

- Cardiovascular – additional capacity for elective & non elective cardiology
- Neurosciences gym – increase in elective neurosurgery capacity
- Recovery at home - patients continuing their recovery at home rather than in hospital but are being visited by nurses/therapists in the community
- T&O consultants – 5 extra posts to provide a 2 tier trauma rota and extra operating sessions for trauma and elective cases
- Spinal Cord injury beds

Local CCGs have also agreed the funding of the Surgical Assessment Unit due to open in the summer 2016.

Contracts have now been agreed with local CCGs and NHSE. These include assumptions about local growth related to demographic change etc. and QIPP proposals. The trust has also set an additional income target of £12.7m to cover activity expected over and above agreed contracts with commissioners.

The agreed contracts include funding for CQUIN schemes from both NHSE and CCGs although the details of the schemes and the means by which they are going to be delivered within the trust is being reviewed.

7.3 The Sustainability & Transformation Fund

The government is investing £1.8bn of additional provider support next year, through a new STF fund. St. George's proportion of this is £17.6m through general STF funding, and potentially more through target funding. This offer is made on the basis that St. George's will deliver a deficit of no more than £17.2m in 2016/17. It should also be noted this offer is contingent on the NHS 15/16 provider sector deficit being £1.8bn. If it is higher than that, it is likely that this additional overspend will be top sliced from the STF fund, reducing the offer to each trust.

The release of STF funding is contingent on achieving recovery milestones for deficit reduction, access standards, and progress on transformation. Where trusts default on the conditions access to the fund may be restricted and sanctions will be applied.

7.4 Cashflow and financial support

The trust made significant progress in improving its cash management during 2015/16 e.g. through longer supplier payment terms, credit control actions to reduce overdue debt and a managed slowing down of capital expenditure and stock reductions. The combined impact of these cash benefit measures enabled the trust to finance a higher income and expenditure deficit than original plan and at the same time borrow less than planned under its working capital facilities.

In early February the trust agreed to the terms of a loan facility of £48.7m to replace previous interim cash support and it will maintain the ability to access a working capital facility of £25m in 2016/17. The trust's cash balance on 31 March 2016 was £7.4m after loan drawdowns of £40.4m.

The trust has access to approx. £33.4m additional cash under secured borrowing facilities to finance a revenue deficit of £17.2m in 2016/17 – comprising the £8.3m undrawn balance of its interim revenue support loan and £25m from its working capital facility. This is based on a 2016/17 year end deficit of £17.2m, capital cash spend of £33.4m and a £3.1m deterioration in working capital due to some shortening of creditor payment terms.

The I&E position contains significant risk in respect of CIP delivery and the £17.6m Sustainability and Transformation funding which is conditional on the trust's achievement of specific financial and performance objectives. Therefore the trust's current assessment is that additional borrowing facilities of approx. £20m over and above the £33.4m already secured should be sought to provide sufficient resilience to manage these risks to the cash position.

The trust finished 2015/16 with a risk rating of 2 due to its improved liquidity and a positive variance on its I&E margin. A rating of 2 is expected at the end of 2016/17.

7.5 Capital Planning

The trust acknowledges the requirement to generate internally the majority of its capital expenditure. The trust has been through a rigorous and on-going process to finalise its 2016/17 capital programme. Executive directors and other key staff have met to challenge, risk-assess and prioritise each of the originally proposed 205 line items. The process has worked as follows:

- Clarification on the available funding for the capital programme was given based on the forecast deficit for this year and next.
- All major strategic schemes were excluded and associated DH Loan funding removed, such as the Children's 5th Floor and General Critical Care build, following guidance on DH capital funding. The trust does need to progress this project however, as detailed in section 3.
- The master list was checked to ensure all items were captured and risk assessed, with risk description and mitigation should the item not be prioritised.
- Following this, items were reviewed line by line and prioritised into individual categories- 'Contractual', 'Charity-funded', 'Essential', 'Priority' and 'Desirable', and ranked by expenditure category.
- In the latest draft iteration, based on the level of funding available, only 'Contractual', 'Charity-funded' and 'Essential' categories have been approved as budgets for 2016/17. A final review checked items in the 'Priority' column to see if they were suitable to leave unfunded.

The major difference between the figures below and those presented in the 8th February submission has been the inclusion of circa £7m of capital slippage from 2015/16, which is now included in the 2016/17 capital budget.

As a result of this process, the trust has finalised its capital programme. The programme currently is formulated as follows – all figures £,000's.

Category	Contractually committed £000	Charity funded £000	Essential exp £000	Agreed Funding £000
IMT	2,617		2,554	**5,172**
Infra renewal	671		7,221	**7,892**
Infra Renewal - Energy centre	11,556			**11,556**
Major Projects	3,047	660	3,096	**6,804**
Medical Equipment		1,048	3,795	**4,843**
Other			2,031	**2,031**
SWL PATH			183	**183**
Grand Total	**17,891**	**1,708**	**18,880**	**38,480**
Less capital value of new finance leases			**-3,604**	**-3,604**
Capital Expenditure (cash)	**17,891**	**1,708**	**15,276**	**34,877**

Based on the above, the trust has undertaken the trust is looking to invest in the following major programmes during 2016/17.

- **IM&T** – Major areas of investment are around basic infrastructure renewal – implementing changes to the trusts main PAS system and electronic document management and prescribing systems, which improve patient safety.
- **Infrastructure Renewal** – Major expenditure on generator renewal and fire safety projects, lift upgrades and theatre refurbishment

- **Energy Contract** – the trust is committing £11.6m to the renewal of its energy centre, the plant that supplies the energy to the main site. This project is financed by a secured loan from the London Energy Efficiency Fund (LEEF).
- **Major projects** – Developing the Surgical Assessment Unit, in line with commissioner requirements and funding, developing endoscopy services to cope with additional demand, and costs associated with enhancing theatre capacity for cardiac and neurosurgery on site are major developments this year.
- **Medical equipment** –funded by finance leases, along with £1m investment in replacing equipment at the end of its working life.

The trust is exploring ways of better using assets, including:
- Exploring a managed equipment solution to the catheter laboratories upgrade that is required in the coming year
- Extending asset lives where risk is low
- Reviewing the community estate currently owned and managed by the trust, and looking to reduce the total number of bases within the community, whilst still delivering a high quality community service.

7.6 Transformation Programme and efficiency savings 2016/17

The trust established a Transformation Programme with the aim of fundamentally changing elements of the way the trust works, and through that to release significant savings. The initial aspiration for the programme was that it would save £50m net during 2016/17, and although plans are still being developed and refined, the current expected net saving is £36.2m, excluding income from any asset disposals. As the plans get finalised, the trust is working to ensure that any double-counts of savings are identified and removed.

The trust expects benefits from the programme to include:
- The transformation programme will help us address the current ways of working so that we can reduce waste, delays and confusion for patients, whilst saving money and enabling us to treat more patients.
- The transformation programme will engage staff in having a greater positive impact in their work and build their transferable skills as we improve services.
- The transformation programme offers them the opportunity to work together to improve the value of the services they provide, giving us a sense of shared purpose, collective success, and real team pride.
- We want St. George's to top the rankings in patient care and quality, as well as staff satisfaction and financial success.
- By improving our services and reducing our costs, we will help make sure the NHS is there for generations to come.

There are five main transformation workstreams, each led by an executive director. These workstreams are detailed below:

7.6.1 Workforce efficiency

The workforce accounts for 61.9% of the trust expenditure. Tight management and control on staff numbers, roles and responsibilities is therefore a crucial transformation programme requirement. The trust has a number of efficiency and productivity schemes linked to this workstream. All workforce savings schemes are subject to the quality impact assessment process, which is led by the Chief Nurse and the Medical Director.

This workstream covers realigning the size and shape of the organisation, finalising the second stage of the nursing establishment review, reviewing the medical staff establishment, improving productivity and further reducing spend on temporary staff to ensure the workforce is better positioned to deliver the trust's strategy and turnaround. The following table details the key elements of the programme, and current anticipated saving from each element.

Project Name & Summary	2016/17 Anticipated net Saving £,000's
Reducing Pay Costs This workstream will support the trust in reducing the average unit pay cost of its workforce. This project is made up of five work streams including: 1.Extending temporary staffing controls successfully implemented in 2015/16 across all non-nursing staffing groups in 2016/17 2.Review and implementation of actions to address payroll review findings within key domains including 3.Expansion of the apprenticeship scheme at St. George's 4.Expansion of the salary sacrifice programme 5.Review of the level of new Local CEAs awarded during the annual round	**3,156**
Reduction in medical secretaries and clinical admins costs The letters and other dictated clinical correspondence we produce are important to patients, staff and the trust. They are essential in providing high quality care, keeping people up to date with what is happening, the organisation of future tests and treatments, accurate record keeping and ensuring that the trust is properly paid. The project improve service and save money through: 1. Reduce delays in the current process, through the adoption of a single framework 2. Reduction in human error through automation etc. 3. Usage of IT to distribute letters, moving away from paper versions 4. Centralised filing and automatic filing of clinical correspondence.	**163**
Medical Workforce Review The Project is a review of the medical workforce looking at four workstream, the two main ones being: To review the medical workforce and job plan the Consultant workforce to the activity demand of the service including a review of education, research and off site cover. Currently not all consultants have a signed job plan. The pay bill for the trust Consultant workforce is: Employed Consultants £61,421,018, Budgeted Agency Consultants £380,295, Budgeted Locums £3,006,028. To review all junior doctor rotas for gaps and to ensure optimum rota design and a review of the hospital at night. This will provide the trust with assurance that the actual distribution of staff is optimised to provide safe patient care.	**1,822**
Nursing Establishment Review To implement a review of senior nurses/ Midwives in order to minimise the non-patient facing tasks which could be carried out by staff at a lower grade and as such secure best value from staff, integrated with workforce, financial and service business planning. In preparation diary cards have been completed by senior nurses/ Midwives within St. George's highlighting a number of issues including: 1) Overall compliance with assumed senior role in patient facing time ratios are not in place 2) Admin appears be taking up a proportion of the role (which includes telephone calls) some of these duties could be managed by a lower grade of staff	**2,621**

Est. benefit: release approx. 7-10% of Senior Nursing time to be released through vacancy or natural staff turnover To complete a review of AHP staff to meet Operational/ Service profiles whilst reducing WTE to benchmarked peer proportions	
Nursing Temporary Staffing St. George's has the opportunity to reduce the overall average unit pay cost for the nursing workforce by taking the necessary actions to implement National guidance in relation to further bank and agency controls. Implementation of this project will support the trust in reducing the current performance against monitors cap to delivering the 8% compliance cap in FY16. The reducing average unit pay costs - Nursing and Midwifery project is made up of five work streams including: 1) Delivery of the aggregated qualified Agency caps to 8 % by April '16 2) Overseas recruitment of 125 nurses to replace Agency usage by Dec' 16 3) Enforcement of e-rostering management SOPs across St. George's by April '16 4) Reduction in RMN usage by 50% in Q1 '16 5) Delivery of 85% student nurses direct entry by Sep '16 for students from Kingston and Kings`	**1,492**
South West London Staff Bank Establishing the SW London Bank is expected to help to attract staff to work for the local NHS directly, rather than through an agency. This project aims to bring the capacity of 5 staff banks (St George's, SWL Mental Health, Kingston, Epsom and St. Helier and Croydon) together to improve bank fill rates and reduce reliance on agency staff. This is not a merger of bank teams but a sharing of bank staff. To achieve this the trust's involved need to; ▪ harmonise roster policies ▪ harmonise bank rates ▪ implement a technology platform to share shifts with bank staff members across the 5 organisations	**174**
Spans and Layers This workstream seeks to support St. George's in realigning the size and shape of the organisation to reduce the pay costs of the workforce by reducing inefficiency and duplication in management spans and layers. The trust management roles and responsibilities have largely grown organically, with limited consistency across divisions in terms of management layers and spans of control. Indicative findings suggests that: ▪ there are 14 layers of management in the trust, i.e. from CEO to the most junior employees. This is high compared to benchmarks and good practice set at 8 layers. ▪ there are 120 managers with a 1:1 management relationships (17%) and 261 managers listed as having fewer than four direct reports (37%) suggesting the trust is not maximising its investment in the existing management layers. The next two phases of this project will re-design management spans and layers and will roll out the new approach across the trust.	**555**
Total anticipated Workstream savings	**9,984**

7.6.2 Clinical Transformation

One focus of this workstream is on improving theatre utilisation and productivity and minimising the need for extra physical capacity as well as looking at how theatre consumables and equipment are utilised and managed. The other aspect is improving length of stay to speed up patient pathways and reduce the use of the private sector.

Project Name & Summary	2016/17 Anticipated net Saving £,000's
Diagnostics Currently the Diagnostic Service is experiencing operational challenges to manage capacity and demand. There have been challenges during the financial year because of reduced staffing levels (e.g. current vacancy factor radiographers approx. 25%), ultrasound equipment, requirements to upgrade plain film x-ray equipment and potential lack of capacity for MRI to meet any growth in demand. The Diagnostics Directorate have proposed an aspirational plan to create sustainability for the longer term through an integrated approach. Expected benefits: (1) Improved quality and focus on reduced error reporting (2) grow activity/demand in the service, by: increasing productivity, increase capacity (staff and/or modalities), and managing demand. (3) become a more integrated Diagnostic Service, building on the work the trust has undertaken to integrate STGH, QMH and the Nelson Diagnostics (4) Improved patient flow through the hospital and reduction in the length of stay.	**1,383**
Flow Programme Over the last 18 months, the trust's Flow Programme has focused on reducing length of stay in adult beds. Specific areas of focus were: ▪ working with 29 wards to identify address issues around earlier discharge ▪ implementing iClip 5 a day to give a trust-wide view of patients' EDDs and PDDs and reasons for delay ▪ Improving DTOC and NDTOC management to reduce delays ▪ Improving management of internal transfers from AMU to downstream wards ▪ Opening and utilisation of a Departure Lounge to release beds earlier There are 4 key breakthrough objectives for 16/17: (i) Fully embedding and augmenting existing flow initiatives (ii) Broadening core discharge practices across all adult and paediatric acute wards (iii) Prioritising new initiatives, with an emphasis on implementing high impact interventions suggested by OVOT and MADE (iv) Building a robust performance management framework to drive sustained improvement	**2,200**
Theatre Productivity There is a significant opportunity to improve theatre productivity at St George's, specifically the number of operations per list, by raising the current in session utilisation of certain specialities to the UK national average or upper quartile in comparable acute hospitals, and overall session utilisation By raising Main theatre [79%] and Day Surgery Unit utilisation [77%] to 85% the trust will generate [774] theatre sessions for an additional [1,560] elective cases	**1,900**
Outpatients The trust sees in excess of 800,000 outpatient appointments a year, generating over £110m in income each year. Outpatients are currently managed across two divisions, by three management teams using two different income models. There are currently multiple processes and methods of reporting and managing outpatient services. Proposal ▪ Align the current outpatient models to develop a unified and standardised approach to	**TBC**

delivery of outpatients ▪ Core business rules, processes and IT systems in place to support central management team ▪ Review ways of working, capacity & demand to ensure the OP service is efficient and high quality ▪ Centralised approach to management of all outpatient rooms to ensure fully utilised, through the introduction of room management system.	
Total anticipated Workstream savings	**5,484**

7.6.3 Portfolio optimisation

This workstream will assess the clinical services portfolio and the scope to improve efficiency and effectiveness; and will seek to increase the contribution from private patient and commercial activities.

Project Name & Summary	2016/17 Anticipated net Saving £,000's
Fix, Close, Transfer For the 15/16 financial year, clinical services delivered a gross margin (income less direct costs) of circa 12% of income. This gross margin is insufficient to cover overheads. The position is not equally shared across services, however, with some making a significant gross margin, while others are failing to cover even direct costs. There is a need to understand both financial performance and the reasons underpinning financial performance at service level to ensure that the correct measures can be taken to address service specific issues.	**3,025**
Commercial To increase private patient income and activity undertaken at St. George's in Neurology, Cardiology and Cardiac Surgery so as to generate additional income. This project is an element of the wider private patient strategy for the trust. The trust currently undertakes work on behalf of Gibraltar. This project aims to increase Gibraltar activity above and beyond forecast 16/17 plan to bring the activity more in line with contractual obligations.	**484**
Total anticipated Workstream savings	**3,509**

7.6.4 Divisional / functional improvement

Project Name & Summary	2016/17 Anticipated net Saving £,000's
Divisional Savings Projects The trust will expect its clinical divisions and support and corporate functions to continue to make business as usual improvements in the delivery of healthcare. The target for the departments is significantly reduced from previous years, as the focus of the trusts CIP programme moves to more transformational projects.	**10,000**
Medicine Optimisation Pharmacy has a proven track record of achieving significant savings through Medicines Management Cost Improvement programs. The target will be achieved through a number of schemes including contract updates, generic medicine switches, biosimilar medicine introductions, prescribing policy changes and reduced waste.	**1,831**
Total anticipated Workstream savings	**11,831**

7.6.5 Corporate efficiencies

This is focusing on improving the performance of corporate departments and reducing costs as well as securing procurement savings associated with the Carter review and other opportunities.

Project Name & Summary	2016/17 Anticipated net Saving £,000's
Procurement Procurement is to deliver a recurring benefit to the trust, via cost improvement, cost pressure avoidance and cost recovery for 2016/17, and on-going stock reduction. Projects are subject to on-going review and change but are likely to comprise: 1. CIPs already identified and included in the Procurement programme for 16/17 2. New 'ordinary course' CIPs - better prices on existing products, substitution for cheaper products, better ways of working; to include increased collaboration with SWL APs and other trusts. 3. Improved consumption management (behavioural change) on key categories of spend (e.g. legal services, translation); 4. Historic consumption/compliance review; 5. Permanent inventory reduction; 6. Reduced use of consignment stocks.	**6,000**
Back office modernisation The objective of the project is to design and implement new ways of working which achieve a reduction in Finance, Estates, HR and IT operating costs, whilst at the same time maintaining and preferably enhancing service delivery. The solutions for each function will vary and may include process and systems improvements, the development of a unified internal support function(s) and outsourcing, or a combination of two or more. The final solution for each function will be determined following the development of a robust baseline and options appraisal.	**TBA**
Implementing Lord Carter Report The trust transformation plan sets out the actions we are taking to realise the savings outlined in Lord Carter's report across areas such as workforce efficiency, clinical transformation portfolio optimisation, infrastructure etc. In developing the plan the trust has benchmarked improvement opportunities from a number of sources, including the Carter review which indicated a £55m opportunity over 3-5 years. As the Carter Model Hospital analyses are completed nationally, the trust will look to incorporate these findings into the trust's transformation programme, supporting each service to improve their productivity and efficiency still further.	**TBA**
Total anticipated Workstream savings	**6,000**

8.0 Risks to delivering the 2016/17 Operational Plan

The trust has a comprehensive governance process that identifies and manages risk within the trust. A number of the challenges, or actions to address those challenges, are covered by the trust's various risk registers and particularly the Corporate Risk Register.

For clarities sake, however, the following key risks to the delivery of the operational plan have been identified.

Risk	Risk Description	Potential impact	Mitigation
Plan Delivery	The 16-17 Plan is not achieved. The financial plan could be destabilised by "must-dos" including patient safety, leading to slippage on recovery plans, pressure on cash; and non-achievement of in-year plans.	Key stakeholders lose confidence in the trust and its leadership team.	Focussed strengthening of management capacity and capability to assure delivery Continuing emphasis on the continuing need to proceed at pace to deliver change; Continuing dialogue with stakeholders to ensure shared approaches to challenges.
Income & Activity	Expenditure reductions and regulatory risks impact on the trust's ability to deliver planned activity. The trust has insufficient capacity to deliver expected levels of activity	Strategic Transformation and other budgeted income funding are not achieved. The financial plan is not achieved	Careful balancing of income and expenditure priorities to ensure that activity is delivered. Continuing dialogue with stakeholders including support to commissioner QIPP plans (demand management.)
Expenditure	Efficiency programmes will not be sufficient to deliver savings assumed within budgets. Staff do not buy in/ understand the requirement to deliver agreed expenditure budgets. Risk that the expenditure budgets after efficiency gains are seen as incompatible with the achievement of income targets; and/or central/local savings targets are double counted, giving the Board a false sense of assurance	CIP targets are not achieved. The expenditure plan is not achieved.	Minimise risk of double counting by devolving financial targets to divisional levels; Stronger performance management and follow-through of actions; Increase assurance through robust data quality; tight management of vacancies and staff costs.
Regulatory Risk	The financial plan is not accepted by NHS Improvement. Care Quality Commission, Royal Colleges and other regulators may require additional investment NHS Improvement may increase controls over agency and premium costs, leading to staffing constraints.	The trust does not achieve its income target. The trust is required to invest more than its budgeted expenditure plans (capital and/ or revenue) The trust is unable to manage within the cash resources available. The trust's financial plan is not achieved	Raise awareness within divisions and develop locally-owned mitigation plans; Develop active communication plans for stakeholders and patients about responses to risks and mitigating actions; More robust performance management to promote improved ownership and mitigations.

These further risks were identified in the 8th February submission and remain relevant, though many form a sub-set of the key headings above.

1. That the lack of capital funding, internal or external, does not allow the trust to progress major infrastructure projects outlined in section 3, particularly the renal re-provision and children & women's hospital
2. That unexpected infrastructure failure forces the trust to spend additional monies on the capital programme, so risking delivery of the trusts financial targets
3. That unexpected additional constraints on capacity mean that plans to improve access target performance as outlined in the plan are not delivered
4. That staff turnover and vacancy rates remain unchanged or worsen, impacting on the continuity of patient care, the ability to meet the agency cap, and impact on the ability to deliver the workforce savings outlined in this plan

9.0 Foundation Trust Membership and elections

As a relatively new FT, the trust is working with its Council of Governors to define their role, the relationship between trust and Council, and how both engage with the wider membership.

As at January 2016, the trust has a total membership of 20,383, made up of 12,304 public members and 8,079 staff members. The trust is aiming for a stable membership at or around this number and will be agreeing with Governors, future target membership.

Governor elections were held in July 2014. Governors all received an induction after election and at least a third attend the monthly board meetings as observers on a regular basis, and three rotating Governors are allowed to observe board committee meetings.

There are currently five staff governors, eight nominated from key local stakeholder organisations and 15 public governors from primarily south west London and Surrey, reflecting the tertiary nature of the services the trust provides. The next elections are planned for February 2017, two years from authorisation as an FT.

The trust has undertaken a number of activities to engage, support and provide education for Governors, to enable them to fulfil their role as democratically elected public representatives. Examples include:

- A Finance Workshop in June 2015, delivered by the Chief Financial Officer and Wandsworth CCG's Finance Director, to give an insight into the challenges facing NHS and St. George's funding and demands, legal and other requirements on those monies.
- The trust has held workshops and training on the following
    - Protocols regarding Governor attendance at Board Committee Meetings
    - Their role in Quality Inspections, which is a key programme of inspection and review of all clinical areas which runs on an on-going basis. This included training on infection control, speaking to patients and how to escalate any problems that are highlighted. To date seven governors have taken part in these inspections
- The Council of Governors are well attended by trust Directors, including the CEO, whom update them on key plans and developments and are subject to challenging scrutiny from the council.

The first Annual Members Meeting was held in July 2015 where Governors met public and staff and took part in escorted 'wellbeing walkabouts' beforehand around the hospital. Governors are invited to all staff briefings and receive information about public consultations and also receive the weekly media update so are aware of anything mentioning the trust in the media (including social media).

The trust engages with the various communities that utilise our services, including local community and faith groups such as Healthwatch, the Tooting Islamic community centre, school sixth forms etc. The trust undertakes monthly talks out in the community covering different health topics which the Governors also attend, as well as talks to Students of the associated St. George's University of London students union.

In addition to face to face activities, the trust actively uses social media – Facebook, Twitter and websites to keep members and the public more generally informed about current issues. This includes sending a month e-mail bulletin to over 6,500 users for whom we have an e-mail address.