East Kent Hospitals NHS
NHS Trust

Annual Business Plan
2007 - 2008

Contents

1. Introduction from the Chief Executive

Our vision:
To be known throughout the world as one of the top ten hospital Trusts in England and the Kent hospital of choice for patients and those close to them.

Our mission:
To provide safe, patient focused and sustainable health services with and for the people of Kent. In achieving this we acknowledge our special responsibility for the most vulnerable members of the population we serve.

Our values:
East Kent Hospitals NHS Trust people:

1. Take pride in delivering quality and put patients first
2. Act with integrity
3. Speak well of each other and celebrate diversity
4. Achieve great things when they work together
5. Are open, honest and communicate and involve people in their decisions; and
6 Are good citizens, look after the environment and pursue value for money in all that they do

I am pleased to introduce the Annual Business Plan, which will be used to direct and govern the activities of the Trust over the coming 12 months. It identifies what we want to achieve as an organisation and how we will go about doing it, focusing on the key issues which will affect every part of the organisation.

High expectations are being placed on the whole NHS for 2007/08. This is the final year of the current public sector planning round and probably the last year that our commissioners will be given a significant increase (approximately 9%) to the funds they have to purchase healthcare from Trusts.

In return for putting this money into the NHS, the Government, on behalf of the taxpayer, is expecting that we will treat more patients and reduce patient waiting times. A major target for the year is by December 2007, 90% of patients who require admission to our hospitals must be admitted within 18 weeks from the date they were referred and 95% of those who don't require admission must be seen within the same timescale.

As a Trust, we will continue to develop hospital services for the population of East Kent and continue to invest in technology to support our services. Planned developments for the year include completing the investments in Renal, Vascular and Interventional Radiology Services, implementing the NHS Care Records Service, installing the automated laboratory at Ashford and completing the centralisation of Head & Neck services.

At the same time we will be making significant improvements to the way in which we deliver patient care through the implementation of our Clinical Systems Improvement Programme.

We will be doing all this, of course, within significant financial pressures as we, like many Trusts, work to improve our efficiency in response to the challenges presented by Payment by Results and Patient Choice.

There will be some difficult decisions for the Trust Board, clinical leaders, managers and individuals, if the Plan and its objectives are to be successfully delivered. The year ahead will certainly be challenging, but it will also present great opportunities to develop and improve what we do. As a Trust we have a track record of rising to our challenges and overcoming them – let us go forward and achieve great things by working together.

Rupert Egginton
Acting Chief Executive

2. Executive Summary

2.1 Due to the hard work and dedication of staff the Trust achieved a significant improvement in performance in 2006/07.

2.2 The Trust enters a particularly challenging year in 2007/08 with even greater financial demands and uncertainties and the requirement for an unprecedented level of efficiency savings. The impact of Payment by Results, Choice and the use of the private sector will require sound strategic planning and close monitoring.

2.3 The Trust's Annual Business Plan is the result of a health economy wide planning process taken forward to deliver national and local priorities for 2007/08. It builds on the Business Plan produced for last year and encompasses the Trust's Strategic direction. The Plan is presented at a time when a range of NHS policies are in train that set out important changes to how NHS policies will be delivered and managed in the future.

2.4 Both the Trust's Strategic and Annual Plans aim to ensure that services and their delivery are "fit for purpose" to successfully meet the challenges that lie ahead.

2.5 The Plans describes the challenges facing the organisation and the objectives set out to carve a path to achievement. It provides an overview of the Trust's achievements in 2006/07 and key plans for the year ahead.

2.6 For the year ahead the Trust aims to reduce the time people wait for our services and improve the experience people have of our services by:

- Reducing length of stay
- Focusing on Safety – improving safety and reducing hospital acquired infection
- Focusing on Access to our services - meeting our promises to patients in terms of improving waiting times and piloting the 18 week pathway
- Focusing on Patient Experience- improving the patient experience of our services and our information and increasing the Patient and Public involvement in our decisions

2.7 Delivery of evidenced based high quality care is dependent on research and its implementation. Any service that aims to improve the quality of care that it delivers needs to be research aware and/or research active. As a result, research forms an integral part of the Trust's Business Planning process.

2.8 A range of corporate plans incorporating services for Patients, Human Resources, Clinical Practice, Information Management and Technology, Estate and Facilities, Operations and Finance are outlined in this Business Plan to take the Trust forward. Directorates will proactively develop and strengthen their work with patients to influence and shape local service developments that feed into the Annual Business Plan.

2.9 To support the achievement of these plans a Matrix of Directorate Standards and Targets and Key Performance Indicators has been agreed by the Trust Board. The Performance Matrix shows the way forward for the clinical and non-clinical Directorates and provides the targets and milestones against which progress will be monitored. These will be cascaded to the appropriate staff in the Trust to form their objectives and be subject to appraisal, whilst performance management arrangements are shown for the entire Trust.

2.10 Underpinning the plans is a performance management process that is led by the Chief Executive and Executive Team. Performance will be regularly monitored and remedial action agreed in a timely fashion. The Trust will continue to work towards an integrated planning, delivery and performance management system, to ensure that the work being undertaken to develop the way forward over the next 5 years, links with the annual plans that steer the day to day activities of the Trust.

Strategic Context

2.11 The Business Plan describes how the Trust will deliver the first year of its Service Development Strategy and Financial Plan 2007/08 to 2011/2012. The Plans set out the direction of travel agreed by the Trust Board.

2.12 The Service Development strategy outlines a number of key challenges and opportunities facing the Trust in the years ahead:-

- a growth in the population of 5% from 2006 to 2012
- increasing competition for GP referrals from both private and other NHS hospitals
- more services being provided in community based settings, thus reducing the number of patients seen in acute hospitals
- changes in healthcare funding mean that the income we receive for each episode of care we provide will not necessarily increase as our costs rise.
- a reduction from 2009 in the hours that doctors in training can work, requiring changes in the way the Trust delivers services
- introduction of new targets from referral to commencement of treatment within 18 weeks which we are aiming to achieve by December 2007
- repatriation of specialist work from London to our own hospitals
- achievement of NHS Foundation Trust status, providing the freedom to innovate and develop services tailored to the needs of our local communities

2.13 The challenges and opportunities that we face make it essential that we expand existing services and develop and provide new services where appropriate. It also means becoming more efficient in what we do and reduce the number of some or our older buildings, such as those at Dover and Folkestone.

2.14 We believe the Trust can, and should, focus on becoming one of the most efficient providers of hospital care in England. If we improve our services so that we match the top performing hospitals across England, then we would also make in-roads into the challenges we face. There is evidence that £30m of savings could be achieved through a programme of "Clinical Systems Improvement" or CSI. This important initiative shifts the focus away from cost cutting measures towards radical changes in the way that junior doctors, consultants and others deliver care. The programme is about "Getting Patients Better Faster" through redesigning patient pathways, increasing efficiency of diagnostic services and the implementation of new technologies. Benefits will include a reduction in hospital acquired infections, a reduction in the length of stay, better outcomes and elimination of unnecessary costs.

2.15 The Trust Strategy includes a target of achieving cumulative financial balance by 2008/09, which is a critical success factor to achieve Foundation Trust Status. Having returned to recurrent financial balance it is projected that surpluses can be made in subsequent years to reinvest in the organisation for the benefit of our patients.

3. REVIEW OF KEY ACHIEVEMENTS 2006/07

3.1 Overall the Trust has achieved a significant improvement in its performance during 2006/07 due to the hard work and dedication of staff. In order to maintain and enhance this position the Trust now has to work hard to ensure that system and process changes are embedded and sustainable.

3.2 The Trust has recently concluded its review against the requirements of the Annual Health Check 2006/07. The Annual Health Check encompasses a review of compliance against the Healthcare Commission's "Standards for Better Health, including progress against the developmental standards for two domains (Safety and Clinical and Cost Effectiveness) and the extent to which the Trust has implemented the requirements of the Hygiene Code.

3.3 A declaration of "compliance" has been made against the core standards except core standards 4d in the safety domain against which a declaration of "insufficient assurance" has been made. It is intended that a declaration of "Fair" will be made against the developmental standards which describes the level of progress made in meeting the additional criteria. There is an issue at the moment about Core Standard 9, Records Management.

3.4 The 2006/07 declaration to the Healthcare Commission was published on the 18 May 2007. The Healthcare Commission plans on inspecting the declaration against the standards in June / July 2007.

3.5 The Annual Health Check is one of the information sources used to determine the Trust's performance rating. It is anticipated that these ratings will be published in September 2007. The rating will be compiled from a wide range of sources including compliance with new and existing targets, core standards and the assessments conducted as part of the use of resources.

3.6 A summary of year-end forecast performance against key deliverables is set out below:

Areas where target is being met:

	2005/06	2006/07	Target	Variance to 2005/06
A&E	98.3%	98.7%	98%	+0.4%
All Cancers – 2 weeks maximum wait	99.74%	99.69%	100%	-0.05%
All Cancers – 1 month maximum wait from urgent GP referral to treatment	98.28%	99.6%	95%	+1.32%
Number of inpatients waiting longer than 6 months	0.056%	0%	0%	0%
Number of outpatients waiting longer than 13 weeks	0.001%	0.002%	0%	0%

Areas where performance has improved:

	2005/06	2006/07	Target	Variance to 2005/06
All Cancers – 2 months maximum wait from urgent GP referral to treatment	81.24%	96.6%	95%	+15.36%
Percentage of patients accessing GUM clinics within 48 hrs	Failed target.	96.3%	100%	+96.3%

Areas of focus to improve performance:

	2005/06	2006/07	Target	Variance to 2005/06
Rapid Access Chest Pain	98%	98%	100%	-0%
MRSA	76 (vs target of 49)	61	38	+15
Complaints	73%	74%	80%	+1%
DNA Rate	8.7%	9.8%	5%	-1.1%
Theatre Utilisation – ***reporting not available at present time***	N/A	N/A	N/A	N/A
Diagnostics – Imaging	N/A	3.9%	0%	N/A
Diagnostics – Physiological Measurement	N/A	59.5%	0%	N/A
Diagnostics - Endoscopy	N/A	34.6%	0%	N/A

3.7 The Trust anticipated an Income and Expenditure deficit of £17m at the beginning of 2006/07. With effective management and delivery of financial pressures, increased income and considerable savings, a provisional deficit of £4.8m, some £12.2m better than planned, has been delivered subject to audit. See Section 6 for detailed information. A combination of clinical and non-clinical systems improvements and strategic change will be needed for the Trust to generate further cost reductions in order to return to recurrent financial balance.

4. NATIONAL POLICY AND OPERATING ENVIRONMENT

The main drivers that affect the development of the Trust's Annual Business Plan are outlined below.

- **National Policy**

4.1 The DoH (Department of Health) Operating Framework December 2006 sets out the parameters for planning for 2007/08 by clarifying the health and service priorities for the year ahead. There are no new national priorities, instead contuinuity. Consequently, the following principles have been considered in the development of the Trust's Annual Business Plan:-

- making further progress towards the 18 week target
- continuing to reduce hospital acquired infections
- achieving financial health
- reducing health inequalities

4.2 Full introduction of Payment by Results (PbR) in April 2006, Patient Choice and Voice, greater use of the private sector and the development of NHS Treatment Centres are some of the key national strategies that will impact on the Trust. The Trust's plans will be flexible to ensure that any risks that emerge during the year are managed effectively.

4.3 In addition, the performance assessment process "Standards for Better Health", introduced by the Healthcare Commission in 2005/06, will be further developed in 2007/08. These standards have been developed to promote improvement ratings for individual NHS organisations. The process covers seven domains; safety, clinical and cost effectiveness, governance, patient focus, accessible and responsive care, care environment and amenities and public health. All the standards and targets incorporated in the domains are set out in the Trust's Target and Performance Indicators matrix for 2007/08.

- **Operating Environment**

4.4 **Long Term View of Commissioning Intentions**

The Trust already represents 85% of all acute care commissioned by the new Eastern and Coastal Kent Primary Care Trust (E&CKPCT). Given the known intentions of commissioners, both our market share (85%) and the overall size of the market is likely to be fairly static (while our costs in providing these services will rise). Work undertaken by the PCT, as part of the SHA (Strategic Health Authority) Fit for the Future process, shows relatively modest reductions in activity over the planning period 2006/07 to 2008/09.

4.5 The Annual Business Plan is set within the context of activity and financial projections 2007/08 to 2011/12 with an understanding of the demand on the Trust's services. These include assumptions about variables such as the population growth, the impact of Choice, demand management schemes, access targets, such as waiting times and day case rates and other service changes.

4.6 The Trusts' planning process has applied a certain set of key assumptions that have been tested and refined with the clinicians and managers in the Trust to provide a firm basis for future projections. For the 2007/08 Service Level

Agreement, these have been modified in discussions with the PCT in order to achieve an agreed activity plan.

Variable	Rationale	Range
Choice at the Point of Referral	The estimated proportion of patients who will choose a provider other than EKHT. Impact has been applied to New Outpatient Demand, with subsequent impact on Elective & Follow-Up demands.	Variable across specialties – i.e. General Surgery -6.5%.
ICATS / PCT Demand Management Schemes	Considers the impact of PCT Demand Management schemes.	Variable across specialties – i.e. T&O -7.5%.
Outpatient Ratio	Ten High Impact Changes sets the minimum target of achieving the 75th percentile.	Variable across specialties.
Impact of the 18 Week Waiting List Target	Anticipated activity included to achieve Early achiever of the 18 week target by December 2007.	
Day Case Rate	Assumes default elective surgery is day case, and applies the proportion as per Trust's Strategic Objectives.	Individual specialty rates vary.
Intermediate Care Teams	Anticipated activity reduction in Non-Elective Short Stay demand	Applies to General Medicine, HCOOP & A&E -2.0%.

4.7 The following are some of the key factors that influence business planning for 2007/08:-

- A further year of significant growth in PCT allocations (about 10 per cent) will provide opportunities for increased investment.
- The non-elective care threshold will remain, adjusted to 2005/06 baseline level, and this will result in a reduction in baseline non-elective income.
- There is no significant increase in the scope of Payment by Results so the Trust will have to manage its Non-Payment by Results services within the agreed level of activity to avoid incurring additional costs for which the Trust is not paid.
- The 18 week target is a key priority and a substantial challenge. The Trust is working through the operational and financial consequences of being an Early Achiever Trust.
- The SHA is developing local 'commissioning rules' that will determine activity classification and reimbursement levels for certain procedures. This may present an opportunity in some areas (e.g. diagnostic endoscopy) but a risk in others.

The overall estimated impact of these factors is outlined at Section 6.

❑ **Information Management and Technology**

4.8 Central to the delivery of health reform is a comprehensive Information Management and Technology (IM&T) Plan. During 2006/07 the Trust Board approved an Information Strategy which utilises our current systems as well as

developing two web-based tools Dr Foster and NHS Indicator Explorer, used for viewing the Better Care, Better Value Indicators from the NHS Institute for Innovation and Improvement.

4.9 The IM&T Strategy focuses on the key technical infrastructure required as the Trust implements the National Programme for IT (NPfIT). The Trust will be deploying the National Care Record Service (NCRS) as a replacement PAS. This provides the challenge of organisational reform on a wide scale as the Trust considers its business processes and how they are supported by NCRS.

❑ Research and Development

4.10 Delivery of evidenced based high quality care is dependent on research and its implementation. Any service that aims to improve the quality of care that it delivers needs to be research aware and or research active. All clinicians need to be aware of the evidence as it is published and have a method, by which, this can be adopted, where appropriate, into clinical practice. Consequently the Trust supports and encourages Directorates to partake in national trials to ensure that new treatments are developed and are generalisable. Where possible, clinicians should be encouraged to be research active, not only in randomised controlled trials but also practice based research, looking at services, considering ways of improving them and then evaluating them. As a result, research forms an integral part of the Trust's Business Planning process.

❑ Medical Education and Training

4.11 The Trust is committed to providing high quality medical education for both postgraduate junior doctors and undergraduate medical students on placements. Modernising Medical Careers, a major national initiative, is moving into the phase of implementing new specialty grades of junior doctor from August 2007. Implementation of the new College curricula as well as PMETB national standards for Educational Governance, whilst continuing to maintain quality in delivery of services to patients, will be challenging over the next 12 months.

4.12 A new programme for teaching Kings College Year 3 medical students was successfully commenced in October 2006, and further expansion of the number of students in the Trust is expected both for October 2007 and 2008.

5. ANNUAL OBJECTIVES AND PERFORMANCE MANAGEMENT ARRANGEMENTS 2007/08

❑ Annual Objectives 2007/08

5.1 The Trust's Annual Plan for 2007-08 is underpinned by a clear set of objectives which support the delivery of the first year of the Trust's Strategic Development Strategy and Strategic Objectives. In addition a number of further actions will be undertaken which compliment these objectives, taking the Trust further toward its strategic aims. The relationship between the Strategic and Annual Objectives is summarised at Appendix 1.

5.2 The following pages show each objective with tasks to achieve the objective which is assigned corresponding key performance indicators which describe "success" and enable the Trust to measure progress against achieving the Annual Business Plan.

Trust Objectives 2007/08

Objectives for 2007/08

The Trust has set objectives for the year to enable the delivery of its Annual Plan for 2007-08. The objectives support the delivery of the Trust's Strategic objectives. Each objective is assigned corresponding key performance indicators (KPIs) which describe "success" and enable the Trust to measure progress against achieving the Plan. A number of them are inter-related.

Directorate Standards and Targets and Key Performance Indicators Matrix 2007/08

To support the achievement of corporate plans and Annual and Strategic objectives, a range of standards and targets are described in the '2007/08 Standards and Targets and Performance Indicators Matrix' which has been considered by the Trust Board. The package is available in a separate document. One of the critical success factors to the achievement of the objectives is to engage staff through continual review and awareness to ensure goal congruence through the organisation.

The matrix sets out standards and targets (many as part of the national planning documents) from the Healthcare Commission's performance assessment framework and local priorities. A director has been allocated responsibility for achieving each standard/target and a Trust Board committee will assist with the monitoring process. The Medical Director will provide clinical leadership in supporting the delivery of the objectives. All standards/targets have been allocated to appropriate Clinical and non Clinical Directorates that will participate in their achievement and will be cascaded to the appropriate staff throughout the Trust to form their objectives and be subject to regular appraisal.

For the year ahead the Trust's objectives aim to reduce the time people wait for its services and improve the experience people have of its services by:-

Objective:

Get the basics right and maintain compliance with Standards for Better Health

Lead: Director of Nursing, Midwifery & Quality

Support Director: Medical Director

Tasks

- Improve Patient Safety and reduce hospital acquired infection
- Improve Patient experience of services and information and increase Patient and Public Involvement in decisions
- Evidence and assure that services are clinically and cost effective

Measures:

- Reduction in hospital acquired infection rates
- Evidenced Public and Patient Involvement in Services developed
- Creation of additional single rooms

Objective:
Achieving financial balance by ensuring our services are affordable and resources are used wisely.

Lead: Director of Finance
Support Director: Chief Operating Officer

Tasks

- Manage expenditure within budget constraints
- Work with Directorates to develop cash releasing savings according to target
- Project manage the Fit for the Future plan for financial recovery
- Deliver agreed activity numbers, case mix and income value
- Negotiate local prices for activity outside of the tariff
- Manage new and unplanned developments within agreed operating budgets
- Minimise delayed discharges as a percentage of occupied bed days
- Increase morning discharges
- Reduce the DNA rates
- Increase the daycase rate
- Increase the theatre time utilisation rate
- Decrease elective and non-elective length of stay

Measures:

- Achieve financial targets

Objective:

Delivering a maximum wait of 18 weeks from referral to start of hospital treatment, so that by end of December 2007, 95% of non admitted patients and 90% of admitted patients will have been treated within 18 weeks

Lead Director: Chief Operating Officer
Support Director: Clinical Director for 18 Weeks

Tasks

- Agree additional activity plans with each Directorate and set against a compliance trajectory
- Improve the efficiency and utilisation of services across the Trust
- To agree and implement new patient pathways across the health locality

Measures:

- Compliance with the 18 week target trajectory
- Achievement and sustainment of the December targets
- New care pathways are implemented and being adhered to across the locality

Objective: ***Finalising and implementing a programme of Clinical and Non-Clinical Systems Improvement that feeds into the Trust's Service Development Strategy and Fit for the Future Plan***

Lead Director: Director of Strategic Development

Support Director: Chief Operating Officer

Tasks

- Complete key initiatives in Directorate Business Plans
- Agree financial deliverables and timescales
- Agree deliverables for corporate CSI projects that feed into the Fit For the Future Plan (FFF) and Directorate baselines
- Establish clear linkages between the Trust's programme and SHA FFF programme
- Agree and implement a programme of Training and Development support

Measures:

- Length of Stay performance within top 25% of Trusts
- Day Case rate within upper quartile of Trusts
- Sufficient training and development and communication of CSI within the organisation and key partners
- Length of Stay performance within top 25% of Trusts Day Case rate within upper quartile of Trusts Sufficient training and development and communication of CSI within the organisation and key partners
- Reduce internal demand for radiology and pathology by 10%

Objective: Preparing for a successful Foundation Trust application

Lead: Director of Strategic Development
Support Director: Director of Finance

Tasks

- Develop a sustainable Service Development Strategy (SDS) for the next 5 years
- Develop an integrated business plan which underpins the SDS and achieves financial balance
- Identify a Governance strategy to include criteria for membership
- Improve reputation and relationships with Local Health Economy
- Improve management capability

Measures:

- Board approved SDS
- Supporting business plan for sustainable financial balance
- Board approved Governance Strategy
- Successful public consultation
- Agreed date for application with the Strategic Health Authority

Objective: ***Complete the Implementation of the Renal Vascular & Interventional Radiology developments to provide excellence in estate and service for patients***

Lead: Chief Operating Officer
Support Director: Director of Facilities

Tasks

- Complete the construction of the new Renal Satellite Unit at WHH, Ashford in July 2007
- Complete the construction of the new Renal Satellite Unit at Maidstone in Sept 2007
- Complete the extension and refurbishment of the Admin Block and Outpatient Department, Canterbury Renal Centre, at KCH for completion in March 2008
- Complete the Dialysis Unit at KCH Sept 2007
- Complete the building of the Interventional Radiology Theatre Suite in September 2007
- Ensure operational plans in place for all units by September 2007

Measures:

- Achievement of project milestones
- Successful recruitment for additional medical, nursing and allied health professional staff
- Repatriation of London tertiary activity and increased local activity of vascular workload
- Communication strategy to raise awareness, inform GPs, and publicise achievement
- Form the Directorate for improved management and clinical adjacencies
- Additional 20% increase in activity from specific West Kent and Medway GP practices

Objective: ***Successfully completing the business case for centralising Head & Neck services at the William Harvey Hospital.***

Lead: Director of Strategic Development
Support Director: Director of Facilities

Tasks

- Completion of a business case weighing up the financial and clinical drivers for centralisation of Head & Neck for consideration within the Trus**t.**
- Commence design and procurement for new facility at WHH

Measures:

- Been through the Trust's Prioritisation Committee and Boards as appropriate

Objective: Implementation of release one of the NCRSs and associated systems

Lead: Director of Strategic Development
Support Director: Chief Operating Officer

Tasks

- Revised Business Case to Board in June 2007
- Agree key deliverables with Fujitsu upon which delivery of the project is dependant
- Explore removal of the dependency on Medway's implementation
- Agree a realistic "go live" date
- Clarify the benefits realisation

Measures:

- Achievement of project milestones
- Achievement of the benefits realisation

❑ Risks to Achieving the Annual Objectives

5.3 The Trust actively seeks assurance on the risks to its Strategic and Annual objectives. Each year the Trust commits to an assurance programme which results in the production of the Assurance Framework. This programme identifies the risks to the objectives which is then supported by a framework detailing the systems of control and monitoring arrangements in place. Any gaps within these systems and processes are also identified and accompanied by action plans that contribute to the overall achievement of the objective. This programme serves to reassure the Trust Board and external stakeholders on the effectiveness of the internal control systems.

5.4 The need for assurance extends to the translation of the Strategic objectives to operational goals. At this stage the assurance programme adopts a further dimension of resilience. The resilience of operational plans is influenced by the extent to which the corporate Objectives, strategic direction, Directorate Business Plans and the risks to achievement have been aligned.

5.5 This process of alignment is summarised in the Risk Matrix 2007/08.

5.6 A draft framework has been prepared against the 2007/08 Annual Objectives. An initial assessment of risks to the Objectives has identified the following risk issues:

- Implementation of service plans may identify areas of non compliance against the Healthcare Commission's developmental standards.
- The Trust may not undertake sufficient work to meet the required income levels due to the combined effects of :
    - a reduction in work resulting from patients choosing to be treated elsewhere
    - competition from other providers (independent sector and GPs)
    - reduction in expected income resulting from changes to Payment by Results
    - operational capacity – workforce – in terms of numbers, grade and working in a way that is less than optimal - resulting in less activity being done than expected
    - insufficient staffing
- Benefits are not realised because the organisational changes required to achieve them are not implemented
- Savings targets are not delivered in full.

5.7 The 2007/08 Assurance Framework contains details of the risks to each of the objectives, control measures, assurance arrangements and action plans.

❑ Plans to Mitigate the Risks

5.8 The following identifies proposed actions to keep the adverse impact of the risks outlined above to a minimum:

- Set an agreed Activity Demand Plan that has prudent assumptions about variables such as the impact of Choice, demand management schemes, and the level of work necessary to achieve the required level of income
- Monitor and develop an awareness of changes to patient activity flows during the year

- Develop and implement flexible Directorate plans to align capacity to patient activity demand – either increase or decrease capacity (and cost) of providing services as appropriate – and carry out the work within financial expenditure and income budgets adjusted to allow for reduction in activity
- Identify and successfully implement schemes to deliver savings targets
- Continue to develop and move forward with the Clinical and Non-Clinical Systems Improvement programme to help identify areas for doing things more cost effectively
- Manage expenditure within budget constraints
- Deliver agreed Patient Activity Demand Plans and income value
- Minimise risk of financial exposure by incorporating a risk sharing agreement within the Service Level Agreement that minimises financial risk and maximises opportunities to achieve waiting list targets
- Ensure there is an income stream for all patient activity undertaken by the Trust

5.9 Directorate Business plans identify internal and external risks within their operational plans and describe plans to minimise the level of risks.

6. FINANCIAL AND ACTIVITY PLANS FOR 2007/08

❑ Overview

6.1 In 2006/07 the Trust had a planned deficit of £17 million. This consisted of:

2005/06 underlying deficit brought forward	(£11.9m)
Additional financial pressures(including PbR)	(£ 7.5m)
RAB (resource accounting and budgeting)penalty	(£ 2.6m)
National efficiency requirements	(£15.0m)
Total deficit before savings	**(£37.0m)**
Savings target	£20.0m
Planned Deficit	**(£17.0m)**

6.2 The latest 2006/07 income and expenditure position (subject to final accounts adjustments and audit) shows a £4.8m deficit, representing a £12.2 million improvement on the original plan. In achieving the improved position the Trust expects to exceed its £20 million savings target by £1.7 million, has overperformed its income target by £9.4 million and has avoided a significant level of expected cost pressures.

6.3 The latest plan for 2007/08 submitted to South East Coast Strategic Health Authority (SECSHA) shows a planned deficit for that year of £5.0 million. This assumes the achievement of a financial improvement target of £21.4m.

6.4 Details of the income and expenditure assumptions and the main financial risks are shown below.

❑ Income Plan 2007/08 – Corporate and SLA Income

6.5 The Trust has signed a Service Level Agreement with its main Commissioner, Eastern and Coastal Kent PCT. This is based on a financial envelope of £304.5m plus funding for Renal and Vascular services. The financial envelope is subject to risks around the delivery of activity, notably 18 Weeks, Choice and Demand Management.

6.6 Understanding the component parts of the forecast corporate income position of approximately £326m for 2006/07 provides the basis for a sound income plan for 2007/08. Performance in 2006/07 gives the Trust the following basic information:-

1. Prices the base capacity of the Trust.
2. Allows the Trust to state its waiting list position as at 31st March 2007.
3. The price structure used in 2006/07 is the same as that in 2007/08 (with 5% inflation less 2.5% efficiency resulting in a 2.5% net uplift).
4. Less then expected impact of Demand management.
5. Minimal take-up by patients of the right to choose an alternative provider.

6.7 The table shown at Appendix 2 shows the income plan for 2007/08 based upon the above.

6.8 The changes in income from the provisional £326m earned in 2006/07 to the planned £345.6m for 2007/08 are tabulated below:-

Corporate & SLA Income

	£ millions
2006/07 Provisional Outturn	**326.0**
18 Weeks	11.0
Tariff inflation (5%)	16.2
Efficiency Savings within Tariff (-2.5%)	-8.1
Block Service Investments	2.5
Reduction in Non Elective EBDs	-3.4
50% Threshold benefit from EBD loss	1.7
Transfer of Oncology Services	1.3
Other	-1.6
Income Plan for 2007/08	**345.6**

EBDs = Excess Bed Days

6.9 The £3.4m loss of Excess Bed Day income is due to the Trust's Length of Stay project. Under Payment by Results (PbR) risk sharing arrangements for non elective activity, only half the losses or gains in income due to activity variances compared to the year before last are paid for by the PCTs. In other words, the rules ensure the Trust receives back 50% of any reduction in non elective income due to changes in activity. Unfortunately the 50% rule will not prevent nearly all the £3.4m being lost to the Trust in 2008/9.

6.10 The £1.3m for the transfer of Oncology services relates to the full year effect of those services that transferred on the 1st October 2006 to the management of EKHT from Maidstone and Tunbridge Wells Trust. The services that transferred were Outpatient and Chemotherapy services run from the KCH.

6.11 The £2.5m for block service investments reflect the current agreed negotiating position for new funds to support shortfalls in funding for services contracted outside of PbR arrangements. The two services that currently stand to benefit from this are Community Midwifery (£1m) and Oncology (£1.5m). The £2.5m will help bridge the gap between what the Trust spends on these services compared to the funding it receives to support these services.

6.12 Of the £345.6m, £9m is at risk (based on PCT estimates) if the Trust loses patients through Choice and if PCTs meet their Demand Management Plans. Given the demands on the wider health system and the Trust's access times, the loss through Choice in 2007/08 is expected to be minimal.

6.13 The PCTs are planning to save £3m through demand management schemes that reduce activity through the Trust. The Trust's best estimate for the real value of this figure is £1.5m. The Trust expects to lose more through its Length of Stay project than the PCTs plan to save through demand management schemes. The reduced income from this project is reflected in the income plan of £345.6m.

6.14 The PCTs have indicated that any savings they make through service provision improvements by the Trust (e.g. reduction in Excess Bed Days) are to be reinvested to ensure the 18 week targets are met.

6.15 Income the Trust can expect above the £345.6m plan will be support for the set up costs for the Renal and Vascular service developments including the funding for two new ITU beds, funding for service developments agreed as part

of the Local Delivery Plan (LDP) as well as funding for other service developments such as breast screening and Herceptin delivery in the community. These other income sources could generate a further £5m of income, although in all cases there would be a near equivalent increase in expenditure.

- **Expenditure Plan 2007/08**

6.16 The Trust is currently forecasting a £4.8m deficit for the year 2006/07 and a further £5m deficit for 2007/08. Against a corporate and SLA income forecast of £326m, the expenditure forecast (net of other income) is £331m for 2006/07 and against an Income Plan of £345.6m the net Expenditure Plan is £350.6m .

6.17 The main changes in net expenditure from £331m to £350.6m are shown below:

2006/07 Forecast Outturn Net Expenditure	**£331m**
Generic Pay and Non Pay Inflation	6.4
Public Dividend Capital Dividend	0.9
Depreciation	2.4
Funding for 18 Week Target (before £4m efficiency target)	9.0
Directorate Cost Pressures and agreed service developments	9.2
Improvement Target	(21.4)
Deanery N/rec top slice 06/07	0.9
Balance of tariff uplift	7.4
Other expenditure increases	3.0
Contingency	1.8
Expenditure Plan (net) for 2007/08	**350.6**

6.18 Funding to support the impact of inflation and capital charges increases will be received via the Tariff Uplift to the Income Plan for 2007/08. The 18 Week allocation reflects the need for £4m of savings, whilst the detailed requirements of Directorates are being set out in business cases.

6.19 There remain a number of key risks to expenditure which the Trust will be managing, and the main areas are:

- The achievement of the savings targets
- The management and co-ordination of funding to support delivery of the 18 Week target
- The Care Record Service (CRS) and Pathology (LIMS) Business Cases
- The Renal and Vascular Business Case
- The continued control of staffing expenditure, including the restricted usage of agency staff
- The management of cost pressures, particularly Utilities, Prostheses and MESSES non pay

6.20 Directorates are currently involved in a budget sign-off process covering plans for activity, 18 Week target, savings and baseline budget, led by the Clinical Director and CSM. Regular detailed forecasting reviews of income and expenditure will be undertaken during 2007/08 to ensure that the Trust closely

monitors its progress against the risks highlighted, and is on track to achieve its overall financial plan.

❑ Income and Expenditure Summary and Balance Sheet 2007/08

6.21 A detailed profiled income and expenditure plan is attached in Appendix 3, in the format required by the SHA. A summarised version is shown in the table below, reconciling to the corporate income plan (above) and proposed Directorate budgets set out in Appendix 6.

Summary Income & Expenditure for 2007/08

	£m
Corporate & SLA income	345.6
Directorate income	18.7
Other income	11.7
Total income	**376.0**
Directorate expenditure (net of savings targets)	303.2
Other expenditure	49.0
Depreciation	18.3
Dividend	10.5
Total expenditure	**381.0**
Planned deficit	**5.0**

Note: 'Other income' includes Medical Education and Research & Development monies. 'Other expenditure' includes the cost of these two Directorates as well as Trust-wide reserves for inflation and investments in service.

6.22 A forecast balance sheet is also attached at appendix 4 together with the draft capital programme (appendix 5) which has been submitted (in summarised form) to the SHA. The Trust is awaiting agreement from the SHA and confirmation of additional Public Dividend Capital (for the renal/vascular scheme) in order to finalise cash flow assumptions.

❑ Summary of Key Financial Risks 2007/08

6.23 Key financial risks are:

- Achievement of the full savings target
- Continuing cost control
- Delivery of planned activity
- Meeting the 18 week target within available funding
- Minimising the impact of Choice and PCT demand management

7. OPERATIONAL PLAN 2007/08

❑ Introduction

7.1 The Operational Plan is a core component of the Trust's Business Plan as it sets out how the Trust will deliver the first year of its Strategic Development and Financial Plan, and key priorities and challenges for the year ahead. It describes the activities that will be undertaken during the year to ensure that these key challenges facing the Trust are delivered successfully. It summarises the principle risks and outlines actions to minimise the impact of these risks.

❑ Trust's Key Priorities and Challenges for 2007/08

7.2 The Trust's main priorities for 2007/08 are to achieve the Trust's Annual Objectives set out at Section 5.

❑ The Corporate Challenge

7.3 In order to build on progress to date and meet the challenges for the future, the fitness of the organisation needs to improve further. This will rely on the leadership and engagement of staff groups across the organisation. This means:

◇ Increasing workforce productivity:

- Achieving lower cost for each item of service – achieving maximum service volume and quality from the Trust's income
- Reducing overhead costs
- Attracting more activity and income, and responding to possible reductions in referrals

◇ Changing the way we work:

- Improve the leadership skills available in the workforce
- Improving processes and using technology better
- Making the most of individual staff time and skills
- Delivering better quality services
- Systematically scale-up change and sustain improvement

◇ Continuing to improve measurement:

- Clear performance targets set by the Trust's Executives and Clinical Management Board
- Come to a view on how to measure the productivity of the workforce
- Ensure Trust objectives are cascaded through the appraisal and performance management process
- Knowing success – measuring and communicating it

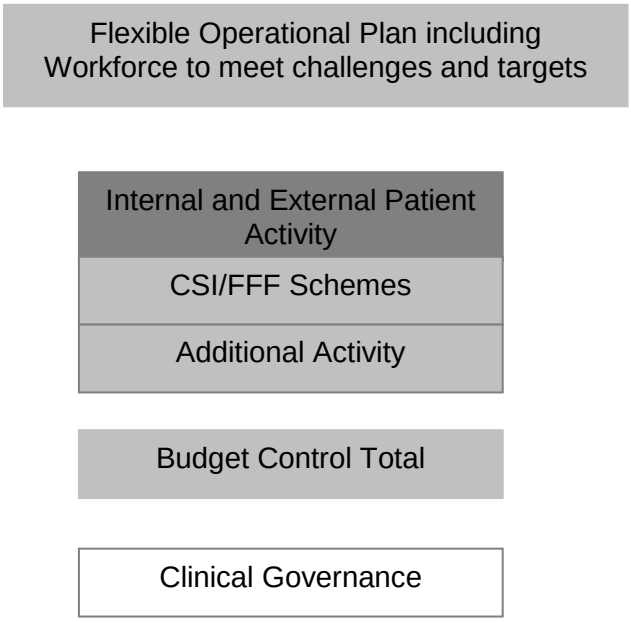
❑ Directorate Business Plans 2007/08

7.4 Directorate Business Plans provide the foundation for developing the Trust's Operational Plan and are the backbone to the successful achievement of the Trust's Annual Objectives which, together with the Standards and Targets and Key Performance Indicators, are the critical success factors for 2007/08. At the core of Directorate Business Plans is the need to have developed flexible ways of meeting these in a safe and cost effective way.

7.5 Plans focus on meeting the Standards and Targets and Key Performance Indicators Matrix which provides the focus for the day-to-day activities of Directorates. They also outline challenges facing the Directorates, including the establishment of a Renal, Vascular Urology and Radiology Unit, and responding to the results of the Cancer Peer review.

7.6 The business activities of the Trust are managed in a devolved manner through Directorates. Clinical Directors and Clinical Service Managers are accountable for delivering the required service safely within an agreed financial envelope and clinical governance framework. Corporate Directors are responsible for their own corporate functions in the same way.

DIRECTORATE PLANS



Directorate's Plans to Achieve Patient Activity Levels and Income Targets 2007/08

Point of Delivery	06/07 Outturn	07/08 Activity Plan	07/08 Capacity Plan	Variance Activity v Capacity
Elective Inpatients	15,479	14,978	15,793	815
Day cases	36,730	42,521	30,694	(11,827)
Total Electives	**52,209**	**57,499**	**46,487**	**(11,012)**
Non Elective Short Stay 0 -1 LOS	32,879	31,734	31,734	-
Non Elective Long Stay >2 LOS	33,365	33,252	33,252	-
Non- Electives	**66,244**	**64,986**	**64,986**	**-**
Outpatient news	163,929	179,011	174,378	(4,633)
Outpatient follow-ups	354,008	372,865	370,684	(2,181)
Total Outpatients	**517,937**	**551,876**	**545,062**	**(6,814)**

Note: Positive variances indicate surplus capacity; negative variances represent capacity gaps. The Trust is working on an Operational Plan to address gaps between capacity and plan and the precision of capacity plans will be reviewed on a regular basis.

***** Assumes Directorates will deliver non-elective activity plans.

- Elective Inpatient and Day Case capacity plans are based on a 46 week year, although Gynaecology on a 42 week year, Maxillo Facial and Trauma and Orthopaedics are developing plans to operate a 48 week year
- Elective Activity demand plan includes activity required to achieve the 18 week Early Achiever Status.
- Overall plans will be confirmed once 18 Weeks is finalised
- Capacity plans are subject to adjustment to reflect in-year developments and efficiencies

7.7 Clinical Directorates and Support Directorates' Business Plans describe how they will deliver a safe service to the required levels of activity within their financial expenditure and income budgets for 2007/08. To be sure they achieve these key deliverables, Directorates will match their capacity and workforce to the anticipated levels of patient activity and carry out the work within their financial expenditure and income budgets. Cost Reduction Improvement Plans are an important part of these plans.

7.8 In order to achieve the 18 Week Early Achiever Status by December 2007, Directorate Plans will involve a combination of carrying out additional activity and implementing changes in the way the work is carried out. A critical success factor is to carry out additional work through increasing efficiency and productivity. The approach to delivering the target and operational plans for doing so are being worked up in detail. It is essential that plans describe what is required in terms of workforce (numbers and changes to the way the work is carried out) and the associated risks.

Cost Reduction Plans/Improvement Plans 2007/08

7.9 The Trust's aim to achieve a financially stable future depends on its ability to deliver quality services which patients will choose to use and which GPs and the local Primary Care Trusts will continue to commission. This provides the income needed to pay for the services the Trust currently provide and invest in further improvements for the future. However the amount provided has been reduced as a result of the national drive to improve efficiency and also through the effect of the new price tariff.

7.10 Over the last year the Trust has been improving its productivity by reducing costs at the same time as maintaining the volume of service it provides. Reducing the time some patients stay in hospital is an example of this. It is both better for patients and more efficient for the Trust. This has been part of the 'Fit for the Future' (FFF) programme which has enabled costs to be reduced by over £21.7m during the year. Despite this, costs still exceeded the income available.

7.11 The gap between income and expenditure in 2007/08 (before savings) is £26.4m. The current FFF programme is therefore being extended to enable this gap to be closed. The Trust will also provide more treatments in response to the national 18-week target. The savings will come from a mixture of further cost reductions and undertaking the extra work with improved and more efficient working practices.

7.12 Key areas of action will continue to be:

- improving patient length of stay from the Trust's current average position to that of the best performing Trusts in the country
- ensuring theatres and outpatient clinics run even more efficiently
- getting the best value from the goods and services the Trust buys
- ensuring its non-clinical support services are also efficient
- reviewing the use of medicines and diagnostic services
- reviewing services for which its costs are higher than the income received
- reviewing the costs of medical staff in training
- reviewing utilisation of all EKHT estate as part of a new Estate Strategy with particular reference to RVH and BHD

7.13 The Trust is also embarking on a programme of 'Clinical and Non-Clinical Systems Improvement' which will ensure the quality of services is systematically improved and waste eliminated.

7.14 The last year has not been easy but considerable progress has been made to move towards financial balance and sustainability. The year ahead will require the existing commitment and support of all staff to be maintained if the Trust is to succeed in meeting such a challenging programme.

Overview of Organisational Workforce Development Plan 2007 – 2010

7.15 The Organisational Workforce Development Plan is currently being drawn up in response to the individual Directorate operational plans. These plans have identified key issues that need to be addressed to ensure the workforce meets the demands placed on the organisation in the next financial year, and in the coming years. Key themes have already been identified as organisational challenges for the coming year. These are:-

- Meeting 18 weeks
- The challenge of finding jobs for the newly qualified
- Aligning the medical workforce to the activity requirements of the Trust
- Clinical Systems Improvement – changing roles / ways of working
- Meeting savings targets without losing key skills – improving workforce productivity
- Addressing the reduction of education and training funding available from the WDD
- Managing agency spend in a planned way

❑ Review of Organisational Workforce Plan 2006/2007

7.16 For a detailed analysis of the objectives identified in last year's plan and their achievement please refer to Appendix 7a.

7.17 During 2006/2007 the organisation adopted NHS Jobs for recruitment. This is a DoH supported recruitment website which allows individuals to register their details and apply for NHS vacancies across the country. The implementation of this system has allowed the organisation to make some savings in advertising and recurrent savings from the advertising budget have been put towards financial savings for 2007/08. Local advertising will be used less frequently in future; currently plans are in place to advertise on a monthly basis locally.

7.18 A key challenge for 2006/07 was the recruitment of newly qualified staff, as there is a national over supply in nursing and therapies. This challenge will continue into the coming years and there are a number of initiatives in place to help manage this. It is important to ensure that as many newly qualified staff are recruited as possible to ensure the workers of tomorrow are retained within the NHS and the healthcare professions. However this has to be balanced with the need, in some cases, to reduce staff numbers, and the obligation the organisation has to its current employees.

7.19 The Government has changed the criteria for work permit applications, this means it is increasingly unlikely that there will be any requirement for overseas recruitment in the future and therefore funds identified to support overseas recruitment have been contributed towards savings in 2007/08.
There has been increasing success in filling consultant vacancies in 2006/07.

Total Staff Recruited to in 06/07

Directorate	Staff Recruited WTE Totals
A & E	20.6
Acute & Emergency Med	45.8
Anaesthetics	31.3
Cancer	10.7
Child Health	29.7
General Surgery	13.4
Head & Neck	5.8
OPD	12.2
Pathology	15.4
Pharmacy	16
Radiology	15.5
RAIC	18.3
Speciality Medicine	33.8
Therapies	16.8
T & O	15.2
Women's Health	35.3
Facilities	21.8
Finance	3.4
HR	10.1
Strategic Development	1.0
Clinical Practice	9.9
Operations	1.3
TOTAL	**383.4**

Total NHS Temporary (NHSP, Overtime, Temporary Contracts and Flexi-bank) Staff Used in 06/07

Directorate	NHS Temporary Staff Used WTE Totals
A & E	18.3
Acute & Emergency Med	36.1
Anaesthetics	27.4
Cancer	2.0
Child Health	2.7
General Surgery	24.2
Head & Neck	3.9
OPD	6.2
Pathology	2.3
Pharmacy	0.7
Radiology	3.6
RAIC	17.0
Speciality Medicine	21.2
Therapies	2.0
T & O	25.8
Women's Health	6.6
Facilities	9.4
Finance	0.2
HR	0.9
Strategic Development	
Clinical Practice	2.0
Operations	4.4
TOTAL	**216.8**

Sickness Absence for 06/07

Directorate	Annual Total Staff Time Lost WTE Totals
A & E	18.0
Acute & Emergency Med	27.5
Anaesthetics	39.9
Cancer	3.9
Child Health	19.1
General Surgery	16.0
Head & Neck	5.9
OPD	13.2
Pathology	11.5
Pharmacy	6.1
Radiology	11.2
RAIC	20.5
Speciality Medicine	22.2
Therapies	9.9
T & O	12.9
Women's Health	19.0
Facilities	22.4
Finance	0.6
HR	2.9
Strategic Development	0.1
Clinical Practice	3.5
Operations	3.4
TOTAL	**289.7**

❑ Workforce Challenges for 2007/08 and Beyond

7.20 It is predicted that in most healthcare professions supply will outstrip demand in the newly qualified levels. With reducing bed numbers planned into 2007/08 it is likely that vacancy levels will fall even further in nursing. It will be important to ensure that the staffing numbers are appropriate for the nursing of the beds that remain. Work is currently underway to understand the impact on nursing of reducing length of stay, there is an assumption that the nursing of the patient will be at a higher intensity and therefore nursing ratios may need to be adjusted accordingly. Even so, it is unlikely that the Trust will experience vacancies at Band 5 level over and above those associated with turnover. With the development of the 6 week HCA recruitment cycle, a system set up to reduce the length of time to recruit HCAs, it is hoped that vacancy levels for HCAs will also drop in the coming year.

7.21 There continues to be difficulty in recruiting in some specialist nursing areas and to specialist technicians. Individual Directorates are addressing these mainly by developing in-house training / education to "grow their own". This is an important area of work and one that continues to be addressed through CSI, developing new ways of working etc.

7.22 The decision of the WDD to drastically reduce funding provision for personal development by 75% will impact the Directorate's plans for supporting new roles, retaining staff and "growing their own". In real terms, the education and training budget available to the Directorates has reduced by 50% and this is a significant risk moving into the new financial year. The Education and Training team are currently working with the Directorates, Practice Development and

other areas to understand the impact and to develop an organisational wide Education and Training Plan for 07/08. (Appendix 7b)

7.23 From April 2007 the workforce will need to be "flexed" to meet the challenges of the 18 week target. How this can best be achieved is currently being worked through with the Directorates, but this will inevitably involve the consideration of a number of options:-

- Over-establishing during the early part of the financial year and allowing natural wastage to ease down to the establishment required to meet the healthcare needs of the community post meeting 18 weeks target.

- Agreeing agency usage to provide additional workforce capacity where physical capacity exists (for example supporting weekend and evening theatre lists)

- Outsourcing work

- Agreeing to pay staff overtime to support additional work

7.24 Where agency usage is seen to be an effective, safe and prudent use of resources it will be important to plan to ensure that the SHA and DoH are satisfied that the organisation has managed the arrangements appropriately. In all cases agencies will only be used where they are on the PASA framework, where a contract with the supplier is in place and where the usage is managed with rigour within the Directorates or at organisational level. This means that Directorates will need to show plans for usage early on in the financial year to allow contracts to be put in place and to ensure that these plans have been appropriately assured for governance issues.

7.25 During this time it will also be important to work with staff to ensure key skills are retained for the organisation during the organisational changes associated with reducing costs. Identifying funds to support retraining in some areas and redeployment may be necessary.

7.26 Aligning the medical workforce with service needs is an important aspect of the work currently underway in Fit for the Future and Clinical and non Clinical Systems Improvement projects. There is clearly a need to review job plans across all the specialities to ensure they meet the service needs of the organisation going into the future and in readiness for Foundation Trust status. This is a significant piece of work which the Medical Director and Director of Human Resources will lead on.

7.27 The Director of Human Resources will also be developing plans for the effective use of administrative resources within the Trust. As a result of the implementation of a number of new IT systems and other changes it is important to understand whether the benefits have been fully realised.

7.28 It is expected that Pathology and Radiology will implement European Working Time Directive (EWTD) compliant rotas during 2007, which will lead to more robust service provision.

7.29 Doctors in training (actually focusing on F1/F2/ST1/ST2) will move to EWTD 2009 compliant rotas from August 2007. This will inevitably lead to a greater understanding of the human resources available to deliver services in the hospital and prompt new ways of working.

7.30 Directorate Business plans are still in the process of being finalised and a draft organisational workforce development plan (Appendix 7b) will be completed once these have been signed off and the Trust is satisfied that Directorates have successfully linked finance, workforce and activity in their plans for the future.

8. GOVERNANCE ARRANGEMENTS AND RISKS

❑ Risk Assessment

8.1 The Trust's risk management strategic implementation plan sets out an overall vision incorporating good risk management practice into general management principles. The process of risk assessment underpins these principles and allows for informed decision making taking into account inherent risks, the effectiveness of systems of internal control, performance review mechanisms and availability of assurance. The process of anticipating and assessing potential risks allows greater resilience within the corporate structure and functions.

8.2 The Trust has implemented an integrated programme of risk assessment which enables risk issues of a financial, operational and clinical nature to be identified, assessed and mitigated. There are five key stages to the assessment:

1. Identification of the risk issue – this may be service delivery, planned development, operational activity or impact of external forces.
2. Assessment of significance – this uses a 5 x 5 matrix which considers the likelihood of occurrence (score 1 to 5, where 1 is rare and 5 almost certain to occur) multiplied by the possible consequences (score 1 to 5, where 1 is insignificant and 5 is catastrophic).
3. Implementation of risk treatment plans to mitigate the risk through to elimination or an acceptable residual level
4. Prioritisation of the risks with comparison with other operational, strategic and corporate issues to set the context of the risk in terms of significance, tolerability and assurances required.
5. Monitoring and review mechanisms to assess the effectiveness of mitigating actions and to provide assurance on the residual risk value.

8.3 The risk assessment programme operates primarily at three levels within the organisation; strategic, corporate and operational. Integral to this process are the Corporate and Directorate Risk Registers, the Service Development Strategy Risk Register and the Trust's annual Assurance Framework.

❑ Strategic

8.4 Corporate resilience begins with an understanding of the main threats to the organisation. The Strategic Objectives represent the vision of the Trust for the next 5 years and the risks to the achievement of these Objectives are detailed in the Assurance Framework. The delivery of the Strategic Objectives is in part, underpinned by the implementation of the Service Development Strategy (SDS). Following the approval of the draft SDS, a comprehensive assessment of the risks to delivering the strategy was completed. This assessment categorised risks as strategic, operational, financial, IT or HR related. Common risk themes identified in this assessment included:

- Impact of incorrect forecasting both in terms of activity and income
- Changes in Payment by Results and Market Forces Factor (MFF)
- Importance of patient and public involvement in changes to service delivery and development

- Availability of accurate information to respond to challenges in service delivery and gaps in performance
- Inability to respond to what is important to service users and to ensure selection as the provider of care.
- Importance of robust relationships with key partners
- Delivery of existing clinical and non clinical systems improvements in full or on a recurrent basis

8.5 The risks to the SDS are detailed in the SDS Risk Register (December 2006) (shown at Appendix 8a) and have been incorporated into the updated Corporate Risk Register (March 2006) along with the risks identified through the Assurance Framework.

❑ Corporate

8.6 The Integrated Corporate Risk Register provides a framework through which significant risks identified by the Directorates and risk issues identified through the Assurance Framework and Strategic Planning processes can be assessed, compared and prioritised. The Corporate Risk Register is reviewed every three months with progress reported to the Governance Committee. The Register and supporting processes aim to bring together significant risk issues identified from a number of internal processes such as the Assurance Framework, the Foundation Trust self assessment and the Directorate Risk Registers. For the purposes of compiling the Register the term "significant" represents an activity, event or situation that has the potential to cause harm to the organisation. Harm can be defined in terms of physical injury, operational delays, non achievement of objectives or performance targets, financial impact and loss of reputation or media attention.

8.7 In previous assessments the risk score (frequency x severity) has aided inclusion and prioritisation of the Corporate Risk Register. The Integrated Corporate Register requires an identified significant impact on the organisation for inclusion to be considered. It is important, therefore, that the risk assessment and population of the register considers the effectiveness of mitigating actions, progress against these actions and the availability of assurance and monitoring arrangements that the risk is effectively managed. The Register also presents high level risks where for opportunities for improving the controls in place still exist. Details of the mitigating actions, progress against the actions and assurance arrangements are listed in the document as part of each entry. Risk issues currently on the Corporate Risk Register include:

- Improvements required to clinical services to support vascular services at Kent & Canterbury Hospital
- Poor health records storage facilities and ongoing difficulties with ensuring records are available when needed.
- Incorrect coding and counting of activity impacting on Trust income
- Delay in the follow up of ophthalmic patients in outpatients
- Gastroenterology systems need to be sufficiently robust to support an emergency rota on each site to treat GI bleeds.
- Safety of patients may be compromised through prescribing, dispensing and administering errors

8.8 The Corporate Risk Register (April 2007) contains details of the mitigating actions, progress and assurance on the management of all the risks identified.

❑ Operational

8.9 The identification and assessment of operational risks are reflected by Directorates in their local Risk Registers, as an information source for business and service development plans in the Directorate Risk Registers and also as a measure of local performance. In addition to specific Directorate risk issues, the SDS Risk Register identifies a number of operational risk issues that apply Trustwide. These include:

- Failure to minimise Hospital Acquired Infection risk adequately
- Lack of clinical engagement in service changes
- Preferred service solutions not owned by all stakeholders
- Inability to respond to what is important to service users and to ensure selection as the provider of care
- Funding to maintain a sustainable service not agreed with the commissioner
- Lack of robust and effective patient pathways may restrict access, reduce activity levels and lack efficient utilisation of resources to meet delivery targets
- Existing Cost Improvement Plan programmes not achieved in full nor on a recurrent basis in line with the Financial Recovery Plan
- Staff cover does not always match activity in terms of capacity and capability

8.10 The operational context of these risks is set out in appendix 8b. The flowchart identifies the integration of risk management with existing corporate processes including business planning and the alignment of risks identified at each stage of the process at a strategic and operational level. The process represents a continual cycle of improvement with identified risks being mitigated through planned actions and used to inform the following year's planning cycle.

8.11 The **Integrated Risk Management and Corporate Planning Process** will be finalised in early April 2007 with identified risk issues incorporated into the updated Corporate Risk Register.

❑ Assurance

8.12 The Board's Audit Committee currently meets four times per year and going forward is proposed to meet six times per annum in recognition of the importance of assurance and its relation to the Board as the Trust moves towards Foundation Trust status.

8.13 The Committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities. This includes the review of the findings of both internal and external audit, together with the review of the Annual Accounts and Statement of Internal Control (SIC) prior to Board submission and Chief Executive sign off. The SIC is the Chief Executive's personal and public assurance that sound systems of internal control operate within the Trust, and sets out the evidence on which the assertion is based.

8.14 The Trust Board needs to be assured that the Business Plan is progressing as expected, that financial control is being maintained, an that risks to achieving its objectives are identified and mitigated.

8.15 The Trust Board itself receives regular reports against a range of performance indicators. Regular reports as to progress with the Business Pan will be received at Board level, which monitors progress and ensures that any actions to correct deviations from Plan, are taken.

8.16 In addition, regular financial reports are received by the Finance and Charitable Funds Committee, which ensures that proper financial control is exercised.

8.17 The Board's Governance Committee, which meets quarterly, reviews the Assurance Framework at each meeting, thus monitoring progress with mitigating risks to achieving the Trust's objectives. It also receives the updated Corporate Risk Register at each meeting, which enables it to monitor the Trust's risk profile closely and on a regular basis, and ensures appropriate action is taken. Minutes of these Board Committees and verbal reports from their Chairman are received at the Trust Board.

8.18 More generally, the Trust's strong emphasis on assurance and performance management can be demonstrated through a range of corporate and clinical governance, financial and human resources controls, supported by both the internal and external auditors. Regular performance review meetings are held with Directorates, epitomising the Trust's performance management culture.

9. APPENDICES

Appendix 1	**Strategic and Annual Objectives**
Appendix 2	**Corporate and SLA Income Plan**
Appendix 3	**Income & Expenditure Summary**
Appendix 4	**Forecast Balance Sheet**
Appendix 5	**Capital Programme (proposed)**
Appendix 6	**Directorate Budget Summary**
Appendix 7a	**Review Organisational Workforce Development Plan 2006/07**
Appendix 7b	**The Organisational Workforce Development Plan Including Education and Training Plan 2007/08**
Appendix 8a	**Service Development Strategy Risk Register**
Appendix 8b	**Integrated Risk Management and Corporate Planning Process**

EAST KENT HOSPITALS NHS TRUST
Annual Objectives 2007/08 – Showing Links Between to Strategic and Annual Objectives

		Strategic Objectives						
		1) To implement the Service Development Strategy	2) To become a local and national employer of choice	3) To establish an estate infrastructure that is fit for purpose which facilitates service delivery in hospital and community settings and offers patients and staff a quality environment	4) To ensure patients, carers, the public and staff have an increasingly significant role in the development and monitoring of the Trust services	5) To exploit information and communication technology to support and facilitate service development	6) To build short, medium and long term education and training capacity to help the Trust deliver its strategic objective to become a leading university hospital	7) To cooperate with local government, PCTs and other relevant local organisations to promote, protect and improve the public health of the residents of Kent and Medway
Annual Objectives	1 Getting the basics right and maintaining compliance with Standards for Better Health	✓			✓		✓	✓
	2 Finalising a programme of Clinical Systems Improvement that feeds into the Trust's Service Development Strategy and Fit for the Future Plan.	✓	✓	✓	✓			✓
	3 Preparing for a successful Foundation Trust application.		✓		✓		✓	✓
	4 Completing the implementation of the Renal, Vascular and Interventional Radiology Business cases to provide excellence in estate and service for patients	✓	✓	✓				✓
	5 Successfully completing the business case for centralising Head and Neck services at the William Harvey Hospital.	✓	✓	✓				✓
	6 Implementation of Release 1of the NCRSs and associated systems	✓				✓		✓
	7 Achieving financial balance by ensuring our services are affordable and resources are used wisely.	✓		✓		✓		✓
	8 Delivering a maximum wait of 18 weeks from referral to start of hospital treatment, so that by end of December 2007, 95% of non admitted patients and 90% of admitted patients will have been treated within 18 weeks.				✓	✓		✓

Corporate and SLA Income Plan 2007/08 **Appendix 2**

Schedule_Desc	POD_Desc	EAST KENT	EAST SUSSEX	NCA	NON-PCT	WEST KENT	Bexley	TECHNICAL	Grand Total
Total Non Elective Spells	Emergency Inpatients	£ 72,785,510	£ 174,264	£ 1,189,662		£ 1,099,088	£ 70,451		£ 75,318,974
	Emergency Short Stay	£ 17,860,812	£ 57,181	£ 571,968		£ 263,484	£ 14,021		£ 18,767,464
	Non-Elective Non-Emergency	£ 8,923,594	£ 28,314	£ 60,761		£ 84,302	£ 652		£ 9,097,622
Total Non Elective Spells Total		£ 99,569,915	£ 259,758	£ 1,822,390		£ 1,446,873	£ 85,124		£ 103,184,061
Total Non Elective Excess Bed Days	Excess bed days Emergency	£ 7,102,242		£ 81,261		£ 32,277			£ 7,215,780
	Excess bed days Non-Elective	£ 568,228	£ 9,756	£ 8,828		£ 13,232			£ 600,044
Total Non Elective Excess Bed Days Total		£ 7,670,470	£ 9,756	£ 90,089		£ 45,509			£ 7,815,824
Total Elective Spells	Day Cases	£ 25,630,742	£ 21,768	£ 61,266		£ 274,062			£ 25,987,839
	Elective Inpatients	£ 28,973,325	£ 36,489	£ 41,811		£ 598,950	£ 1,206		£ 29,651,781
Total Elective Spells Total		£ 54,604,068	£ 58,257	£ 103,077		£ 873,012	£ 1,206		£ 55,639,619
Elective Excess Beddays	Excess bed days EL	£ 1,512,123	£ 888			£ 64,168			£ 1,577,179
Elective Excess Beddays Total		£ 1,512,123	£ 888			£ 64,168			£ 1,577,179
Total Outpatients Attendances	Outpatient New	£ 24,780,486	£ 20,773	£ 65,803		£ 239,544	£ 4,106		£ 25,110,712
	Outpatient Follow Ups	£ 19,890,650	£ 16,633	£ 43,093		£ 206,186	£ 2,667		£ 20,159,228
Total Outpatients Attendances Total		£ 44,671,135	£ 37,405	£ 108,896		£ 445,730	£ 6,773		£ 45,269,940
Outpatients with Procedures	Outpatient Procedures	£ 430,025	£ 337			£ 4,655			£ 435,017
Accident & Emergency	Accident and Emergency	£ 12,421,164	£ 49,692			£ 150,936			£ 12,621,792
Regular Day & Night Attenders	Regular Day Admission	£ 432,777				£ 1,917			£ 434,695
Non-PbR Activity-Based PCT Contract Income	Outpatient New	£ 1,713,305	£ 3,764	£ 4,305		£ 150,349	£ 364		£ 1,872,087
	Outpatient Follow Ups	£ 2,791,879	£ 7,662	£ 4,261		£ 651,453			£ 3,455,256
	Outpatient Procedures	£ 240							£ 240
	Non-PbR CPC	£ 32,001,989				£ 6,166,267			£ 38,168,256
Non-PbR Activity-Based PCT Contract Income Total		£ 36,507,414	£ 11,426	£ 8,566		£ 6,968,069	£ 364		£ 43,495,839
Ward Attenders	Outpatient New	£ 430,023	£ 155	£ 5,825		£ 3,036			£ 439,039
	Outpatient Follow Ups	£ 1,424,691	£ 675	£ 18,993		£ 13,423			£ 1,457,781
Ward Attenders Total		£ 1,854,713	£ 829	£ 24,819		£ 16,459			£ 1,896,820
Other Block Agreements	Block Contracts	£ 44,812,932				£ 1,406,184			£ 46,219,116
	Haemophillia				£ 1,751,256				£ 1,751,256
	Outpatient New								£ -
Other Block Agreements Total		£ 44,812,932			£ 1,751,256	£ 1,406,184			£ 47,970,372
Other Income	Other Items (non PCT Commisioned)				£ 2,419,808				£ 2,419,808
Other Income Total					£ 2,419,808				£ 2,419,808
Technical Adjustments	MFF and Transitional Relief					-£ 1,250,000		£ 23,845,499	£ 22,845,499
Grand Total		**£ 304,486,738**	**£ 428,349**	**£ 2,157,837**	**£ 4,171,064**	**£ 10,173,512**	**£ 93,467**	**£ 23,845,499**	**£ 345,606,466**

Income Expenditure Plan for 2007- 08

	Sub Code	Plan £000	April £000	May £000	June £000	July £000	August £000	September £000	October £000	November £000	December £000	January £000	February £000	March £000	SIGN
Income from activities	100	352,030	28,253	28,578	28,903	29,236	29,551	29,551	29,726	29,875	29,277	29,925	29,131	30,024	+
Other operating income	110	23,625	1,969	1,969	1,969	1,968	1,969	1,969	1,969	1,968	1,969	1,969	1,969	1,968	+
Operating expenses	120	(370,475)	(30,467)	(31,047)	(31,342)	(30,943)	(31,100)	(30,949)	(30,991)	(30,989)	(30,360)	(31,029)	(30,229)	(31,029)	-
OPERATING SURPLUS/(DEFICIT)	130	5,180	(245)	(500)	(470)	261	420	571	704	854	886	865	871	963	+/-
Profit/(loss) on disposal of fixed assets	170	0													+/-
SURPLUS/(DEFICIT) BEFORE INTEREST	180	5,180	(245)	(500)	(470)	261	420	571	704	854	886	865	871	963	+/-
Interest receivable	190	350	29	29	29	29	29	29	29	29	29	29	29	31	+
Interest payable	200	0													-
Interest payable - DH Loans	205	0													-
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	220	5,530	(216)	(471)	(441)	290	449	600	733	883	915	894	900	994	+/-
PDC Dividends payable	230	(10,530)	(877)	(878)	(877)	(878)	(877)	(878)	(878)	(877)	(877)	(878)	(877)	(878)	-
RETAINED SURPLUS/(DEFICIT) FOR THE YEAR	240	(5,000)	(1,093)	(1,349)	(1,318)	(588)	(428)	(278)	(145)	6	38	16	23	116	+/-

BREAKDOWN OF INCOME FROM ACTIVITIES - s/c 100

	Sub Code	Plan £000	April £000	May £000	June £000	July £000	August £000	September £000	October £000	November £000	December £000	January £000	February £000	March £000	SIGN
Income from NHS Trusts	290	1,474	123	122	123	123	123	123	123	122	123	123	123	123	+
Income from PCTs	300	324,087	25,925	26,250	26,575	26,907	27,222	27,222	27,398	27,547	26,948	27,597	26,801	27,695	+
Income from DH	320	23,846	1,987	1,987	1,987	1,987	1,988	1,987	1,987	1,987	1,987	1,987	1,988	1,987	+
Income from other non-NHS bodies	340	2,623	218	219	218	219	218	219	218	219	219	218	219	219	+
Total income from activities	360	352,030	28,253	28,578	28,903	29,236	29,551	29,551	29,726	29,875	29,277	29,925	29,131	30,024	+

BREAKDOWN OF OPERATING EXPENSES - s/c 120

	Sub Code	Plan £000	April £000	May £000	June £000	July £000	August £000	September £000	October £000	November £000	December £000	January £000	February £000	March £000	SIGN
Services from other NHS Trusts	370	(4,884)	(407)	(407)	(407)	(407)	(407)	(407)	(407)	(407)	(407)	(407)	(407)	(407)	-
Services from PCTs	380	(2,220)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	-
Purchase of healthcare from non-NHS bodies	390	(744)	(62)	(62)	(62)	(62)	(62)	(62)	(62)	(62)	(62)	(62)	(62)	(62)	-
Staff and Directors costs	400	(235,655)	(19,311)	(19,813)	(20,407)	(19,608)	(19,475)	(19,524)	(19,456)	(19,754)	(19,525)	(19,594)	(19,594)	(19,594)	-
Clinical Negligence	410	(5,064)	(422)	(422)	(422)	(422)	(422)	(422)	(422)	(422)	(422)	(422)	(422)	(422)	-
Supplies and Services - clinical	420	(63,376)	(5,383)	(5,283)	(5,183)	(5,383)	(5,573)	(5,473)	(5,383)	(5,383)	(4,783)	(5,383)	(4,783)	(5,383)	-
Supplies and Services - general	425	(16,152)	(1,246)	(1,346)	(1,246)	(1,346)	(1,346)	(1,346)	(1,446)	(1,346)	(1,446)	(1,346)	(1,346)	(1,346)	-
Depreciation	430	(18,277)	(1,524)	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)	-
Other operating expenses	440	(24,103)	(1,927)	(2,006)	(1,907)	(2,007)	(2,107)	(2,007)	(2,107)	(1,907)	(2,007)	(2,107)	(1,907)	(2,107)	-
Total Operating Expenses	450	(370,475)	(30,467)	(31,047)	(31,342)	(30,943)	(31,100)	(30,949)	(30,991)	(30,989)	(30,360)	(31,029)	(30,229)	(31,029)	-

PLANNED BALANCE SHEET FOR 2007-08

	Plan 31st March 2008 £000s	Forecast 31st March 2007 £000s	Planned Movement in Balances £000s	SIGN +/-
FIXED ASSETS:				
Tangible assets	342,766	314,121	28,645	+
TOTAL FIXED ASSETS	**342,766**	**314,121**	**28,645**	+
CURRENT ASSETS:				
Stocks and work in progress	5,000	5,000	0	+
NHS Debtors	14,170	14,170	0	+
Other debtors	6,644	6,644	0	+
Total Debtors	**20,814**	**20,814**	**0**	+
Cash at bank in OPG accounts	713	713	0	+
Total Cash at bank and in hand	**713**	**713**	**0**	+
TOTAL CURRENT ASSETS	**26,527**	**26,527**	**0**	+
CREDITORS:				
NHS Creditors falling due within one year	(10,548)	(10,548)	0	-
Non-NHS creditors falling due within one year	(38,455)	(33,281)	(5,174)	-
Total amounts falling due within one year	**(49,003)**	**(43,829)**	**(5,174)**	-
NET CURRENT ASSETS/(LIABILITIES)	**(22,476)**	**(17,302)**	**(5,174)**	+/-
TOTAL ASSETS LESS CURRENT LIABILITIES	**320,290**	**296,819**	**23,471**	+
CREDITORS:				
NHS creditors falling due after more than one year		0	0	-
Non-NHS creditors falling due after more than one year	(27)	(27)	0	-
Total amounts falling due after more than one year	**(27)**	**(27)**	**0**	-
PROVISION FOR LIABILITIES AND CHARGES	(2,206)	(2,206)	0	-
TOTAL ASSETS EMPLOYED	**318,057**	**294,586**	**23,471**	+
FINANCED BY				
TAXPAYERS EQUITY:				
Public dividend capital	191,181	184,525	6,656	+
Revaluation reserve	137,620	115,715	21,905	+/-
Donated asset reserve	9,957	10,047	(90)	+
Income and expenditure reserve	(20,701)	(15,701)	(5,000)	+/-
TOTAL TAXPAYERS EQUITY	**318,057**	**294,586**	**23,471**	+

Note: March 2007 balance sheet is subject to amendment following closure and audit of accounts for 2006-07

Movement in balance sheet re fixed assets			
	Purchased	**Donated**	**Total**
	£m	**£m**	**£m**
Assets 31-03-07	**304.1**	**10.0**	**314.1**
Revaluation 01-04-07 (see below)	22.0	0.8	22.8
Capital programme 2007-08 - expenditure	28.8		28.8
Capital programme 2007-08 –disposals*	-4.7		-4.7
2007-08 Depreciation	-17.5	-0.8	-18.3
Assets 31-03-08	**332.7**	**10.0**	**342.7**
Revaluation - Indexation applied 01-04-07 per official guidance:-			
	Land	**Buildings**	**Equipment**
2006-07	111	240	149
2007-08	117	260	153

*Capital Programme Disposals comprises £4.2m of offsite properties incorporated in the QEQM Staff Accommodation Scheme, plus £0.5m for Mary Sheridan Centre

PROPOSED 2007-08 CAPITAL PROGRAMME & OUTLINE MEDIUM-TERM PROGRAMME				
	2007/08	**2008/09**	**2009/10**	**Notes**
	£'000	**£'000**	**£'000**	
CAPITAL EXPENDITURE				
Approved Schemes				
Renal & Vascular Development	7,603	357		
QEQM Accomodation Project	4,860	1,800	0	
GUM Service Expansion	273			
Centralised Pre-Admissions Lounge	80			
NCRS	1,303			TBC.A further 250k is included in the IT allocation below for 2007/08
LIMS	198	1,349	421	
Minor Schemes	80			
Proposed High Priority Schemes				
Replacement Medical Equipment	1,500	1,500	1,500	Rolling replacement programme
X-Ray Major Equipment Replacement	1,000	1,000	1,000	Rolling replacement programme
Estates Backlog Maintenance	2,000	2,000	2,000	Rolling backlog maintenance programme
Theatres equipment replacement	500	500	500	Rolling replacement programme
Energy Savings Schemes	470			
New Road - WHH	500			
Car Park-WHH	380			
Centralisation of Maxillo Facial Services	1,700	1,800		2007-08 cost tbc
I.T Schemes-equipment/software replacement	500	500	500	
Balance of 2006-07 schemes not included above	250			
Endoscopy equipment	1,000			Draft Business case and tendering underway
Wireless enabling for NCRS	1,000			
Estates strategy enabling works	1,200			
Infection control compliance	750			
HR/payroll shared services and ESR benefits realisation	150			
Provision for other urgent requirements	1,521	1,000	1,000	
Total planned Capital expenditure	**28,818**	11,806	6,921	
SOURCES OF FUNDING				
Income to cover Depreciation charges	17462	17500	17500	
Proceeds From Property Sales	4700	2500		Staff accommodation scheme plus Mary Sheridan centre
Sub Total Internally Generated Capital Cash	**22162**	20000	17500	
Public Dividend Capital (renal/vascular)	6,656			Subject to SHA/DH approval
Total funds available	**28818**	20000	17500	
Excess of available funds over current capital plans	**0**	8,194	10,579	
PRUDENTIAL BORROWING LIMIT				
Notified PBL	**41084**			No loans requested at the present time

DIRECTORATE NET EXPENDITURE BUDGET SUMMARY ANALYSIS 2007-08 Appendix 6

Department	Description	Total Income From Patient Care Activities	Other Operating Income	Operating Expenses Pay	Operating Expenses Non Pay	TOTAL
		£000	£000	£000	£000	£000
100	Specialty Medicine	-177	-176	21,162	7,398	**28,207**
101	Rehab & Intermediate Care	-4	-8	9,052	2,799	**11,840**
102	Acute & Emergency Medicine			19,168	-1,532	**17,635**
103	Accident & Emergency		-22	12,556	-354	**12,180**
201	General Surgery	-47	-121	14,457	832	**15,121**
202	Head & Neck	-12	-27	8,481	1,021	**9,463**
203	Trauma & Orthopaedics	-162		10,654	3,834	**14,327**
204	Anaesthetics	-432	-100	26,720	4,389	**30,577**
301	Child Health	-5	-179	20,475	-71	**20,221**
302	Womens Health	-13	-634	17,035	80	**16,468**
303	Pathology	-331	-1,016	11,081	6,828	**16,562**
304	Radiological Sciences	-517	-227	13,932	5,371	**18,559**
305	Therapies	-7	-36	6,927	546	**7,431**
306	Pharmacy	-75	-365	1,058	3,809	**4,427**
307	Cancer, Clinical Haematology and Haemophilia	-6,842	-86	6,389	11,169	**10,630**
309	Outpatients		-97	4,401	1,140	**5,444**
400	Clinical Practice		-1,339	5,550	5,032	**9,242**
401	Human Resources		-856	2,766	1,101	**3,010**
402	Facilities		-4,668	8,774	22,357	**26,463**
403	Finance	-16	-59	1,983	1,755	**3,664**
404	Operations			2,694	-73	**2,621**
406	Modernisation			349	70	**419**
407	Information		-19	159	2,767	**2,907**
	TOTAL	**-8,639**	**-10,035**	**225,824**	**80,268**	**287,418**

Review of Organisational Workforce Plan 2006/2007

Directorate	Issue	Outcome
Human Resources	Improve recruitment success to consultant posts	There has been significant success in recruiting to consultant vacancies in 2006/7.
	Improve recruitment to HCA and registered nursing vacancies	The Resourcing Team are now running HCA recruitment on a 6 week cycle to ensure vacancies are filled as quickly as possible. Recruitment to Band 5 vacancies has improved, with the closure of beds there is now a surplus of qualified staff at this level. Specialist posts at Band 6 and above are behind advertised on NHS Jobs with a success rate of 80%. Renal are experiencing difficulty and are working on training internal applicants.
	Specific plans to recruit senior cardiac and respiratory MTOs using agencies are also being developed	Agencies were used with varying success. Alternative plans are now in place to address difficulties in recruiting cardiac and respiratory technicians.
Education and Training Board	Evaluation of education at level three (Kirkpatrick) – i.e following up to determine whether staff change their practice after education and training	The project is going well and to plan. We have set up a working group which met for the second time in Feb. We agreed the evaluation forms to be used and are currently undertaking a 'mini' pilot for a month. This pilot will inform a larger 3 month pilot to be run in the next few months.

	Integration of the education and training strategy with organisational strategies to ensure it reflects and informs organisational changes;	Paper has been produced by Dir HR and agreed with Strategic Development Team. Changes will be enacted in financial year 07/08.
	Review of educational facilities in the Trust, making realistic recommendations for future demand and supply	The project group met on 24 January and a paper will be presented to the Education and Training Board in April
	Multi professional learning –increase opportunities for shared learning between professional groups;	Ongoing
	Encouraging ownership of education - ensuring staff and line managers are aware of their responsibilities with regards to education and training;	Ongoing
	Achieve University Hospital status;	The submission has been made to Kings for University of London Trust status. All the 3 sites have been visited by Kings for quality assurance processes in the last 2 months.
	Preparation for Shared Services – in particular the integration of education and training throughout East Kent;	Ongoing
	Ensure we employ a workforce that can work flexibly with a range of skills;	Work is ongoing in this area; this year in particular a lot of work has been done on the development of an associate practitioner role at AfC Band 4 level. The potential for these roles within directorates is being explored and the first programme will commence in September 2007. A review of competencies against skill requirements for all staff groups is planned for 2007/8 across

	Develop a strategic leadership programme within the Trust.	directorates, commencing in medicine The 1st year's programme started on 25 September 06 and culminated on 09 February 07, meeting the initial project outline. 360 Appraisals have started. The intention is to take a 'tactical pause' over the Spring and Summer to allow the work of the Development Centres to be worked through, any reorganisation plans to take effect, the Business planning process to run it's course and for a new CE to provide additional direction before resuming business in the Autumn.
Women's Health	In FY 06/07 another midwife will be trained to undertake newborn screening. The gynaecology clinical nurse specialists will also be trained in-house to facilitate discharge in their sub speciality patient groups. At the WHH site the nurse colposcopist will complete the practical training necessary to perform treatments this year, whilst a nurse at QEQMH and another at WHH will commence training this year to perform diagnostic and therapeutic colposcopies. The Early Pregnancy Unit nurse practitioner is this year receiving training from sub-fertility consultants with the view to them being able to see and clerk all new referrals. There are also training plans for this year that will see this post eventually undertaking gynaecology scanning. A nurse hysteroscopist will also complete their accredited training this year and senior ward staff are, through the use of KSF outlines, developing emergency gynaecological assessments.	In FY 07/08 it is hoped that a further group of midwives will be trained to undertake examination of the newborn. The gynaecology clinical nurse specialists will also be trained in-house to facilitate discharge in their sub speciality patient groups. At the WHH site the CNS for Colposcopy will aim to complete the practical training necessary to perform treatments this year. The nurse at QEQMH has commenced training this year to perform diagnostic and therapeutic Colposcopy and is due to become accredited in June 2007 The Early Pregnancy Unit nurse practitioner at KCH has completed

		her in house training. The nurse hysteroscopist has completed her training and accreditation to undertake diagnostic hysteroscopy on all 3 sites. There are plans in place for a second Nurse to undertake hysteroscopy training in 07/08 to support the diagnostic service.
	Retention will be aided by the directorate's commitment to life long learning through the employment of a practice development midwife supported by a training co-ordinator. In addition all nursing and midwifery staff will have access to locally delivered and funded diploma, degree and masters level courses and modules. Retention of midwives will be further aided by the continuation of choices they have on how to practice in EKHT as there are opportunities in the community, birthing centres and acute obstetric units.	Work on the retention of midwifes is ongoing.
	The midwifery teams will look at new ways of working to provide continuity of care for all women during antenatal, labour and postnatal care. To improve theatre utilisation the directorate will develop pre-assessment teams for all gynaecological patients, whilst ward staff will start to undertake emergency gynaecological assessments to take the pressure off A&E staff, and treat patients in a more appropriate setting. Voice recognition technical is also being investigated in an effort to free up medical secretary time. An extended working day from 0830 – 1700 to 0800 – 20000 will be piloted in the obstetric units to increase the frequency of women receiving one to one labour care. Community midwifery services will also be increased, particularly for early labours, in order to prevent unnecessary admissions to the obstetric units. The Band 2 staff in the gynaecology wards will also start to undertake clerical support to ward managers.	The midwifery teams continue to look at new ways of working to provide continuity of care for all women during antenatal, labour and postnatal care. Voice recognition project is now part of a broader SHA and NCRS project.
	The directorate will develop new roles for: lead midwives in foetal medicine/high risk care; nurse colposcopists able to perform cervical treatment; sub-fertility nurse practitioner; nurse hysteroscopist and; plan to implement the role of nurse consultant.	Ongoing
Therapies	This year competency frameworks, protocols, grand parent clauses and mentorship will be used to train ESPs in K-Wires, injection therapy, radiographic investigations, MRI and pathology requesting.	Clear CPD policy in place which is reviewed at monthly clinical governance meetings.

	During 06/07 the length of rotations for Band 5 posts will change and it is envisaged that this will support improved retention, as will the current internal succession planning To take advantage of the over supply of newly qualified therapists the directorate will appoint additional Band 5 posts by reviewing the skill mix of staff and utilising vacant Band 6 posts. In order to support reductions in the length of stay the directorate will expand week-end working for T&O, Medicine and A&E. The new role of Band 5 Technical instructor will be developed to reduce length of hospital stays by offering an outreach service into patient's homes. The directorate will also continue to develop the role of ESPs to take on roles traditionally undertaken by medical staff. New roles for consultant therapists in rheumatology and stroke will also be explored, as will the extension of current roles in respiratory.	The service has recruited as many Band 5s as can be supported, including rotation with PCT. Business case in place with Length of Stay project to support weekend working. Band 5 tech at QEQM provides outreach service which has demonstrated reduction in length of stay. Rebanding proposals in place for area equipment technicians who will work in the community. ESPs and consultant therapist are working with T&O to triage referrals through the patient service centre to ensure patient is following the most appropriate pathway.
Speciality Medicine	In 06/07 the directorate will commence the training programme to develop CNSs in GUM Medicine. GUM nurses at K&C will this year rotate with Shepway PCT nurses to undertake competency based training in order to expand their role into areas currently undertaken by medical staff, eventually leading to the development of new CNS roles. The directorate are also looking at developing the GPwSI role in GUM to further make up for the difficulty of recruiting consultant medical staff. The use of CNSs in multiple sclerosis, Parkinson's, headache and epilepsy to run out-patient clinics will also be explored this year. The CNS posts in respiratory, will this year take on a prescribing role to relieve pressure on medical staff in oxygen therapy clinics.	Superceded by plans to move the service out into the community. GUM been placed on hold pending transfer to PCT service provision. Respiratory nurse role has been developed on the WHH site which remains the only site to have this role within the Trust, The other two sites are serviced by external (PCT) based respiratory nurses. MS and Parkinson's nurses have been utilised for the provision of nurse-led clinics running a minimum of 6 clinics per week in line with the

		review of specialist nurses. All specialist nurses have been subject to review in relation to their workload, workplans, and competencies.
Radiology	The directorate will continue to train their assistant practitioners, some of whom will qualify in Oct 06, and develop staff to undertake mammography and ultrasound images. Though there is no need to develop any more reporting radiographers, the scope of existing staff with these skills will be extended via training opportunities, especially in those with appendicular qualifications. The directorate will be considering new ways of working as a result of the installation of PACS, which will require reduced clerical support to retrieve films, and the need to meet the 18 week referral to treatment target	Both of these objectives are ongoing.
Pathology	The A&C and MLA staff on all sites will be cross trained to undertake all their relevant roles in Pathology and the latter's skills will be developed via the NVQ 3 route. Training will also be provided to introduce a) the associate practitioner in cellular pathology and b) the cross working of biochemists and haematologists at BMS grades. The directorate this year will develop plans to enrich BMS posts through some multi-skilling and the development of advanced practitioner roles This year the directorate will look to introduce full-shift working on two sites, and point of care testing on the other, in order to sustain services with the minimum of staff. In addition advanced high technology automation will be introduced.	Cross training – Achieved NVQ 3 – Achieved a) achieved – JDs ready – going to advertise for two associate practitioners in Cell Pathology and two in Microbiology b) not achieved training programme is in place Not achieved – CPP needs to be in place. Consultation process is ongoing in relation to implementing CPP.

	The roles of senior assistant and associate practitioner will be developed to release time for registered BMSs to undertake advanced roles. The new assistant and practitioner roles will undertake all laboratory tasks apart from the validation of the result.	Achieved – 2007/8 to implement post NVQ3 acquisition.
Pharmacy	An Advanced and consultant Pharmacist competency framework is being introduced into the directorate in 06/07 and technicians will be trained to achieve the national accreditation in final accuracy checking of dispensed items for a wide range of medicines and controlled drugs. Pharmacy assistants will continue to receive training to meet NVQ level 2 standards.	An Advanced and Consultant Pharmacist Competency Framework has been introduced. The directorate has introduced a framework to oversee the training, accreditation and continued competency of nationally accredited final accuracy checking technicians. Pharmacy Assistants will continue to receive training to meet NVQ level standards.
	The way the formulary pharmacist post is delivered will be re-considered for inclusion within the junior pharmacist development programme	Prior to the development of a full Cross Trust junior pharmacist rotation programme, junior pharmacists gain experience in formulary management as part of their Medicines Information training.
	Retention in pharmacy is facilitated by flexible working options, though this year, in addition, the directorate is actively seeking a USA exchange partner to develop practice and training links.	This initiative is still under development.
	This year the directorate will formalise the role of accredited checking technicians in dispensaries and start the introduction of the consultant pharmacist role.	The role of accredited checking technicians has now been formalised and is overseen by a governance framework. A Consultant Renal Pharmacist post is being developed with stakeholders subject to an SHA approval process.
Head and Neck	Internal training by consultants for ophthalmology nurse practitioners in managing glaucoma review clinics should see service implementation in Aug 06. Nurses will also be trained, using protocols, to discharge patients,	Glaucoma training completed. Initial clinics implemented with roll-out programmes plans in progress.

	particularly ENT daycases. The directorate will use fee for service initiatives to increase capacity to meet patient demand. The directorate will review national professional developments to create new roles for hard to fill vacant posts, especially around ophthalmology, dental and audiology technicians.	Rotary ward nursing staff now involved in discharge process. Fee for Service has been used throughout the year to flexibly manage demands. An ATO role has been developed in Audiology to support hearing aid service. Orthoptic nurse development being progressed. AOSP qualification for Ophthalmology admissions – qualification process delayed nationally but generic worker role being considered to support Ophthalmology / Orthoptic activities.
Child Health	In order to provide psychotherapy skills to the CAMHS, EKHT is for 06/07 using Workforce Development Directorate funding to train one individual in this area, and another individual will commence in 07/08. The transfer of CMO and SCMOs to staff grade and associate specialist contracts will help with the retention of middle grade doctors who work in the community. Training and development opportunities will continue to be offered, as will opportunities for staff who wish to work on term time only or annualised hours contracts. This year the directorate will explore the role of nurse practitioner within the K&C ambulatory care unit, as well as “starter roles” to attract newly qualified therapy staff to the CAMHS. In addition they will develop plans, with PCTs, to redesign roles if the Trust is unable to recruit to the vacant community paediatric posts.	The Psychotherapy Trainee is due to qualify in Sept 08. Plans are in place to retain once qualified. An additional trainee will be recruited in October 2007. All Middle Grades appointed Still offering annualised hours, but not popular as yet. Working with CCUC to develop a programme for Nurse Practitioner with the Ambulatory Unit.

Anaesthetics	Generic workers in day surgery and main theatres will be trained in 06/07. At WHH nurses will also be allowed to practice as anaesthetic assistants in FY 06/07 by the development of in-house competencies. Over the next three years the directorate will, by working closely with PCT colleagues to develop the required support network, seek to relocate the majority of chronic pain services into the community setting. The directorate will also continue to explore the use of the role of anaesthetic practitioner.	Generic workers are being trained and WHH are now working as anaesthetic assistants. Work is ongoing with the PCT on the development of community based chronic pain services. This work is ongoing.
Acute and Emergency Medicine	Overspent budget holders will be required to attend training delivered by the finance team. Emergency Nurse Practitioners will continue to be developed to treat both minor and major illness/injury patients in A&E. At the same time the role of acute physicians is becoming clearer to the directorate and they will be used to provide 12 hours of consultant cover in the K&C Emergency Care Centre Monday to Friday, before being rolled out to the QEQMH site Should more ENPs be required after the 06/07 cost reduction measures have been implemented, then an in-house course can be run at 6 weeks notice. In terms of extending ENP skills a number, are this year, studying a minor illness module and through links with a local HEI and the use of interpreting radiographers, x-ray reading skills are being developed. In addition several senior staff nurses will undergo extra training to allow them to fast-track patients to x-ray and predict which wound closure method or dressing the ENP or doctor will request, so that working will be speeded up in A&E. They will also be trained to suture, which frees up ENP and doctor time in A&E. This training in effect produces associate ENPs, which are the natural resource pool from which to develop future ENPs. The directorate will continue to be as flexible as possible to accommodate family friendly hours and will start to employ individuals on annualised contracts of 7 hours to provide flexibility to the service in terms of using additional part-time hours, whilst catering for the needs of individuals. The comprehensive and popular in-house development programmes for nursing staff, run by a full time dedicated education and training co-ordinator, will also	Ongoing Ongoing Ongoing Ongoing

	be used to retain staff, especially the popular A&E technician and ENP courses. HCA and A&C staff also have the opportunity to complete NVQ 2 and 3 training.	
General Surgery	The vascular nurse practitioner role will be developed to assess, diagnose and treat patients in outpatients and as first surgical assistant	The vascular nurse practitioner role has been implemented and has been very successful.

East Kent Hospitals NHS Trust

Organisational Workforce Development Plan 2007/8

1 Introduction

The Organisational Workforce Development Plan has been drawn up in response to the individual Directorate business operational plans and the Education and Training Plan and reflects the key objectives identified in the Human Resources Strategy and Education and Training Strategy. These documents are all available separately; the purpose of the organisational workforce development plan is to bring together the workforce issues across the organisation so they can be supported by functional directorates and corporate initiatives.

Some directorates still have difficulty with the concept of workforce planning and incorporating it with activity and financial planning whilst other directorates are increasingly sophisticated in their approach. In totality the plans from the directorates have improved this year and have incorporated workforce planning in their action plans to align capacity and workforce with demand and financial savings targets.

The directorate plans have identified key issues that need to be addressed to ensure the workforce meets the demands placed on the organisation in the next financial year, and in the coming years. Key themes have been identified as organisational challenges for the coming year. These are:-

- Meeting 18 weeks
- The challenge of finding jobs for the newly qualified
- Aligning the medical workforce to the activity requirements of the Trust
- Clinical Systems Improvement – changing roles / ways of working
- Meeting savings targets without losing key skills – improving workforce productivity
- Addressing the reduction of education and training funding available from the WDD
- Managing agency spend in a planned way
- Pre-registration commissioning
- Embedding good CPD practice through in-house training teams, mandatory training and KSF.

This organisational workforce development plan supports the Human Resources mission statement of ensuring that EKHT has the right numbers of staff, with the right skills at the right time in the right place.

2 Review of Organisational Workforce Plan 2006/2007

For a detailed review of the objectives identified in last year's plan and their achievement please refer to Appendix 7a of the Trust's Annual Business Plan.

The use of NHS Jobs (on line recruitment/E-recruitment) was launched in the Trust on 1st December 2006. It has proven to be a useful and cost effective tool in the Trust's recruitment programme. NHS Jobs allows the Trust quickly and efficiently to advertise vacancies and make them available to:

- Redeployees via an online clearing house
- Internal applicants only
- External applicants (via a worldwide website)

Applicants are required to apply on line via the NHS jobs website. The removal of hardcopy applications has reduced the administrative burden of recruitment and allowed the Trust to make savings within the recruitment process and support staff within the Resourcing Team. Recurrent savings from the advertising budget have been put towards financial savings for 2007/08. Local advertising will be used less frequently in future; currently plans are in place to advertise on a monthly basis locally.

A key challenge for 2006/07 was the recruitment of newly qualified staff, as there is a national over supply in nursing and therapies. This challenge will continue into the coming years and there are a number of initiatives in place to help manage this. It is important to ensure that as many newly qualified staff are recruited as possible to ensure the workers of tomorrow are retained within the NHS and the healthcare professions. However this has to be balanced with the need, in some cases, to reduce staff numbers, and the obligation the organisation has to its current employees.

The Fit for the Future Plan required the organisation to deliver a 10% reduction in staff costs by 31st March 2007. By 31st March 2007 staff costs were 7.6 % lower than the previous financial year end. This was partly achieved by the significant reduction in agency usage in year going from 4% of total pay at April 06 to 0.97% of total pay at March 07

There has been increasing success in filling consultant vacancies throughout 2006/07, with nearly 30 wte consultants joining and the organisation expects this success to continue in 2007/8.

2.1 Predicted demand for 2006/ 2007

Demand was predicted based on vacancy numbers, included vascular and renal staff that were not recruited in 06/07 and are now planned for 07/08 financial year. It also assumed a 10% reduction in staffing costs across the groups. Recruitment activity was controlled through an Executive team vacancy review panel which reduced the numbers of jobs advertised by the organisation.

Directorate	**Predicted Recruitment by Staff Group to meet Demand in 06/07 by WTE**						
	Total	M&D	N&M	P&T	HCA+	A&C	Mans
TOTAL	492.76	48.90	145.54	69.80	230.24	-1.72	00.00

Total Staff Recruited 2006/2007

Directorate	**Recruitment 06/07 by WTE**						
	Total	M&D	N&M	S,T&T	HCA+	A&C	Mans
A & E	10.83	3.00	4.56		3.00	0.27	
Acute & Emergency Med	30.42	2.00	2.97		25.45		
Anaesthetics	24.33	1.00	6.43	13.41	3.00	0.49	
Cancer	9.44		4.00	0.60	1.00	3.84	
Child Health	31.02	3.90	12.63	10.27	0.49	3.73	
General Surgery	7.63	5.20	1.00		1.00	0.43	
Head & Neck	6.13	1.40		3.00		1.73	
OPD	15.27		1.08		1.20	12.99	
Pathology	16.73		1.00	14.66		1.07	
Pharmacy	14.75			14.75			

Radiology	13.00		1.00	10.00		2.00	
RAIC	12.09	5.00	3.20		3.60	0.29	
Speciality Medicine	29.76	5.80	11.03	3.83	4.60	4.50	
Therapies	12.48			11.99		0.49	
T & O	7.93		4.93		3.00		
Women's Health	38.75	2.00	20.27		14.88	1.80	
Facilities	38.45				29.85	7.60	1.00
Finance	5.41					3.41	2.00
HR	9.03		1.00		2.60	4.43	1.00
Strategic Devt	1.00					1.00	
Clinical Practice	10.37			0.10		8.27	2.00
Operations	2.18		0.33			1.85	
TOTAL	347.20	29.30	75.43	82.61	93.67	60.19	6.00

The differences between predicted demand and actual recruitment reveal the difficulties in factoring in vacancies in the demand requirements at a time of significant change. In year the reduction of 200 beds and the impact of a number of other initiatives, such as the vacancy review panel, have reduced the requirement to recruit. With the increasing removal of vacant posts from the establishments (just under 500 have been removed in 06/07, with over 200 already planned for 2007/8) as part of financial savings it is expected that reported vacancies in the future will more accurately reflect workforce requirements than it has in the past. This will lead to the organisation being able to more accurately predict recruitment requirements.

Total NHS Temporary (NHSP, Overtime, Temporary Contracts and Flexi-bank) Staff Used in 06/07

Directorate	**NHS Temporary Staff Used WTE Totals**
A & E	18.3
Acute & Emergency Med	36.1
Anaesthetics	27.4
Cancer	2.0
Child Health	2.7
General Surgery	24.2
Head & Neck	3.9
OPD	6.2
Pathology	2.3
Pharmacy	0.7
Radiology	3.6
RAIC	17.0
Speciality Medicine	21.2
Therapies	2.0
T & O	25.8
Women's Health	6.6
Facilities	9.4
Finance	0.2
HR	0.9
Strategic Development	
Clinical Practice	2.0
Operations	4.4
TOTAL	**216.8**

Usage of temporary staff went down from 331 wte in 2006/7 by 115 wte showing increasing control of temporary staffing resource.

Sickness Absence for 06/07

Directorate	Annual Total WTE Lost to Sickness Absence						
	Total	M&D	N&M	S,T&T	HCA+	A&C	Man
A & E	21.05	0.43	14.4		3.33	2.87	0.02
Acute & Emergency Med	28.52	2.18	11.63		14.69	0.03	
Anaesthetics	41.83	2.63	20.08	9.91	7.26	1.95	
Cancer	5.50	0.10	3.00	0.50	0.40	1.48	0.02
Child Health	19.95	0.81	8.84	4.25	0.88	5.08	0.10
General Surgery	15.93	0.77	6.28		7.24	1.65	
Head & Neck	6.92	1.18	2.65	1.43	0.47	1.19	
OPD	12.16		3.24	0.10	3.81	5.02	
Pathology	11.32	0.61	0.06	8.29		2.36	
Pharmacy	4.51			4.43		0.08	
Radiology	12.89	0.04	2.15	5.84	0.14	4.70	0.02
RAIC	18.09	0.11	8.55	0.35	8.25	0.82	
Speciality Medicine	23.11	0.18	12.43	2.95	4.39	3.15	
Therapies	10.35			8.47		1.89	
T & O	15.28	1.73	8.41	0.03	4.57	0.54	
Women's Health	20.40	0.16	12.72		4.86	2.63	0.02
Facilities	21.75				12.34	9.33	0.09
Finance	0.84					0.58	0.26
HR	2.39	0.02	0.50		0.57	1.12	0.19
Strategic Devt	0.02						0.02
Clinical Practice	3.94		0.34	0.01		3.24	0.35
Operations	3.72		1.27		0.01	2.24	0.20
TOTAL	300.49	10.95	116.55	46.55	73.21	51.95	1.28

3 Workforce Challenges for 2007/08 and Beyond

3.1 Recruitment

During 2007/8 the central advertising budget will fund:

- Trust wide recruitment campaigns such as recruitment fairs and open days
- A general composite advert to be placed in the local press on a monthly basis
- Advertising of the Trust's internal Flexibank
- Fees associated with the use of NHS Jobs
- Ad hoc adverts as agreed between a recruiting manager and the Resourcing Manager.

The use of NHS Jobs has been monitored and it has been found that some vacancies may benefit from being supported by an advert within the East Kent area, via the local press. The posts typically suitable for this type of advertising would be:

- Band 1 and 2 posts
- Posts recognised nationally as shortage occupations e.g. Qualified maintenance staff (electricians, plumbers etc)

The Resourcing Manager will work with the Trust's advertising agency to ensure value for money and maximum geographical coverage for this advertising medium. In addition the Trust has agreed that NHS Professionals will have a nominated space

on the Trust's monthly advert to advertise their posts. This will reduce costs as a standard fee will be agreed. The Trust has a more detailed recruitment advertising plan for 2007/8 which is available from the Resourcing Manager.

The Trust is working in partnership with Connections (a careers service run by the Council) and local colleges and universities and now has the facility to advertise short term vacancies for students/gap year students free of charge and this will be more fully utilised in 07/08, in particular to provide temporary administrative staff to support the delivery of 18 weeks.

3.2 Supply

Staff in Post as at 31 Mar 07

Directorate	Staff in Post by Staff Group WTE						
	Total	M&D	N&M	S,T&T	HCA+	A&C	Mans
A & E	323.15	46.93	189.89		51.78	32.55	2.00
Acute & Emergency Med	515.26	126.70	222.34		160.79	4.53	1.00
Anaesthetics	637.71	106.05	287.35	120.46	85.80	36.05	2.00
Cancer	139.38	12.27	71.36	1.75	11.09	40.91	2.00
Child Health	473.79	86.72	186.19	94.36	19.30	85.41	1.81
General Surgery	303.55	97.22	109.79		56.01	39.53	1.00
Head & Neck	178.22	61.61	28.4	41.01	12.79	33.41	1.00
OPD	210.17		32.48	0.86	42.37	133.46	1.00
Pathology	294.21	18.57	5.00	217.51		52.13	100
Pharmacy	121.32			114.51		6.81	
Radiology	311.39	25.40	15.03	186.30	2.00	81.66	1.00
RAIC	246.28	25.90	111.38	2.90	88.64	17.46	
Speciality Medicine	430.98	68.66	207.60	52.00	60.57	91.15	1.00
Therapies	229.63			205.27		23.36	1.00
T & O	242.17	57.79	109.66	1.67	51.64	21.41	
Women's Health	411.17	53.00	246.30		74.39	36.48	1.00
Facilities	365.57				164.82	188.75	12.00
Finance	44.24					28.24	16.00
HR	84.79	3.74	13.55		19.33	42.67	5.50
Strategic Devt	7.60					1.00	6.60
Clinical Practice	121.34	0.27	15.10	4.40		88.07	13.50
Operations	70.63		17.47		2.00	44.16	7.00
TOTAL	5812.65	790.83	1868.89	1043.00	903.32	1129.20	77.41

Commissioned Students Available

Year	Staff Available WTE				
	N & M	Physios	Radiographers	Pharmacists	OTs
07/08	120	5	15	3	5
08/09	120	2	15	3	5

It is predicted that in most healthcare professions supply will outstrip demand in the newly qualified levels. This is true in therapies, nursing and even pharmacy which is predicting that by 2008 there will be more graduating students than pre-registration training places. In particular pharmacy is concerned that without WDD support for increased pre-registration training places that there will be difficulties in retaining

those skills within the NHS. Plans need to be agreed with the WDD to ensure that pre-registration training does not become the rate limiting step to the production of qualified pharmacists fit to take on an extended role in the NHS.

With reducing bed numbers planned into 2007/08 it is likely that vacancy levels will fall even further in nursing. However it will be important to ensure that the staffing numbers are appropriate for the nursing of the beds that remain. Work is currently underway to understand the impact on nursing of reducing length of stay, there is an assumption that the nursing of the patient will be at a higher intensity and therefore nursing ratios may need to be adjusted accordingly. Even so, it is unlikely that the Trust will experience vacancies at Band 5 level over and above those associated with turnover. With the development of the 6 week HCA recruitment cycle, a system set up to reduce the length of time to recruit HCAs, it is hoped that vacancy levels for HCAs will also drop in the coming year.

The Government has changed the criteria for work permit applications and, along with the oversupply of newly qualified staff, this means it is increasingly unlikely that there will be any requirement for overseas recruitment in the future and therefore funds identified to support overseas recruitment have been contributed towards savings in 2007/08.

There continues to be difficulty in recruiting in some specialist nursing areas and to specialist technicians (in particular in areas such as audiology, cardiology and respiratory medicine). Individual Directorates are addressing these issues mainly by developing in-house training / education to “grow their own”. This is an important area of work and one that continues to be addressed through CSI and developing new ways of working.

3.3 Flexing the workforce to meet the requirements of 18 weeks

From April 07 the workforce will need to be “flexed” to meet the challenges of the 18 week target. How this can best be achieved is currently being worked through with the directorates, but this will inevitably involve the consideration of a number of options:-

- Over-establishing during the early part of the financial year and allowing natural wastage to ease down to the establishment required to meet the healthcare needs of the community post meeting 18 weeks target. Over establishing will be possible with the newly qualified staff available in nursing and therapies at Band 5 although these staff will require supervision. Although the requirement for preceptorship will increase pressure in some areas this is the process most likely to provide reliable increases in registered nursing / AHP numbers.

- Agreeing agency usage to provide additional workforce capacity where physical capacity exists (for example, supporting weekend and evening theatre lists). Where agency usage is seen to be an effective, safe and prudent use of resources it will be important to plan to ensure that the SHA and DoH are satisfied that the organisation has managed the arrangements appropriately. In all cases agencies will only be used where they are on the PASA framework, where a contract with the supplier is in place and where the usage is managed with rigour within the directorates or at organisational level.

- Looking for skills amongst staff in admin / management areas that might be better used elsewhere.

- Agreeing to pay staff overtime / special rates to support additional work. This would need to be done consistently and fairly across directorates and professional areas. It also will be important to ensure staff are not working excessive hours and normal services are maintained. Rates, if in excess of normal terms and conditions, may need to be agreed by staff committee or remuneration committee.

- Managing annual leave more rigorously; in some areas leave might be proscribed by management rather than waiting for staff to book. Some high pressure areas may wish to ask staff if they would like to sell leave.

- Agreeing changes to terms and conditions on a temporary basis by mutual agreement could be done in relation to moving staff around sites, flexing job plans, changing working patterns and areas regularly worked in.

3.4 Impact of Fit for the Future (FFF) plans on the workforce

There are a number of FFF plans in place for the next year that will impact staffing:-

- Length of stay project resulting in reduction of beds
- Review of junior doctors banding

In particular the workforce implications on further improvements in length of stay need to be worked through and an understanding of the inter dependency on the delivery of the 18 weeks target. Work is underway in this area and it is hoped that this will be finalised by end of May 2007, in particular so that staff consultation can take place. Workforce will most significantly be impacted in Nursing where it is likely that redeployment will result in the majority of qualified nursing vacancies being filled and this could impact the organisations ability to recruit newly qualified nurses in September. Plans to appropriately manage this will be developed in year. It will be important to work with staff to ensure key skills are retained for the organisation. Identifying funds to support retraining in some areas and redeployment may be necessary.

Doctors in training (focusing on F1/F2/ST1/ST2) will move to EWTD 2009 compliant rotas from August 2007. This will inevitably lead to a greater understanding of the human resources available to deliver services in the hospital and prompt new ways of working.

The Director of Human Resources will also be developing plans for the effective use of administrative resources within the Trust. As a result of the implementation of a number of new IT systems and other changes it is important to understand whether the benefits have been fully realised of these changes and that administrative resources are being used as efficiently and effectively as possible.

3.5 Impact of savings plans for 2007/2008 on the workforce development plan

As part of the financial savings plans for 2007/8 some 168 wte have been removed from the funded establishment across the directorates. It is expected that up to £2million of staffing savings will be made recurrently and some of the removal of establishment will occur in year. The changes agreed currently are as follows:-

Directorate	A&C	HCA	Medical	Nursing & Midwifery	Other - drivers	Other - maintenance	AHPS	Snr Manager	Grand Total
A&E	3.07	-6.91		7.22					3.38
Acute	1.89	6.42		10.83				1.88	21.02
Anaesthetics							1		1
CCHH				1					1
Child Health	3.03	0.62	1.2	12.75			4.05		21.65
Clinical Practice	0.86			0.4				0.6	1.86
Facilities					3	2		1	6
HCOOP	3.28	36.38	0.73	38.43					78.82
Head & Neck	1		1						2
HR	1.17								1.17
Modernisation								0.45	0.45
Operations	3.5								3.5
Pathology	1.03						1		2.03
Radiology	7.6						4.85		12.45
Therapies							11.41		11.41
Womens Health		0.28	0.18	0.4					0.86
Grand Total	**26.43**	**36.79**	**3.11**	**71.03**	**3**	**2**	**22.31**	**3.93**	**168.6**

Clearly this will reduce the numbers of reported vacancies in year, without an increase in recruitment activity.

At this time a number of directorates are still putting together plans for financial savings to meet the targets for 07/08. In a number of cases these plans will have an impact on staffing, either through workforce redesign, reconfiguration and removal of services or skill mix review. It is difficult to develop a plan at this stage to reflect these as there are limited details. The plan will need to be reviewed during May and June 07 as the details of these savings schemes become clearer.

4 Demand

Forecast demand for recruitment in 2007/8 is based on turnover (plus assumed staffing growth from business cases, in particular renal and vascular) and does not therefore include a target for reducing vacancies as there is an assumption that the impact of Fit for the Future and Savings plans will result in a reduction of vacancies through redeployment.

The renal and vascular business cases require of around 100 additional wte to be recruited during 2007/8; across professional groups and grades. Some of these staff are from areas where there are national shortages and there may be difficulty in year as a result. Renal have plans to address shortages in specialist nurses by recruiting and training in-house. Vascular plans are in their infancy and may need some support in year.

Demand appears high however the impact fit for the future and other savings plans, yet to be quantified, will be factored into this requirement during the year and should lead to a reduction in requirement. Also it should be noted that with the continuation of the vacancy review panel it is expected that some vacancies will be frozen in year.

Recruitment requirement in 07/08

Directorate	Predicted Recruitment by Staff Group 07/08 by WTE						
	Total	M&D	N&M	S,T&T	HCA+	A&C	Mans
A & E	30.54	2.45	15.20		5.51	7.38	
Acute & Emergency Med	67.93	2.00	21.97		43.96		
Anaesthetics	89.29	4.82	37.98	19.42	16.30	9.77	1.00
Cancer	18.44	0.60	7.60	0.41	6.17	3.66	
Child Health	69.71	9.19	20.09	11.88	4.92	23.63	
General Surgery	41.43	9.88	10.88		10.74	9.93	
Head & Neck	22.42	1.92	7.09	3.89	1.00	8.52	
Vascular and Renal	99.04	6.63	51	13.48	15.38	12.55	
OPD	62.51		7.32	0.43	17.84	36.92	
Pathology	47.37	1.00		35.62		10.75	
Pharmacy	28.23			28.23			
Radiology	37.94	1.00	3.03	18.18		14.73	1.00
RAIC	61.13	2.09	28.96		28.18	1.90	
Speciality Medicine	74.55	7.12	27.57	11.66	8.63	19.57	
Therapies	42.23			36.21		6.02	
T & O	26.36	2.60	5.40		14.94	3.42	
Women's Health	69.79	3.90	34.15		22.87	8.87	
Facilities	73.86				36.18	35.68	2.00
Finance	1.56					1.56	
HR	26.18	0.40	5.07		6.51	14.20	
Strategic Devt	1.40					0.80	0.60
Clinical Practice	24.73		3.00	0.67		19.06	
Operations	13.15		1.00		1.00	11.15	
TOTAL	1029.79	55.60	287.31	180.08	240.13	260.07	6.60

5 Annual Education and Training Plan

The Education and Training Board have agreed the Education and Training plan for the year which reflects those priorities identified in this workforce development plan. In addition they have a continuing responsibility to deliver the Trust's Education and Training Strategy and will be overseeing the implementation of Oracle Learning Management System (OLM) and e KSF during 2007-8. The Plan also includes details of the performance management arrangements for monitoring achievement of these targets. The objectives for this year are as follows:-

5.1 Delivering the Education and Training Strategy

- **Ensure evaluation of education and training at level three** – Evaluation of behaviour i.e measuring changes in clinical practice and effects on improving patient care.

  A project group is looking at the introduction of level three evaluation. Each in-house education and training team will be asked to identify one area in their programme where they will develop level three evaluation during the year.

- **Review of Educational Facilities -** This project strand is working on identifying facilities available for delivery of training to EKHT staff that can be booked by trainers / education centre staff, along with identifying facilities

available to all staff away from the clinical areas available for e-learning and self directed learning.

- **Continue to develop multi Professional learning -** This project is examining opportunities for shared learning between professional groups and removing duplication of effect. This year the multi-professional Senior Clinician Development Programme will be reviewed to ensure it meets the business needs of the Trust.

- **Encouraging Ownership of Education -** Work in this project for the year includes introducing CPD files for newly appointed staff and introducing them within piloted areas in the Trust, developing competency frameworks, developing a mentorship policy and access to mentorship and designing training matrices with identified CPD development for posts in the areas of Therapies, Radiology, and Nursing and for Trust Managers.

- **Flexibility of skills for staff – multi-skilling -** The project for this year is looking at identifying skills gap (in nursing) in individuals to develop appropriate skills to ensure an improved flexible workforce. A pilot is being conducted in Medicine to identify reasons why clinical site managers are called out of hours related to clinical skills, review of the 5 skills across medicine and auditing which staff have and use them, and where they are not being used.

  The development of assistant/associate practitioner roles throughout the Trust will be progressed during the year to aid new ways of working to impact on the new 18 week wait standard. The Trust will commission a minimum of 10 places at Christ Church University College this year and we have developed with them a Foundation Degree Programme to support role development. These posts are being developed in the areas of Physiological Measurement, Theatres and Nursing.

- **Development of a Strategic Leadership Programme -** Year one of the programme has been delivered to the 100 top managers via a 3 day programme. Year two will include access to master classes, revalidation of the Senior Clinician programme and introduction from April onwards of the Managers Toolkit as a part of mandatory training for newly appointed managers.

- **Training to Support the Introduction of the National Care Records Project -** This national project is being implemented in the Trust at R1 level. All trust staff who require training (some 6,000 staff) in using the system will require around 1.5 days training during a 12 week window. This will require recruitment of around 38 skilled trainers, preparation of a training plan at Trust and Directorate level and production of associated training programmes, as well as production of smart cards for competent staff to allow them access to the system. Go live dates for this project are about to be revised.

5.2 Pre-Registration Activity – the Trust has agreed its undergraduate commissions with the SHA and Deanery for this year. This represents a reduction in Adult Nursing of some 10% on previous years. In addition the salary for second qualifications for midwifery (18 month programme) has been lowered to a standard salary across Kent, Surrey and Sussex which may make this programme more difficult to recruit to. Commissions are as follows:

Nursing	At	Date	Nos
Adult (Full Time)	CCCU	Sept '07	4
Adult (Full Time)	CCCU	Feb '08	7
Midwifery (Full Time)	CCCU	Sept '07	1
Midwifery (Full Time)	CCCU	Feb '08	2
Midwifery *(Band 4 Point 14)*			
18 Month	CCCU	Sept '07	6
Medical Technical Officers*)*			
Respiratory Physiology	Other	Sept '07	2
Nuclear Medicine & Diagnostic	Open Uni	Sept '07	1
ODP - bursaried -	CCUC	Sept 07	10
MLSO	Other	Sept '07	10
Pharmacy Technician	Other	Sept -07	2
Pharmacists	Other	Sept-07	4
Cytoscreener	Other	Sept '07	1
Assistant Practitioners	*CCUC*	*Sept '07*	*10*
Junior Doctors			
F1 Intake			63
F2 intake			63
Speciality training			370
Undergraduate Places			315

5.3 Specialty Medical Training Programmes - This year sees the growth of Modernising Medical Careers programme. The Trust will be involved, in recruiting and training of doctors during their Specialty Training. This involves a major structural change in the assessment of trainees along with other vital changes. Successful implementation within each specialty requires establishing effective Faculties which will have a Trust wide remit. Leads from these Faculties will be members of a new Trust ST Faculty.

There will be a knock on effect for hospital consultants insomuch that each Consultant with training responsibilities for Specialty Trainees or FTSTAs will require 1-2 hours per week for each trainee 'factored' into their job plan to ensure sufficient time is afforded to train trainees. Administration support will need to be identified and secured to support the Consultants.

New curricula for each of the specialties are being developed and will require a thorough understanding, along with Assessment frameworks, in order for members of the Faculty (Consultants within these specialties, and others) to be fully conversant with these changes.

5.4 Clinical and non-clinical Systems Improvement Programme - A key priority within the Trust Business Plan is the introduction of the CSI Programme. The Trust will be imparting core CSI skills to key staff within Directorates via the Warwick based CSI programme of 5 days to be run here in the Trust from April this year.

5.5 Addressing the reduction of education and training funding available from the Strategic Health Authority to ensure there is robust CPD

The Strategic Health Authority have reduced the funding available to support post registration education and training throughout Kent, Surrey and Sussex by £200,000 this year. This money has been taken from the MPET Elsewhere budget. This cash sum of money is top sliced at national level and devolved down to SHAs and then to Trusts. In Kent, Surrey and Sussex this funding has been cut by 75% - some £200,000 to our Trust alone this year. The MPET Contracted monies with HEIs remains unaffected.

The Trust has agreed on a non recurrent basis to pump prime the internal education and training budget by some £95,000 for 2007.08 to lessen this impact.

Meetings have been held with Directorate teams to ensure that robust appraisal continues in order to clearly identify education needs, to revisit their Education and Training Plans and identify their top 3 areas for CPD development this year. In addition to consider buying in programmes, to income generate and to think about extending post registration activity at Christ Church College which is within the MPET contracted monies. Copies of Directorate education and training plans can be found in the HR Education and Training Offices.

5.6 Embedding good CPD practice through in-house training teams, mandatory training, the KSF and introducing the electronic KSF

- **In house training teams** - The Trust's in- house training teams will continue to provide vital education and support to staff. In-house training schedules will be scrutinized this year to ensure appropriateness, value for money and to ensure there is no duplication of effort. Level three evaluations will also be commenced. The proposed schedule of in house activity is included in Appendix Two.

- **Mandatory Training Activity** - Ensuring compliance with mandatory training requirements will continue to be high priority. The Trust continues to develop its E-learning programme to support mandatory training. Moving and Handling of Loads is the latest addition to this suite of programmes being introduced in April 2007.

- **Embedding KSF** - Whilst last years focus for KSF was around its introduction, this year's will be on ensuring that use of the KSF is embedded within the appraisal process, and that properly structured development is taking place, particularly at gateway review times. The South Coast Audit Team will be conducting an audit of the use of KSFs to ensure that every post within AfC has a KSF outline, examples of application and that reviews are taking place using the KSF competency framework. Following on from that work a monthly audit of some 100 randomly staff will be conducted.

6 Aligning the medical workforce capacity

Aligning the medical workforce with service needs is an important aspect of the work currently underway in Fit for the Future and Clinical and non Clinical Systems Improvement projects across the directorates. There is clearly a need to review job plans across all the specialities to ensure they meet the service needs of the organisation going into the future and in readiness for Foundation Trust status. This is a significant piece of work which the Medical Director and Director of Human Resources will support directorates in achieving.

7 New ways of working

- **Implementing the Associate Practitioner role**
  The changing nature of service delivery means that there is a requirement for different configurations of professionals and support staff in the future. It is anticipated that there will be a major expansion in the numbers of people required to work at Associate Practitioner level (Agenda for Change Band 4) over the next few years.

  Associate Practitioners are health and social care workers who deliver health and social care to patients with a level of knowledge and skill beyond that of the traditional health care assistant or support worker. These are likely to be skills that previously lay within the domain of Registered Practitioners. Plans are already in place to appoint up to 18 trainees who will be recruited during the summer to commence training in September 2007. They will become effective at Associate level between March 2008 and August 2009. Areas likely to be involved:-
    - Nursing
    - Maternity
    - Theatres
    - Audiology
    - Radiology
    - Healthcare Science – covering Pathology and Physiological Measurement areas

  There is a separate proposal document detailing the plans associated with this initiative.

- It is expected that Pathology and Radiology will implement European Working Time Directive (EWTD) compliant rotas during 2007, which will lead to more robust service provision. Pathology have extended normal working hours from 8am to 8pm and Radiology are planning to extend the running time of MRI scanners. Radiology have, from April, moved to one radiologist on-call for whole of East Kent Hospitals.

- For some time therapies have had an NVQ level 3 training programme for assistant therapists, this will cease in 2007 and be replaced by an Assistant Training Package designed by EKHT qualified staff. Using this programme it is possible for an Assistant to progress from Band 3 to Band 5. The assistants continue to extend their roles and are providing outreach services in the community. More senior qualified therapies staff are also extending their roles to take on specialist areas.

- Child Health will work with the PCT to develop a single structure for therapies to streamline and ensure equity of access, adult speech and language therapies in particular are a priority.

- Medicine will increase the number of nurses who can perform nurse-led discharge during 2007 and will develop Band 3 and Band 4 nursing roles which will support effective discharge planning and infection control to improve the quality of patient care.

- The new Patient Service Centre requires further support in 2007 and a business case is currently being developed to support increases in workforce numbers and new ways of working, initially to support 18 weeks and in the longer term Choose and Book and Choice. Acknowledging the important role

the Patient Service Centre has as an entry point for employment of administrative staff in the Trust and the impact this has on the turnover of the Service Centre is important and new ways of recruiting and training need to be developed to ensure that the Centre maintains an efficient and professional service.

- In Radiology the development of associate practitioners will allow the qualified experienced radiographers and ultrasonographers to work more appropriately and develop and maintain specialist skills. In the next year radiology will also review current extended roles to ensure they are still required e.g. as colonoscopy capacity increases the need for barium enema examinations decreases.

- In a number of areas; nursing, pathology, therapies and pharmacy, work continues on the further development of specialist and extended roles and consultant practitioners. For example in Women's Health the development of nurse colcoscopists and nurse hysteroscopists and the development of nursing staff within the sub fertility service. ENT and Opthalmology services have successfully implemented specialist nurses who are taking over roles and duties previously covered by junior medical staff.

- Gynaecology are developing staff from mid point Band 5 for emergency assessment of gynaecology and continue to maintain the development of lead nurses in Early Pregnancy assessment.

- During 2007/8 the pharmacy technician led Trust Aseptic service will become a licensed unit with the MHPRA and will be able to batch manufacture chemotherapy and a range of parenteral products within a safe production system. The service will integrate with radiopharmacy and train staff across all aseptic disciplines.

- The role of the Office Urologist is being considered to take on the day to day procedures such as TURP's and scopes. A full business case will be submitted to support this role with an Associate Specialist, ideally promoted from within the current Staff Grade Urology staff.

- Head and Neck will be reviewing and establishing condition based pathways, as part of the CSI programme, and a key outcome will be ensuring the appropriate skills are in place to deliver the service at the relevant stage. Where skills are not currently available the directorate will look to develop existing staff roles as a first step.

- Head and Neck continue to effectively use Fee for Service to manage variations and pressures in service delivery.

8 Performance Management of delivery of the workforce plan

Further details of individual directorate's workforce development plans are contained in their business plans for the year. Delivery of the objectives set within these plans is monitored through executive performance review meetings throughout the year. Medical Staffing issues are managed through regular meetings with the Medical Director. Education and Training plans are managed through the Education and Training Board. Human Resources produce key performance indicators on a monthly basis and it is hoped that the data from the plan will be reported alongside these figures in the future to give a more accurate picture of the organisation's performance against the workforce development plan.

9 Integrated workforce planning

The Therapies directorate has worked closely with the PCT to develop a more joined up approach to supporting newly qualified therapists, providing a rotational programme across acute and primary care settings. Whilst this is to be welcomed the supervision and support for these newly qualified staff comes from EKHT without any funding from the PCT. The acute setting is traditionally the training ground for newly qualified staff in the majority of disciplines and EKHT often finds that with discrepancies in pay bandings that these staff are often lost to primary care. Clearly it is important that this work is recognised by our primary care colleagues and that the primary and acute setting work closely together to ensure that there are highly skilled professional staff in the East Kent Health economy and that actions by primary or the acute setting do not destabilise services in either area. Work with the newly formed PCT and the SHA as a whole economy will be undertaken during 2007/8 to begin to address these issues.

Human Resources
April 2007

EAST KENT HOSPITALS NHS TRUST
RISKS TO SERVICE DEVELOPMENT STRATEGY

DRAFT RISK REGISTER - December 2006

Risk Register Scoring Matrix

IMPACT ON THE TRUST	
Level	**Detail description examples**
1	Negligible - no obvious harm / superficial injuries: no service disruption.
2	Low - first aid treatment; absent for work 1-3 days; minimial harm to patient; increased level of care 1-7 days; adverse publicity.
3	Moderate - medical intervention required; absent from work 4-14 days; increased level of care 8-15 days; local adverse publicity possible.
4	Severe - major injuries / major surgery / multiple minor surgeries / RIDDOR reportable; absent fromw rok over 15 days; national adverse publicity; temporary service closure.
5	Extreme - death; significant multiple injuries; permanent illness or disability; extended service closure; protracted national adverse publicity.

LIKELIHOOD OF RISK CRYSTALLISING	
Level	**Detail of description examples**
1	Rare - may occur only in exceptional circumstances
2	Unlikely - could occur at some time
3	Possible - might occur at some time
4	Likely - will probably occur in most circumstances
5	Almost Certain - is expected to occur in most circumstances

		Impact				
		1	**2**	**3**	**4**	**5**
Likelihood	**1**	**L**	**L**	**M**	**H**	**H**
	2	**L**	**L**	**M**	**H**	**E**
	3	**L**	**M**	**H**	**E**	**E**
	4	**M**	**M**	**H**	**E**	**E**
	5	**M**	**H**	**E**	**E**	**E**

E	Extreme Risk - immediate action required
H	High Risk - senior management attention required
M	Moderate Risk - management responsibility must be specified
L	Low Risk - manage by routine procedures

Summary Risks by Area

The following table gives a summary of the number of key risks identified showing their impact on the Trust if they materialise against the likely risk impact as a result of the Trust successfully implementing risk plans to mitigate.

	Likely impact if no action taken					Likely impact with successful risk management		
Area	Extreme	High	Moderate	Total		Low	Moderate	Total
Financial	2	1		3			3	3
Operational	1	2	5	8		8		8
Strategy	1	4		5		1	4	5
IT	2	2		4		2	2	4
HR		2		2		2		2
Total	**6**	**11**	**5**	**22**		**13**	**9**	**22**

Number	Summary of risk (associated with strategy)	Directorate	Likelihood (1 to 5)	Impact (1 to 5)	Risk Score (P x S)	Likely impact to Trust	Summary of Risk Treatment Plan	Who is responsible for implementing the plan?	Source of review	Date of re-evaluation	Residual risk rating (after treatment)	Trust Board acceptance of rating
FINANCIAL												
1	Changes in PbR and MFF adversely affect the Trust	All Directorates	3	5	15	**E**	1. Complete sensitivity analysis and prepare plans against different scenarios. 2. Agree and maintain Trustwide drive on efficiency	Director of Finance	FFF Board & FCFC	Monthly	Moderate	
2	Activity levels vary significantly from forecast in plan affecting income (due to contestability, particularly from new providers; Patient Choice; forecasting variation; inadequate marketing strategy)	All Directorates	2	5	10	**E**	1. Ensure commissioner sign up to plan. 2. Complete sensitivity analysis and prepare plans against different scenarios.	Chief Operating Officer	FCFC & CMB	Quarterly	Moderate	
3	Unavoidable rises in cost of providing services impact on revenue requirements.	All Directorates	2	4	8	**H**	1. Directorates to identify cost pressures.	Director of Finance	FFF Board	Monthly	Moderate	

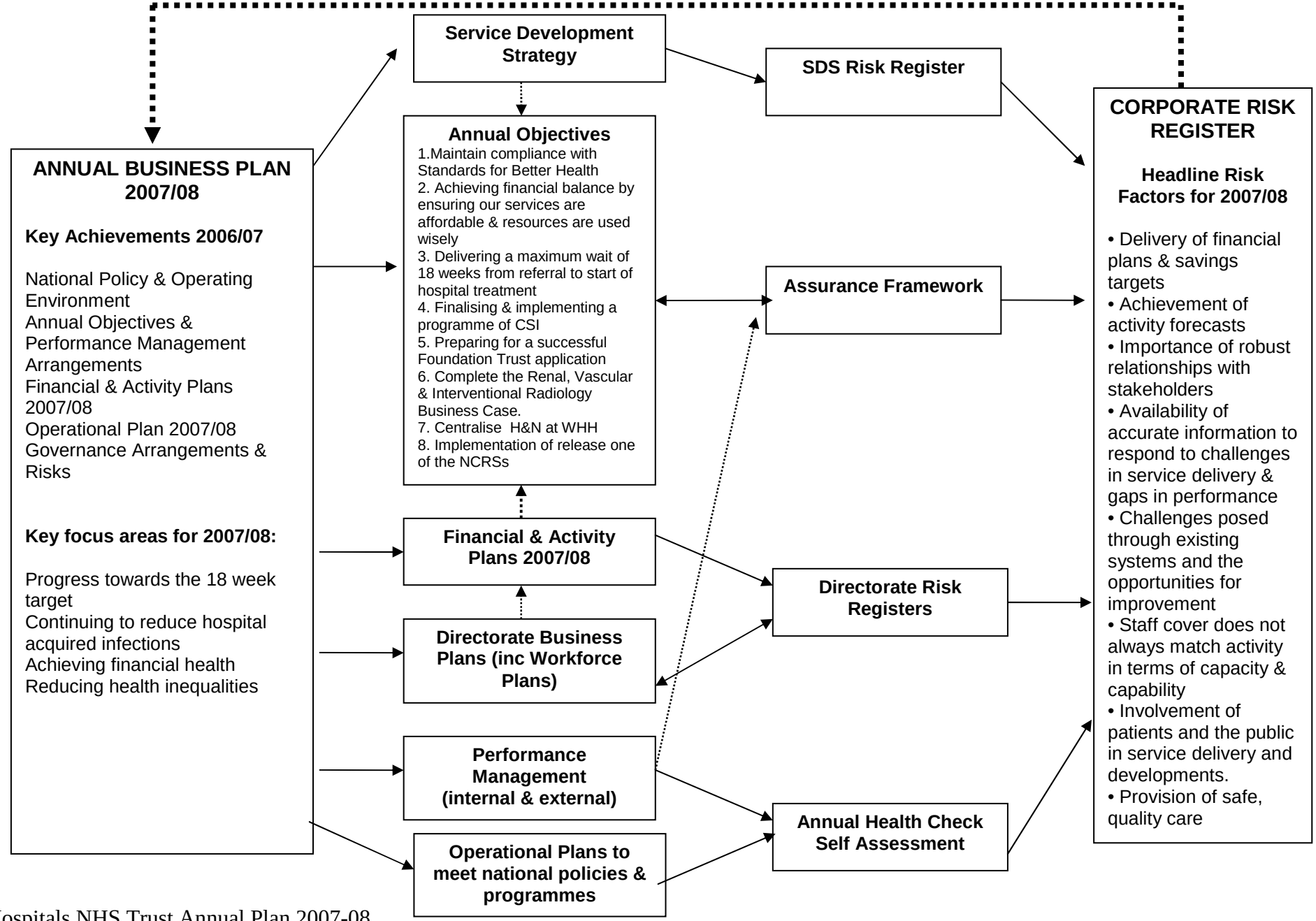
Number	Summary of risk (associated with strategy)	Directorate	Likelihood (1 to 5)	Impact (1 to 5)	Risk Score (P x S)	Likely impact to Trust	Summary of Risk Treatment Plan	Who is responsible for implementing the plan?	Source of review	Date of re-evaluation	Residual risk rating (after treatment)	Trust Board acceptance of rating
OPERATIONAL												
4	Failure to minimise HAI risk adequately through poor practice or facilities (including the lack of isolation facilities)	All Directorates	2	5	10	**E**	Vigilance in monitoring compliance with policies.	Medical Director	Trust Board	Monthly	Low	
5	Lack of clinical engagement in service changes.	All Directorates	2	4	8	**M**	1. Ensure that there is appropriate clinical leadership	Medical Director	SDC	Quarterly	Low	
6	Preferred solution not owned by all key stakeholders.	All Directorates	2	4	8	**H**	1. Maintain ongoing dialogue to obtain commitment of stakeholders.	Director of Strategic Development	SDC	Quarterly	Low	

7	Inability to respond to what is important to service users and to ensure selection as the provider of care.	All Directorates	2	4	8	**M**	1. Refine and implement marketing strategy	Director of Strategic Development / CEO	SDC	Quarterly	Low	
8	Funding to maintain a sustainable service not agreed with the commissioner.	All Directorates	2	4	8	**M**	1. Maintain ongoing dialogue with commissioners and prepare contingency plan.	Chief Operating Officer	FCFC	Quarterly	Low	
9	Lack of robust and effective patient pathways may restrict access, reduce activity levels and lack efficient utilisation of resources to meet delivery targets.	All Directorates	2	3	6	**M**	1. Implement CSI initiatives. 2. Consider sensitivity analysis and complete as appropriate. 3. As part of FFF work, review patient pathways. 4. Implement 18 week initiative.	1. Director of Strategic Development. 2. Chief Operating Officer to work with PCT.	CMB	Quarterly	Low	
10	Existing CIP programmes not achieved in full nor on a recurrent basis in line with the Financial Recovery Plan	All Directorates	2	3	6	**M**	1. Implement CSI initiatives. 2. Implement robust CIP programmes. 3. Maintain rigorous monitoring programme through FFF Board.	1. Director of Strategic Development. 2. Director of Finance	1. FCFC 2. FFF Board	Quarterly & Monthly	Low	
11	Insufficiently formulated business protection & continuity plans	All Directorates	1	5	5	**H**	1. Ensure all business protection and continuity plans are realistic and robust.	Chief Operating Officer	CMB	6 monthly	Low	

Number	Summary of risk (associated with strategy)	Directorate	Likelihood (1 to 5)	Impact (1 to 5)	Risk Score (P x S)	Likely impact to Trust	Summary of Risk Treatment Plan	Who is responsible for implementing the plan?	Source of review	Date of re-evaluation	Residual risk rating (after treatment)	Trust Board acceptance of rating
STRATEGY												
12	Failure to gain the involvement and support of patients and public and identify their needs.	Clinical Practice (to lead)	2	5	10	**E**	1. Strengthen current PPI work to develop constructive relationships that will increase Trust engagement with our diverse community particularly as we move towards Foundation Trust status. 2. Develop the capacity and capability of staff and the public to work together and ensure future developments meet users needs.	Director of Nursing, Midwifery & Quality	Governance Committee	6-monthly	Moderate	
13	Lack of flexibility within our culture and systems can result in blinkered planning and a slow response to change.	Human Resources	3	3	9	**H**	1.Ensure the Trust is responsive to changing patterns of patient care by building and strengthening key linkages.	Director of HR	CMB	6 monthly	Low	
14	Insufficiently robust relationships with key partners.	Strategic Development (to lead)	2	4	8	**H**	1. Build and strengthen key linkages.	Director of Strategic Development to lead	SDC	6-monthly	Moderate	
15	Changes to the commissioning structure and framework may impact on patient flows to the Trust	Strategic Development	2	4	8	**H**	1. Ensure there is a clear understanding of the regime in which the Trust is operating so that it can respond appropriately. 2. Ensure real clinical engagement with PCTs	Director of Strategic Development	SDC & CMB	Quarterly	Moderate	
16	Inadequate marketing strategy could lead to a loss of activity and income in a competitive environment.	CEO / Strategic Development	2	4	8	**H**	1. Regularly review marketing strategy	CEO / Director of Strategic Development	SDC	Quarterly	Moderate	

Number	Summary of risk (associated with strategy)	Directorate	Likelihood (1 to 5)	Impact (1 to 5)	Risk Score (P x S)	Likely impact to Trust	Summary of Risk Treatment Plan	Who is responsible for implementing the plan?	Source of review	Date of re-evaluation	Residual risk rating (after treatment)	Trust Board acceptance of rating
IT												
17	Current uncertainty as to whether final configuration of the NCRS will fully meet the current operational and business needs of the organisation	Clinical Practice	4	4	16	**E**	1. Ensure rigorous project management 2. Ensure the involvement of executive and clinical leads in the project.	Director of Nursing, Midwifery & Quality	CMB & Trust Board	Monthly	Moderate	
18	Systems may not be sufficiently robust to ensure activity is collected, coded and counted which may result in loss of income.	All Directorates	3	5	15	**E**	1. Continue present emphasis on need for accurate and timely coding	Director of Nursing, Midwifery & Quality	FFF Board & FCFC reporting to Audit Committee	Quarterly	Low	
19	Accurate information may not be available on a timely basis to support performance management	Clinical Practice	3	3	9	**H**	1. Agree Information Strategy 2. Ensure information is provided on a timely and accurate basis.	Director of Nursing, Midwifery & Quality	CMB	Monthly	Low	
20	Currently no IT strategy although one is being developed.	Clinical Practice	2	4	8	**H**	1. Agree IT strategy.	Director of Nursing, Midwifery & Quality	CMB & SDC	6 monthly	Moderate	

Number	Summary of risk (associated with strategy)	Directorate	Likelihood (1 to 5)	Impact (1 to 5)	Risk Score (P x S)	Likely impact to Trust	Summary of Risk Treatment Plan	Who is responsible for implementing the plan?	Source of review	Date of re-evaluation	Residual risk rating (after treatment)	Trust Board acceptance of rating
HR												
21	Staff cover does not always match activity in terms of capacity and capability	All Directorates	2	4	8	**H**	1. Ongoing review of staffing (skills, numbers, locations). 2. Encourage flexibility in working arrangements such as location to ensure appropriate skills are in the right place at the right time.	Chief Operating Officer & Director of Nursing, Midwifery & Quality	CMB	6 monthly	Low	
22	Issues relating to the recruitment, retention and training of staff not identified and mitigated through robust workforce planning.	All Directorates	1	4	4	**H**	1. Ensure robust workforce planning is part of business planning	Director of HR	CMB	6 monthly	Low	


ANNUAL BUSINESS PLAN 2007/08
Key Achievements 2006/07
National Policy & Operating Environment
Annual Objectives & Performance Management Arrangements
Financial & Activity Plans 2007/08
Operational Plan 2007/08
Governance Arrangements & Risks
Key focus areas for 2007/08:
Progress towards the 18 week target
Continuing to reduce hospital acquired infections
Achieving financial health
Reducing health inequalities
Service Development Strategy
Annual Objectives
1.Maintain compliance with Standards for Better Health
2. Achieving financial balance by ensuring our services are affordable & resources are used wisely
3. Delivering a maximum wait of 18 weeks from referral to start of hospital treatment
4. Finalising & implementing a programme of CSI
5. Preparing for a successful Foundation Trust application
6. Complete the Renal, Vascular & Interventional Radiology Business Case.
7. Centralise H&N at WHH
8. Implementation of release one of the NCRSs
Financial & Activity Plans 2007/08
Directorate Business Plans (inc Workforce Plans)
Performance Management (internal & external)
Operational Plans to meet national policies & programmes
SDS Risk Register
Assurance Framework
Directorate Risk Registers
Annual Health Check Self Assessment
CORPORATE RISK REGISTER
Headline Risk Factors for 2007/08
• Delivery of financial plans & savings targets
• Achievement of activity forecasts
• Importance of robust relationships with stakeholders
• Availability of accurate information to respond to challenges in service delivery & gaps in performance
• Challenges posed through existing systems and the opportunities for improvement
• Staff cover does not always match activity in terms of capacity & capability
• Involvement of patients and the public in service delivery and developments.
• Provision of safe, quality care

10. APPENDICES/ACRONYMS

AFC	Agenda for Change
AHP	Allied Health Professional
ATO	Assistant Technical Officer
BHD	Buckland Hospital Dover
BMS	Bio-Medical Scientist
CAMHS	Child Adolescent Mental Health Services
CCUC	Canterbury Christchurch University College
CE	Chief Executive
CMO	Clinical Medical Officer
CNS	Clinical Nurse Specialist
CPD	Continued Professional Development
CPP	Continuous Pathology Processing
CSI	Clinical Systems Improvement
CSM	Clinical Services Manager
DNA	Did Not Attend
DoH	Department of Health
EBDs	Excess Bed Days
ESR	Electronic Staff Record
E&CK PCT	Eastern and Coastal Kent Primary Care Trust
EKHT	East Kent Hospitals NHS Trust
ENP	Emergency Nurse Practitioner
ESP	Extended Scope Practitioner
EWTD	European Working Time Directive
FFF	Fit for the Future
GPwSI	General Practitioner with Special Interest
HCA	Health Care Assistant
HEI	Higher Education Institute
ICATs	Independent Commission Activity Teams
JDs	Job Descriptions
IM&T	Information Management and Technology
ITU	Intensive Therapy Unit

KCH	Kent and Canterbury Hospital
KSF	Knowledge Skills Framework
LDP	Local Delivery Plan
LOS	Length of Stay
MFF	Market Factor Forces
MLA	Medical Laboratory Assistant
MPET	Medical Professional Education and Training
MS	Multiple Sclerosis
MTO	Medical Technical Officer
NCA	Non Contract Activity
NCRS	National Care Records Service
NPfIT	National Programme for Information Technology
NHS	National Health Service
NHSP	National Health Service Professional
PAS	Patient Administration System
PASA	Purchasing and Supplies Agency
PbR	Payment by Results
PCT	Primary Care Trust
PDC	Public Dividend Capital
PMETB	Postgraduate Medical Education Training Board
PPI	Public Patient Involvement
QEQMH	Queen Elizabeth the Queen Mother Hospital
RAB	Resource Account and Budgeting
RVHF	Royal Victoria Hospital Folkestone
SCMO	Senior Clinical Medical Officer
SDS	Service Development Strategy
SECSHA	South Eastern Coast Strategic Health Authority
SHA	Strategic Health Authority
SLA	Service Level Agreement
WDD	Workforce Development Directorate
WHH	William Harvey Hospital
WTE	Whole Time Equivalent