The Clatterbridge Cancer Centre NHSFT Operational Plan

Section 1: Activity Planning:

The Trust and specialised commissioners have signed a 3 year Block contract (2014/15-2016/17). This specifies activity levels over that time period as part of the Transforming Cancer Care (TCC) project which incorporates the build of a new cancer hospital in Liverpool. As part of the long term financial modelling for the Transforming Cancer Care project detailed activity and capacity forecasting have been undertaken to ensure activity is aligned with income, required capacity and workforce projections. This modelling is based on actual and forecast activity in 2015/16 rather than contracted activity levels which are somewhat higher. From 2017/18 onwards, based on the revised modelling, it has been assumed that the activity will revert to the historic growth trend levels as follows:-

Key Service Lines	Contracted Growth		Forecast Growth
Modality	**2015/16**	**2016/17**	**2017/18**
Radiotherapy	3.8%	3.8%	1.9%
Chemotherapy	8%	8%	5%
Other services	2%	2%	1%

These activity percentages and income are aligned with Commissioners plans and are based on NHS Planning Guidance and the following assumptions:-

- 1.1% tariff inflator (net of 2% national efficiency target)
- 2% national efficiency target
- Reintroduction of a CQUINS payment following movement from Roll Over tariff to Enhanced Tariff
- Movement to Roll over Tariff and movement onto 2015/16 prices
- Receipt of £500k non recurrently from the Sustainability Fund in 2016/17

The Trust has robust processes in place to ensure it has the capacity to meet demand. These include the annual workforce planning process together with the role specific reviews including the 6 monthly acuity review of the nursing establishment utilising NICE guidance. In addition to workforce the Trust has detailed equipment replacement programmes e.g. LINAC replacement to ensure we have the required operational capacity. Our activity plans are sufficient to deliver all key operating (waiting times) standards and standards of clinical care. The Trust has no plans for using the Independent sector and has retained a small Activity Reserve to provide for meeting the costs of any excess unplanned demand.

The Trust will be integrating the management of haemato-oncology services currently provided by the Royal Liverpool & Broadgreen University Hospitals NHS Trust from April 2017. Detailed planning and preparation will be undertaken during 2016/17 to prepare for the service transfer.

To ensure adequate operational capacity and a positive patient experience we will be re-designing the patient pathway over the medium-term planning period through the implementation of a new clinical model to reflect the opening of a new cancer centre in Liverpool (2019)

Key principles of the new clinical model are:

- Services will be delivered as locally as possible within the boundaries of quality, safety, and affordability. CCC will retain an overall vision of providing exceptional and innovative treatments for cancer patients.

- Patients will be given choice in their time and place of treatment whenever possible, including the expansion of at home services.

- Services will aim to minimise the time patients wait for appointments, wait whilst they attend for an appointment, the number of times they need to attend, and also improve our performance against the 31 and 62 day NHS Cancer Waiting Times standards.

- The existing Clatterbridge site will remain an important site, providing the significant majority of cancer services to the local population.

- All cancer services will be delivered in accordance with the agreed C&M SCN Cancer Pathways which describe patient pathways for each tumour group. In turn, these will be based on clinical evidence - variations in service delivery will be kept to a minimum and will be overseen, at a local level by CCC SRGs and the respective current and emerging Cancer Alliance infrastructures.

- Clinical care will be delivered by consultant-led teams, rather than by single practitioners. Consultant-led teams will comprise of consultants, other medics, and specialist nurses, with appropriate administrative support. They will operate from the “centre” and “hubs” to achieve optimal cross-cover, peer support, and accessibility. There will be an enhanced focus on multi-disciplinary review and patient management, including the expanded roles of nurse practitioners and clinical nurse specialists, allied health professionals, and pharmacists interfacing with these teams.

- Teams will be geographically based in order to facilitate effective cross-cover and efficient working.

- There will be an enhanced (medical) acute oncology service in all “hub” hospitals to support the proposed clinical model, with a greater focus on ambulatory care, admission avoidance, and managing the complications of cancer most effectively.

- The model will focus on delivering the Keogh standards and CCC’s responsibilities as the champion for implementing the Five Year Forward View (FYFV) and Sustainability and Transformation Plan (STP) for solid tumour non-surgical oncology, alongside the integration of haemato-oncology services to the trust (from April 2017).

- As a targeted standard, patients will only be treated out of their local area for clinically justifiable and service configuration reasons, or because of expressed patient choice.

Section 2: Approach to Quality Planning

Approach to Quality Improvement

In September 2015 the Trust Board approved its revised Quality Strategy for 2015-19. This Strategy will support the delivery of the Trust's vision to provide the best cancer care to the people we serve.

It is an overarching strategy which outlines the plans for the continued development of Quality Governance at the Trust and identifies key areas of development for continuing Quality Improvement. It has been developed to reflect our own organisational aims together with responding to relevant external drivers and national initiatives. The strategy is created around each of our values and is aligned to the CQC 5 key questions. The Quality Strategy, which contains our *Sign up to Safety* Plan, informs the quality aims within the Quality Accounts. It was developed through engagement with staff and with external stakeholders such as Healthwatch, CCG's and the Strategic Clinicial Network.

The Trust can provide assurance that it has taken into account the recommendations in the Academy of Medical Royal Colleges' 2014 report *Guidance for taking responsibility: accountable clinicians and informed patients.* The Trust also commits participating in the annual publication of avoidable deaths per trust. The Trust will continue to develop and refine existing relevant and transparent methods of independent peer review into all contentious and potentially avoidable patient deaths. This will provide a measure of quality of patient care, ensure we are a learning organisation, and ensure that necessary key changes to practice are implemented and prioritised thereby reducing variability in care. The Trust Board Integrated Governance Committee will continue to oversee this process through quarterly reporting and by the establishment of a redefined strategic Mortality Surveillance Group (MSG) accountable to this Committee.

The Trust has a clear focus on continual quality improvement. The Trust's Executive Director lead for quality and safety is the Director of Nursing and Quality. The Trust Board receives a bi-monthly quality report aligned to the Quality Accounts detailing performance against the delivery of its stated quality objectives and performance information on a range of quality metrics. The accuracy and relevance of performance information is assessed and assured through data quality audits and reviews by our internal and external auditors.

The delivery of the Quality Strategy is monitored by the Integrated Governance Board committee which also receives detailed reports on a number of quality initiatives and a regular Patient Experience Report. The Integrated Governance Board Committee has responsibility for the ongoing monitoring of compliance with the CQC registration requirements. It does this through the review of the individual regulations and associated outcome measures such as patient survey results and audits against each of the required outcomes. In addition the Trust has in place a programme of 'mock inspections' against each of the outcomes which are reported to the Integrated Governance Committee. The Trust is also working with another cancer Trust to undergo reciprocal 'mock inspections'. Trust has developed its own Quality and Risk Management Standards and monitoring methodology to provide internal assurance. Each Directorate has a robust review of their performance each quarter with the performance review documentation being aligned to the CQC 5 key questions. The Trust has a clear subcommittee structure with each subcommittee focusing on clear quality objectives.

The Trust is a member of the NW Coast Academic Health Science Network which includes active participation in its Patient Safety Collaborative Programme and is a member of the

Advancing Quality Alliance (AQuA). The Trust uses both forums to ensure competency development and shared learning. The Trust commissions AQuA to deliver bespoke training programmes focusing of service and quality improvement.

The three quality priorities for 2016/17 which will align with the Quality Account are:

Patient safety: Implementation of the Institute for Healthcare Improvement / Picker Institute Always Events programme.
Always Events® focus on ensuring events that matter to patients happen every time for every patient. Always Events® will be tailored to individual services and will be developed in consultation with our patients learning from what we do well and what elements of care our patients value most. The aim of Always Events® is to create a positive approach to improving patient care.

Patient Experience: Review our model of care in light of the new clinical model and design of Transforming Cancer Care.
We will implement a model of Person Centred Care incorporating The Person Centred Care frameworks developed by the Health Foundation and The King's Fund.

Patient Outcomes/effectiveness: Implementation of the 'Serious Illness Conversation Guide'
The seven-question 'Serious Illness Conversation Guide' for doctors and patients is designed to facilitate meaningful conversation among physicians, patients and families; a serious illness conversation, using the Guide, focuses on optimising quality of life for patients based on what matters most to them. Given the challenges oncologists face and the need to support appropriate management of expectations by patients, the public and even professionals it is proposed that a programme is initiated to implement training in serious illness conversations.

Risks to Quality:
The main risks to quality have been identified by the Board and effective mitigations put in place:

Risk	Mitigating Factors
Cost improvement programme	Quality and Impact Assessment process led by the Director of Nursing and Quality.
Workforce	The workforce planning process, the use of the acuity tool to conduct 6 monthly staffing reviews and the HR and Organisation & Development (OD) Strategy
Organisational capacity and resilience to deliver Transforming Cancer Care, EPR and 'business as usual'	The implementation of a new management structure, the appointment to a new Director of Transformation role, establishment of a Programme Management Office (PMO) and execution of the ODstrategy which includes resilience building and coaching

Well Led
The Trust commissioned Deloitte to undertake a review of our governance systems using Monitor's guidance; *Well-led NHS foundation trusts: a framework for structuring governance reviews*. The Trust has subsequently received the report and are developing an action plan, in addition to the Board approved actions following our internal self-assessment.

Sign up to Safety
The Trust is participating in the Sign up to Safety Campaign.

We have identified four safety improvement domains:
- NHS Safety Thermometer denoted avoidable harms (inc' pressure ulcers)
- Medicines Safety
- Improve prevention, recognition and management of the adult deteriorating patient
- Development and implementation of a Radiotherapy Safety Thermometer

Seven Day Services
The Trust has in place an action plan to deliver the Keogh standards.

We are working with Liverpool Health Partners in the 7 day services development across Merseyside and Cheshire Health Economy which includes the scoping out of requirements for each clinical standard when cross organisational integration is required. The Trust has followed the national lead and prioritised the following four standards as having the most impact on reducing weekend mortality:

- Standard 2: Time to Consultant First Review
- Standard 5: Access to diagnostics
- Standard 6: Access to Consultant led Interventions
- Standard 8: On-going Review

To support the provision of 7 day services the Trust has made changes to its ward configuration to allow us to assess patients prior to admission and treat where appropriate in the ambulatory care environment. This will also allow us to bring patients to CCC for assessment rather than divert patients to A&E thereby improving patent experience and improve communication to the consultant team with primary responsibility for care. We are planning to increase the provision of consultants providing advice to our Triage service. The Trust has implemented new ways of working for our consultants including the provision of a Consultant of the Week (COW) service across 7 days which ensures we deliver against the standard for consultant review following unplanned admission. In addition Diagnostic Imaging provision is being reviewed and a plan developed to improve the level of diagnostic imaging that is available at weekends during 2016/17 and we are planning service changes to the palliative care team to make improvements to their 7 day service provision. In addition our Transforming Cancer Care Full Business Case recognises that the clinical model will focus on delivering the Keogh standards and CCC's responsibilities as a champion for implementing the Five Year Forward View (FYFV) and the health economy Sustainability and Transformation Plan (STP).

Quality Impact Assessment Process
The Trust has a Board approved standard operating procedure (SOP) which forms part of our internal planning guidance which specifies the requirements for a Quality Impact Assessment (QIA) to be completed for each cost improvement programme and service development. The QIA identifies risk to quality, patient safety, clinical outcomes, patient experience, including the impact on the workforce. It includes a detailed risk assessment and the identification of quality indicators for ongoing monitoring through the year. A Quality Impact Group is convened to review all QIAs with final sign off at the Trust Board by the Director of Nursing and Quality and the Medical Director who provide assurance that there is no adverse impact on quality and safety. Ongoing monitoring is undertaken by the Integrated Governance Board Committee. Compliance with the SOP is audited annually as part of reviewing the Trust's Quality and Risk Standards.

Meeting Access Standards
The Trust consistently exceeds the 92% RTT 18 week target for non-emergency pathways. This performance is monitored, managed and maintained via the weekly Trust Operational Group (TOG). Although admitted and non-admitted pathways are now reported as a single target TOG has continued to monitor both groups separately to ensure any pressure points are quickly identified and are not lost within the overall performance figure.

The Trust has invested in staff to support the delivery of the standard with a plan to reduce the number of incomplete pathways month on month.

The Trust consistently meets the 31 day Cancer Waiting Time operating standard. Performance is monitored, managed and maintained via the weekly Trust Operational Group (TOG).There is a robust escalation process in place to alert,manage and avoid any potential breaches.

Capacity issues and/or potential clinical risks are reported directly to the General Managers and the Medical Director for action.

The Trust current performance does not meet the 62 day national standard pre-breach reallocation. Post application of the local breach reallocation policy our Trust consistently meets the standard. This, in the main, is due to the number of late referrals CCC receives from local acute trusts, i.e. after day 42 of the patients' pathway.
To improve performance the Pathways Coordinator has identified the most challenging tumour specific pathways, notably Head and Neck and Lung and those Trusts who persistently refer patients to CCC after day 42 of the pathway. The Pathways Coordinator is now working with all referring trusts and the Clincal Network Groups across the Cheshire and Merseyside area to re-sequence critical points in the relevant pathways in order to promote timely referral. In addition the local Clinical Commissioning Groups have been alerted to these issues and are providing encouragement and support to both our Pathway Coordinator and the relevant acute Trust to improve performance.

Triangulation of indicators
The Board maintains a focus on Trust performance with the aim to improve the quality of care and enhance productivity.

At each Board meeting the Trust Board reviews the Integrated Performance Report which includes a range of indicators including quality, workforce and finance. The 66 indicators used include:

- Access targets
- A range of safety indicators
- Patient experience including Friends and Family Test
- Finance and activity
- Productivity
- People management.

Where potential areas of risk are identified bespoke reviews are undertaken, an example of this has been the triangulation of patients safety incidents with mandatory training compliance which was a 'deep dive review' at the Integrated Governance Board Committee.

The Trust receives an annual combined presentation which triangulates the findings of the annual staff and patient surveys.

Section 3: Approach to Workforce Planning

The Trust has developed a comprehensive five year Workforce & Organisational Development Strategy, based on the principle of having the right people with the right skills and behaviours in the right place at the right time and is continuing to make progress against the five key priorities established within the strategy.

To enable financial and workforce sustainability, a robust and fully costed 5 year workforce plan has been built upon the principle of maximising the efficiency of multi-professional teams, whereby more expensive resources such as consultants do only the tasks that they alone can do, supported by senior clinicians from other disciplines and non-clinical support staff.

This new model of working has been explored with representatives from across the workforce and is informing the development of a patient centred approach to multi-professional working (section 2) and the new clinical model (Section 1). It will generating opportunities for staff groups and individuals to further develop and grow, creating new and innovative roles which will attract the best talent to the Trust.

The workforce planning process is integral to the financial and business planning process, ensuring that investment to deliver service improvement and development is aligned to the future workforce planning process. A “Star Chamber” approach has been taken with Directorates to ensure projected workforce numbers are appropriately challenged and validated against future activity rates and financial income.

In order to further support the workforce planning process a comprehensive understanding of the current workforce profile is built on year-by-year and regular workforce reports and gap analysis continue to be produced, analysed and workforce plans adapted accordingly.

Workforce cost improvement plans for 2016-17 have been identified and Quality Impact Assessments completed and reviewed by the Medical Director, Director of Nursing & Quality and Director of Workforce & OD. This will deliver a safe and managed reduction in workforce costs over a period of 5 years ensuring patient safety and quality measures are not compromised. These figures are reflected in the final workforce planning numbers. The Board is responsible for signing off the final operational plan, which includes testing that the workforce numbers remain sustainable and affordable.

The proposed development of Acute Oncology teams in district general hospitals within the Cheshire and Merseyside Strategic Clinical Network and the expansion of services delivered at home is also provided for in the workforce numbers and skill mix. Skills/competency gaps associated with the new models of care are being identified and appropriate development programmes put in place to ensure newly acquired skills are utilised fully. The Trust’s aim is to ensure the necessary skills and competencies to deliver the best cancer care to patients are in place and the sustainability of the current and future workforce is secured. The importance of effective Clinical leadership in achieving the changes required and ensuring confidence in the new roles and structures is recognised. Engaged clinicians, involved in clinical transformation and strategic decision making is now well understood to have a direct impact on the quality and efficiency of patient care. This is being proactively addressed through greater involvement of the Site Reference Group (SRG) chairs and providing opportunities for clinicians to play a lead role within change projects across the Trust.

Workforce transformation is a core workstream within the Trust’s Transforming Cancer Care Programme and is managed and held account through the Workforce & OD Strategy Implementation Group.

- Defining and developing a positive organisational culture to support multiple site working

- Developing a strategy for engagement and communication around the vision for TCC, ensuring that the project work streams are linked and staff are fully engaged and involved in decision making.

- Delivering a competent, flexible and committed workforce through the use of robust workforce planning and proactive recruitment and retention initiatives, including talent management and succession planning.

- Developing high performing teams focused around the needs of the patient.

- Developing and re-designing roles and responsibilities through the Clinical Workforce Strategy

Robust change management processes have been put in place, including the introduction of a change management framework and the review of the current change management policy to support wide scale workforce change.

A Clinical Workforce Strategy has been developed as part of the wider Workforce & OD Strategy with specific responsibility to deliver workforce projects funded through the LWEG Forerunner funding.

The Trust has four current projects funded by LWEG funding which will be supported through the Trust's PMO and held to account via the Workforce & OD Strategy Implementation Group and then the Transforming Cancer Care Programme Board. These projects in summary are as follows:

Project 1: To define the role of the medical workforce in the context of developing multi-professional teams and to define the roles within this. As a minimum this will include:

- The Consultant
- Specialist/Advanced nurse(s)
- Administrative support
- Pharmacy
- Specialist radiographers
- Patient involvement

To determine how the needs of specific tumour groups will be addressed by variations in the clinical team model e.g. the different requirements of common cancers and rare cancers.

Project 2: To create a hybrid admin and clerical post which includes radiotherapy and diagnostic clinical knowledge.

This role will support the specialist radiotherapy and diagnostic appointment booking processes where there is currently administrative burden on clinical staff to triage and allocate appointments.

Project 3: To identify the additional psychological, social, physical, nutritional and medical needs of individual patients aged 65 and over early in the treatment pathway.

This will provide additional support to those individuals during treatment with the aim of reducing admission rates or length of stay if patients do require admission. The project aims to develop electronic patient completed screening tools to identify risk and those at need of further assessment, understand the training and workforce requirements to meet these needs and develop pathways for support and intervention. The project will promote an integrated model of care of the older person with cancer between home and the specialist cancer treatment centre, identifying the support provided by the health/support worker with the right skills and competencies.

Project 4: To educate and train all NHS staff (and users) on urgent care pathways to release Acute Oncology (AO) pressures and improve public health.

AO providers have indicated that there is a gap and an urgent need for improved engagement, education, training, communication and support for the primary care teams to signpost NHS users to alternative service providers for effective management at home avoiding a hospital attendance. Therefore, in collaboration with partners across Cheshire and Merseyside the Trust have identified the need for a new transformative workforce role, a Band 8a AO Education Lead with a cross-agency and health economy focus.

The above projects are examples of how the Trust is taking forward workforce transformation and addressing productivity and efficiency within specific staff groups.

In line with the Five Year Forward View, links have been made with the local Learning, Education and Training Board (LETB) in working together to identify current and future workforce needs, ensuring that recruitment opportunities are maximised, all options for retaining the current workforce are exploited and ways of attracting returners are introduced. This will be vital in response to the opening of the new High Energy Proton Centre in Manchester within commuting distance for existing staff at broadly the same time as the new cancer centre opens in Liverpool.

Reducing junior doctor numbers nationally and changes to undergraduate training programmes have the potential to negatively impact existing rotation and on-call systems. The Trust is seeking solutions in line with local LETB plans to address this including alternative ways to deliver on call services, greater utilisation of other professional bodies to support multi professional team working, such as advanced practitioner roles, the introduction of Clinical Fellows, the development of Physician Associate (PA) posts, and the exploration of shared posts across organisations to support more effective rotation options.

The Trust is part of the United States PA recruitment programme and expects to employ two PAs within 2016-17 on a fixed term basis. In addition, the Trust is signed up to the LETB training programme for UK trained PAs and will form part of the education programme for 2016-18.

Future changes to clinical activity levels and changes to cancer treatment continues to drive the development of new roles, such as Assistant, Advanced and Consultant Practitioner roles and non-medically lead services. The Trust will continue to work with education providers to ensure it remains able to respond to these changes.

The Trust had a 51% response rate to the 2015 National Staff Survey, which is favourable compared to Acute Trust response rates. An initial overview of the results show an overall positive response. This data will be analysed in detail in partnership with Trade Unions to ensure that workforce indicators are triangulated with other workforce information and data, such as; sickness absence, incident reporting themes, safe staffing numbers, mandatory

training compliance, appraisal audit and patient safety surveys. A summary of the key findings and risk areas are presented to the Board on an annual basis and regular up-dates on progress against an agreed remedial action plan will be reported through the Trust's Integrated Governance Committee on a quarterly basis.

Workforce risks are managed within Directorates and captured on the Trust's corporate risk register as appropriate. Current workforce risks escalated to the Board include; the need to ensure workforce costs remain affordable as part of the workforce planning process, workforce capacity and capability remain sufficient to meet the competing demands of transforming cancer care and delivering business as usual, and that the medical workforce remains able to cover sickness, maternity leave etc and has robust cover arrangements in place to address shortages in junior doctor cover and absence.

Effective Use of e-rostering

In order to respond to the Trust's changing model of health care delivery, the workforce will need to be flexible and responsive enough to meet fluctuations in service demand and to deliver services over multiple hospital sites, including additional clinics in neighbouring hospitals across Cheshire and Merseyside. To enable this, the Trust has introduced an e-roster system for all clinical staff with the aim of maximising the efficient deployment of skills and competencies as service demand dictates.

The Trust has implemented an e-rostering system to manage Radiographer and Nursing rotas. The nursing e.rostering system is underpinned by a patient acuity tool that ensures the correct numbers of nurses are allocated to a shift with the right skill set to meet patient need. Nursing Service Managers have reported a reduction in time spent developing staff rotas as a result of using e-rostering. As part of the roll out of e.rostering across the Trust the Chemotherapy Directorate is reviewing the cost benefit analysis for the introduction of e.rostering into Pharmacy Services. E-rostering is well embedded for therapeutic radiographers, support workers, diagnostic radiographers and imaging assistants across the Trust to ensure that the radiotherapy and imaging services have the required staffing levels and skills mix available to provide the right level of care during clinical hours.

Use of Agency Staff

In addition, the Trust has implemented a number of measures to ensure that the newly introduced agency staffing rules are being adhered to, including robust governance arrangements for managing the use of agency staff (where for patient safety reasons the cap is exceeded a robust sign off process has been implemented to ensure that the relevant Director / Board are aware of the situation), a procurement review of the frameworks agency staff are employed on and the introduction of a software package to manage the booking and payment of agency staff in line with Monitor and TDA requirements. Compliance is reported as part of the Trust's monthly Workforce & OD report to the operational management team and reported on a quarterly basis to the Integrated Governance Committee which feeds directly in to the Trust Board. See section 4 for further detail on financial controls.

Section 4: Approach to financial planning

Financial Outlook for the NHS

In line with the rest of the public sector, the NHS continues to be under continuing significant pressure with rising demand and a sizeable funding gap (forecast £30bn by 2021) with a large number of Trusts in a deficit position. To help address this funding gap and to attempt to try to ensure financial stability going forward, the NHS was relatively protected in the recent Comprehensive Spending Review, and received a £8.4bn real terms increase in funding for the 5 year period up to 20/21. £3.8bn of this additional funding was front loaded to attempt to bring the NHS back into financial balance in 2016/17. This settlement however, still requires the NHS to achieve efficiency savings of £22bn over the same period through fundamental service redesign and new ways of working which still represents a major challenge to how the system currently operates.

Financial Outlook for the Trust

Due to the financial pressures facing the wider-NHS and local Commissioners the Trust recognises that it will continue to be challenging over the next 3 to 5 years and possibly longer to maintain financial balance and follow-through on the Trust's major capital investment plans. Specifically, very significant challenge/opportunity presented by the development of a new cancer centre in Liverpool by 2019 and subsequent re-development of the current Wirral site (total cost of £157.5m). As part of the Final Business Case for Transforming Cancer Care the Trust has produced a Long-Term Financial Model (LTFM). The LTFM provides a detailed oversight of its forecasted financial performance and has been based on this agreed future income streams from Commissioners.

The Trust's financial strategy and long term financial model will be based on the following two overarching financial parameters:

(1) Maintaining a Continuity of Service rating of a minimum of 3
(2) Achieving an underlying annual surplus of a minimum of 1% of turnover

As noted in Section 1, the Trust and its Commissioners have an agreed 3 year Block contract (2014/15-2016/17) that specify activity and income levels over that time period as part of the Transforming Cancer Care project. The long-term financial modelling for the Transforming Cancer care project is underpinned by detailed capacity and demand modelling to ensure activity is aligned with income, required infrastructure capacity and workforce projections. This modelling builds from actual activity (not the block contract activity in 2015/16). Known changes in patient flows, in clinical protocols and population trends have been reviewed. From 2017/18 onwards it has been assumed that the activity will revert to long-term trend growth levels as follows:

Contract Activity Growth	2015/16	2016/17	2017/18
Radiotherapy	3.8%	3.8%	1.9%
Chemotherapy	8%	8%	5%
Other services	2%	2%	1%

These activity percentages and income are aligned with Commissioners' plans.

Operational Plan Assumptions

The operational plan is underpinned by the following key assumptions:-

- 1.1% tariff inflator (net of 2% national efficiency target)
- 2% national efficiency target

- Reintroduction of a CQUINS payment following movement from Roll Over tariff to Enhanced Tariff.
- Movement to Roll over Tariff and movement onto 2015/16 prices.
- Receipt of £500k non recurrently from the Sustainability Fund

Financial forecasts and modelling
As part of the Trust long term financial modelling for Transforming Cancer Care detailed and to enable financial and workforce sustainability, a robust and fully costed 5 year workforce plans have been prepared. The workforce planning process is integral to the financial and business planning process, ensuring that investment to deliver service improvement and development is aligned to the future workforce planning process. A "Star Chamber" approach has been taken with Directorates to ensure projected workforce numbers are appropriately challenged and validated against future activity rates and financial income.

Indicative Financial Position for 2016/17
The tables below provide summarises of the forecast I&E position, anticipated Monitor financial risk rating for the Continuity of Services (CoSRR), and cash balances.

I&E Summary	**2015/16**	**2016/17**
	£m	**£m**
Clinical Income	98.00	99.41
Other Income	8.72	9.33
TCC: Deferred Income & Charity	45.70	0.00
Total Income	**152.42**	**108.73**
Pay Expenditure	(40.66)	(45.10)
Drugs Expenditure	(30.00)	(30.28)
Other Non-Pay Expenditure	(21.34)	(21.48)
Total Expenditure	**(91.99)**	**(96.86)**
EBITDA	**60.42**	**11.87**
Depreciation	(3.62)	(4.38)
Impairment	(0.26)	0.00
Other interest/financing	(0.11)	(1.97)
Total Surplus	**56.44**	**5.52**
EBITDA margin (%)	**39.6%**	**10.9%**
I&E Surplus margin %	**37.0**	**5.1%**
Continuity of Service:	**Rating**	**Rating**
Capital Servicing	4.0	4.0
Liquidity	4.0	4.0
I&E Margin	4.0	4.0
Variance in I&E Margin	4.0	4.0
Overall CoSRR	**4.0**	**4.0**
Forecast Cash held	**£m**	**£m**
As at 31st March	79.11	64.01

The key movements that bridge 2015/16 forecasts to plans for 2016/17 are:

(a) Clinical Income: Tariff Changes (£1.05m), CQUIN £1.86m, agreed Contract Growth in the Block and other Contracts £2.64m, Drug income growth £0.26m and the Transformation & Sustainability Funding of £0.5m. The 2015/16 forecast includes an anticipated £3.2m non-recurrently from commissioners to buy out the block contract a year early. The 2015/16 forecast also includes a one-off non-recurrnt £45.7m of income which has been previously deferred. This relates to funding towards the capital costs of Transforming Cancer Care.

(b) Pay**:** Inflation £1.29m, pressures and Investments £1.77m

Cost Improvement Programme (CIP) and Pay & Price Inflation
As in previous years, the financial planning assumption remains that that CIP funds pay and price inflation. However due to other potential pressures, such as a contribution to the anticipated loss of income due to adverse tariff changes, and slippage in the recurrent delivery of 2015/16 schemes the Trust's internal planning guidance has identified the requirement for a 2016/17 overall Trust CIP target of £2.18m – See efficiency savings section below

Risks
The main risks to delivering the Trust's financial objectives have been identified by the Board and effective mitigations put in place:

Risk	Mitigating Factors
Risk to clinical income from national tariff changes	• Anticipated lost income from Chemotherapy & Radiotherapy tariffs factored into planned resources available. Anticipated tariff deflator factored into planned resources available.
Risk to clinical income from Contract Negotiations	• 3 year contract agreed in 2014/15 • Area Team supports the Trust financial plans and continuing to contract on planned rather than an actual activity • Currently finalising business case for Lymphoedema service and the development of a Bisphosphonate service to increase clinical activity • The current financial model recognises contract risk of circa £2.2m as the end of the current 3 year contract in 2017/18
Risk to financial position from non-delivery of CIP	• CIP schemes identified for 2016/17 and 2017/18 • Strong engagement in CIP delivery through new management structure and Director of Transformation.
Other Financial risks	• Proposed maintenance of contingency / business development reserves (£0.6m). • Activity reserve of £575k

NB these plans will be reviewed if the final published tariffs are materially different from the Trust's assumptions.

Efficiency savings for 2016/17 and the Carter Review
The required CIP Programme of £2.18m referred to above has been identified, quality impact assessed and signed off by the Trust's Director of Nursing and Quality and Medical Director to confirm that there is no detrimental impact on the quality of services to patients. Year on year these efficiency savings becoming increasing more difficult to achieve. For 2016/17 and beyond the Trust has focussed cost improvement themes on service redesign and transformation,

staffing and productivity, procurement, estates and corporate functions and has aligned its programme with the emerging work from the Carter Review. It is likely that, as a specialist trust, the Adjusted Treatment Index (ATI) will not be directly applied to CCC. That notwithstanding, CCC has used the outputs of Lord Carter's review rigorously in identifying areas of efficiency and productivity focus for 2016/17 and beyond. Detailed schemes are set out in a CIP schedule and include:

Workforce:

- e-rostering rolled out across all CCC clinical departments
- Establishment review complete which has identified a savings opportunity of >£280k
- Imaging productivity opportunities will deliver a saving of >£140k

Pharmacy and Medicines Management Optimisation:

- E-prescribing already rolled out across all areas of the Trust's prescribing, including chemotherapy
- A number of specific pharmacy-related cost reductions identified for 2016/17

Estates Management:

- The Trust is establishing a PropCo whose core business will be to manage all estates and facilities contracts from 16/17 and beyond
- All SLAs, leases and maintenance contracts reviewed with a >£250k saving opportunity identified for 16/17

Procurement:

- A number of opportunities identified in 16/17 CIP programme associated with the standardisation of goods and services.

Agency rules

The Trust has implemented a number of measures to ensure that the agency rules recently introduced by NHS Improvement are being adhered to or, where for patient safety reasons the cap is exceeded, a robust sign off process has been implemented to ensure that the relevant Director is alerted. A standard Operating Procedure has been presented to the board, demonstrating the controls put in place to manage agency usage and outlines how agency breaches are identified and managed accordingly.

Following the introduction of the weekly Monitor return, a full review of agency workers currently in situ has commenced. This includes a review of all frameworks used, price paid, equivalent banding and length of agreements. The Trust has developed a workforce strategy in conjunction with the Head of Procurement, which will support managers in negotiating new agency contracts where appropriate, and to ensure that overrides are avoided in the future.

The Trust is assured that all agency nurses are procured from NHS frameworks and that nurse agency pricing falls within the cap limits. Total spend for agency nurses is currently running at 1% of total nurse spend and the Trust is confident that it will remain within the 3% limit set by Monitor within the 2016/17 financial year. Following the recent introduction that all agency workers must be procured off framework, the Trust will work with Procurement to bring all other agency workers in to line within the set timescale.

Agency spend is monitored by the Trust's Management Group on a monthly basis and reported to the Integrated Governance Committee on a quarterly basis. All breaches will be included in the reporting and progress measured to ensure that by 1 April 2016 an agency worker will not be rewarded more than an equivalent substantive worker.

Procurement
Improving procurement and efficiency is a key part of the Trust's CIP programme going forward with a target of £440k in 2016/17. The Trust has a procurement work stream and has introduced core lists for key commodities to reduce choice, variation and price and has recently introduced a "Purchasing Holiday" for non-essential clinical supplies. The Trust has adopted e-procurement and has clear sight of its supplier base and the prices it is paying. The Trust is currently reviewing how it achieves increased economies of scale through greater consolidation within the Trust as well collaboration on procurement with other Trusts. The Trust is also actively looking at opportunities to renegotiate SLAs and maintenance contracts and will be placing greater focus on the negotiation of service contracts as part of its Transforming Cancer Care programme. This work will be aligned with the emerging work from the Carter review.

Capital planning
The Trust plans to make significant capital investments totalling £168.2m over the short to medium term (next 5 years), the most significant of which is £157.5m Transforming Cancer Care (total capital cost £157.5m) which is currently at Full business case stage. Of this total plan, the Trust's capital programme for 2016/17 is £19.2m (of which £15.2m relates to the Transforming Cancer Care project).

The Trust is very conscious of the constrained level of capital resources available and is ensuring that capital spend on non-essential priorities is minimised. Due to the new build and subsequent planned reconfiguration of the Wirral site, capital expenditure on the estate on the Wirral site is nil between 2016/17 and 2018/19. The Trust will establish a new special purpose vehicle (a wholly owned subsidiary, PropCare) to enhance the quality and cost-effectiveness of how it delivers its estate and facilities management going forward.

The Trust has also worked with Monitor during the 2015/16 financial year to reprioritise capital spend and reduce pressure on capital control totals.

Section 5: Links to the emerging Sustainability and Transformation Plan (STP)

The current proposal is that the Sustainability and Transformation Plan will be developed on a Merseyside and Cheshire footprint, however, it will comprise six Local Delivery Systems, four of which include populations served by the Trust (North Mersey, Mid-Mersey including Warrington, Wirral and West Cheshire) and will require a clear read across to neighbouring STPs (the Lancashire STP will be of most interest to the Trust as CCC serves the West Lancashire CCG population). This alignment will be achieved through joint working in the development of the plans, such that providers who deliver services to populations which span STP footprints such as CCC will be involved in one conversation, with the output of this being clearly reflected in all relevant STPs.

In addition the CCGs across Liverpool City Region have now established a formal Committee in Common (the LCR NHS CCG Alliance) in order to take forward joint working across this sub-region footprint. The Trust will also ensure it works closely with that structure.

Although the footprints for the Sustainability and Transformation Plans and Local Delivery Systems will create some complexity the Trust is confident that improving Cancer Services for the benefit of population outcomes remains a priority for all local CCG Commissioners. This is particularly so for those CCG's directly engaged with the Healthy Liverpool Programme and consequently the Liverpool City Region. Adjacent CCGs recognise the importance of coherent planning along the established patient pathways even if, ultimately, those cross the administrative boundaries of the final STP footprint.

From CCC's perspective the Trust's investment strategy is unambiguously supported by the North West Specialised Commissioning Team (NWSCT) commissioning plans. NWSCT is developing the framework for collaborative co-commissioning of Specialised Services and this will ensure that ongoing support for the Trust's plans is embedded even if Commissioning responsibility for some or all of the Trust's services transfers to CCG Commissioners.

The execution of the Trust's plans will continue in 2016/17. A key milestone in 2016/17 will be commissioner sign off of the full business case prior to the Monitor review expected to commence in April 2016.

It is anticipated that the STP footprint(s) will facilitate the changes required to deliver transformation of Cancer Services over the next planning period prior to and immediately following on from the opening of the new Cancer Centre in 2019. In addition to cementing the Trust's own plans the STP methodology will provide a platform for the Trust to positively influence the reshaping of surgical pathways e.g. Specialist Upper GI surgery in Liverpool.

Section 6: Membership and elections

The Council of Governors revised the Trust Membership Strategy in July 2015. The revised Strategy established the following aims:

a. To provide every opportunity for local people and staff to be members to that they can actively participate in the successful development of the Trust to help it achieve excellence in all the services it provides.
b. To target increases in the areas we believe we are underrepresented.
c. To build effective ways of keeping our members in touch with Trust
d. To develop the 'active' membership category to specifically include volunteers including readers, survey work and other opportunities.
e. To identify members who are will to be a valuable resource of skill, information and support
f. To have a system of evaluation that will confirm if our objectives have been met.

Membership Recruitment

To ensure a representative membership recruitment includes:

- On line membership facility
- Membership information available in all public areas of the Trust, peripheral clinics and distribution of application forms when attending public meetings
- '*Member get member'* initiative through the Trust magazine and staff team brief
- Each Governor to recruit a specified number of new members
- Arrange membership events eg behind the scenes tours, meet your governor
- Review option to contact past patients ie those patients over 5 years
- Attendance at various local organisations/venues (ie support groups, schools)
- Use of the media particularly adding membership information when doing press releases.

Governor Training & Development

Throughout the year the development needs of the Governors are also reviewed to ensure that they are able to fulfil their responsibilities. Governors have the opportunity to attend events held by MIAA, NHS Providers and the North West Governor Meeting covering a variety of subjects such as the role of Governors, assurance and developing productive relationships. In addition, at the Governor Discussion meetings there have been presentations from relevant experts across a variety of topics, such as External Audit and the role of the Macmillan Cancer Information Centre.

Governor Elections

During 2015/16 elections were held in a 6 out of the 7 public constituencies (6 seats) and 3 out of the 6 staff constituencies (3 seats). One of the seats in the public constituency remains vacant; this will be included in the 2016/17 process.

We will be holding elections for 2016/17, starting in May for 8 seats across 6 public constituencies and 3 seats across 3 staff constituencies.