

THE CLATTERBRIDGE CANCER CENTRE TRUST BOARD

TITLE: CHIEF EXECUTIVE REPORT – October, Month 6 2018

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FOR: DISCUSSION / INFORMATION

1. NATIONAL ISSUES

1.1 NHS Plan

The NHS England remains on track to publish a 5-10 year NHS Plan by November. This will set out the longer term better outcomes expected following the recent government announcement to invest £20 billion over the next 5 years; the equivalent of 3.4% p.a.

The Trust Executives and senior clinicians have contributed significantly to the development of the cancer plan by specific contributions to the national cancer working group, participating in national discussion – 18th October, London, and also contributed via a collective response by the Cancer Alliance. The Trust has also significantly contributed to the general NHS Plan; two specific examples are leading on digital care and the interim CEO, Medical Director and Director of Nursing attending a recent national event, led by Ian Dalton.

On the 16th October, NHS England and NHS Improvement issued a joint letter setting out the approach to planning to secure the best outcome from the from the planned investment over the next five years; this represents a overhauling of the policy hence the letter is attached Appendix one) for Board members. The detail of implementation starts at our senior leaders forum on 8th November and will be refined as new guidance is published.

1.2 Federation of Specialist Hospitals

Fully participated in the recent national development work to set our the unique contribution that Specialist Hospitals make to the long-term success of the NHS. This report is due to be published in January but is already making a contribution to the new 10-year NHS Plan. The CCC has a case study - our highly innovative chemotherapy and immunotherapy service closer to home and at home.

1.3 Proposed Tariffs 19/20

A consultation process commenced regarding the proposed changes to the tariffs for 19/20 earlier this month. The Acting Director of Finance will lead a process to advise on any material implications as we commence the business planning 19/20 from November. An initial overview is there are no material concerns; a full report will be prepared for the Board in January.

1.4 Preparing for Brexit

A Trust-wide risk assessment of the potential impact on medicines, clinical supplies, medical devices, recruitment, construction, research and radio-isotopes commenced in early September and is expected to be completed by 31st October. This will be considered by the senior leaders forum so the latest position is understood and appropriate solutions are considered and determined. This will include an appropriate update to the Trust-wide business continuity plan and operational business plans. This will then be continually reviewed as new information is published by the Government and included in the business planning framework for 19/20. At this stage, there are no material concerns to the operational arrangements.

2. SYSTEM WIDE COLLABORATION

2.1 Draft Strategic Direction 2018-2022

We concluded our significant engagement process on the draft strategic direction with staff, senior leaders and our key partners and a report on the themes is a major Agenda Board item today recommending approval of the draft strategic direction. As interim Chief Executive I have led this system-wide engagement process with invaluable support by the Medical Director, Deputy Medical Director and the Director of Transformation & Operations and this has been positively welcomed and supported by system wide leaders.

2.2. System-wide Relationships, Collaboration & Enhanced Promotion

There has been an excellent response rate by our major stakeholders to our relationship and collaborative survey. In summary, the report findings are that while Clatterbridge enjoys a positive reputation and has improved recently in terms of the quality of engagement, it is clear there is an expectation that it will take a more visible and open role after the move to Liverpool. A detailed engagement and stakeholder plan should be put in place to achieve this. In addition the, this perceptions audit should be used as a benchmark to measure the success of the plan over the next 18-24 months.

This report will be fully considered at a Board Development session arranged for 7th December to consider the feedback and develop a strategic improvement plan. This will be led by Liz Bishop, the new permanent Chief Executive. These improvements will be part of an overall refresh of our Communications, Engagement & Marketing Strategy to continue the great work this year in being a more outwardly focused, substantial contribution to system leadership and highly visible promotion of our distinctive and unique qualities locally, regionally, nationally and internationally. Work has commenced led by the executive team with appropriate external support and a draft strategy is on track for January so this is considered as part of the business planning round 19/20.

2.3 Liverpool Health Partners

As Chief Executive I attended the recent meeting in October and the key highlights were:

- The substantial work-in-progress to create a Joint Research Service by April 2019 to enhance our strategic leverage in research
- The first of the Programme Director appointments is Cancer; an announcement is imminent
- The new Chief Executive, Dr. Dawn Lawson, is now in post and we met earlier this month; Liz Bishop is meeting Dawn in her first week. CEO involvement with LHP has grown from strength to strength and this provides an invaluable platform for the next phase, that is,

defining what success and good outcomes are within 12 months, 3-5 years and 10 years. Dawn Lawson agrees it is a priority to agree and publish this from 2019. This is a fantastic opportunity for better collaboration to deliver better outcomes for the wider system.

- The first MoU between the CCC and the Royal Liverpool Hospital to radically improve turnaround times for access to clinical trials was approved by the Chief Executives from 8th October. A similar MoU is expected with St.Helen's and Knowsley Trust by December and roll out to Aintree from January 2019.

2.4 North West Coast Academic Health Services Network & Liverpool Strategic Partnership (Knowledge Quarter)

As interim Chief Executive, I met Dr.Liz Mears, Chief Executive of the above. I also met the Mayor of Liverpool, Joe Anderson. These meetings were very positive in confirming the CCC significantly contribution as a strategic partner to the wider economic re-generation of Cheshire & Merseyside; greater system-wide leadership in driving forward improvements in our research portfolio nationally and internationally bringing more economic opportunities to the area.

2.5 New Leadership Appointments to our Highly Effective Board

Jayne Shaw, a highly experienced Executive Director of HR&OD will commence on Monday, 10th December and the interviews for an Executive Director of Finance are scheduled for Friday, 2nd November.

Angela Wendzicha, is a highly experienced in Board Governance senior manager and will commence as Associate Director of Governance on xxxxxx 2019. In the meantime we have interim arrangements from very experienced individuals within the region.

As part of the continual development of the Executive Team and the Trust Board the Kings Fund have been commissioned to provide organisational development for the next 12 months starting January 2019. This is an exciting opportunity for an outstanding organisation to continually improve with a leading national development organisation.

3. OPERATIONS AND PERFORMANCE

3.1 General Radiology Consultant Service

We are working closely with the Royal Liverpool Hospital Chief Executive and the Radiology Alliance Network leaders on how to close the gap in general radiology consultant sessions from 1st December 2019 following a change in direction by the RLH. This is a high risk to the Trust whilst appropriate measures are in place for some not all of the sessions are covered at this juncture; this has weekly executive review of appropriate alternative solutions.

4. NATIONAL AND LOCAL AWARDS

4.1 National Awards

Sean Ralph has been named Radiographer of the Year for the North West by the Society of Radiographers. Sean will now go forward to the UK final in London on 8th November.

The Digital team were shortlisted for the North West Informatics Skills Development Network 'Best Improvement in Patient Safety' for their work supporting the Clinical Interventions Team to streamline their Porta Cath insertion processes for both staff and patients. The team have developed bespoke improvements to clinical system functionality which has completely transformed the clinical pathway.

4.2 Local Awards

Dr Anna Olsson-Brown has been awarded the prestigious John Littler Medal 2018 in recognition of her outstanding contribution to patient care and innovation.

Dr Olsson-Brown received the medal in recognition of the research she is undertaking into the side effects of immunotherapy treatment.

5. RECOMMENDATIONS

To note the positive strategic and operational quality improvements being progressed within the Trust and with the continued support of system-wide partners. It is acknowledged that our highly professional and passionate staff are making a fantastic contribution and this was best acknowledged in the recent inpatient staff survey results when the Trust was rated amongst the best performing for two consecutive years.



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Publications Gateway Reference 08559

16 October 2018

Approach to planning

The Government has announced a five-year revenue budget settlement for the NHS from 2019/20 to 2023/24 - an annual real-term growth rate over five years of 3.4% - and so we now have enough certainty to develop credible long term plans. In return for this commitment, the Government has asked the NHS to develop a Long Term Plan which will be published in late November or early December 2018.

To secure the best outcomes from this investment, we are overhauling the policy framework for the service. For example, we are conducting a clinically-led review of standards, developing a new financial architecture and a more effective approach to workforce and physical capacity planning. This will equip us to develop plans that also:

- improve productivity and efficiency;
- eliminate provider deficits;
- reduce unwarranted variation in quality of care;
- incentivise systems to work together to redesign patient care;
- improve how we manage demand effectively; and
- make better use of capital investment.

This letter outlines the approach we will take to operational and strategic planning to ensure organisations can make the necessary preparations for implementing the NHS Long Term Plan.

Collectively, we must also deliver safe, high quality care and sector wide financial balance this year. Pre-planning work for 2019/20 is vitally important, but cannot distract from operational and financial delivery in 2018/19.

Planning timetable

We have attached an outline timetable for operational and strategic planning; at a high-level. During the first half of 2019-20 we will expect all Sustainability and Transformation Partnerships (STPs) and Integrated Care Systems (ICs) to develop and agree their strategic plan for improving quality, achieving sustainable balance and delivering the Long Term Plan. This will give you and your teams sufficient time to consider the outputs of the NHS Long Term Plan in late autumn and the Spending Review 2019 capital settlement; and to engage with patients, the public and local stakeholders before finalising your strategic plans.

Nonetheless, it is a challenging task. We are asking you to tell us, within a set of parameters that we will outline with your help, how you will run your local NHS system using the resources available to you. It will be extremely important that you develop your plans with the proper engagement of all parts of your local systems and that they provide robust and credible solutions for the challenges you will face in caring for your local populations over the next five years. Individual organisations will submit one-year operational plans for 2019/20, which will also be aggregated by STPs and accompanied by a local system operational plan narrative. Organisations, and their boards / governing bodies, will need to ensure that plans are stretching but deliverable and will need to collaborate with local partners to develop well-thought-out risk mitigation strategies. These will also create the year 1 baseline for the system strategic plans, helping forge a strong link between strategic and operational planning. We will also be publishing 5-year commissioner allocations in December 2018, giving systems a high degree of financial certainty on which to plan.

We are currently developing the tools and materials that organisations will need to respond to this, and the timetable sets out when these will be available.

Payment reform

A revised financial framework for the NHS will be set out in the Long Term Plan, with detail in the planning guidance which we will publish in early December 2018. A number of principles underpinning the financial architecture have been agreed to date, and we wanted to take this opportunity to share these with you.

Last week we published a document on [‘NHS payment system reform proposals’](#) which sets out the options we are considering for the 2019/20 National Tariff.

In particular, we are seeking your engagement on proposals to move to a blended payment approach for urgent and emergency care from 2019/20. The revised approach will remove, on a cost neutral basis, two national variations to the tariff: the marginal rate for emergency tariff and the emergency readmissions rule, which will not form part of the new payment model. The document will also ask for your views on other areas, including price relativities, proposed changes to the Market Forces Factor and a proposed approach to resourcing of centralised procurement. As in

previous years, these proposals would change the natural 'default' payment models; local systems can of course continue to evolve their own payment systems faster, by local agreement.

We believe that individual control totals are no longer the best way to manage provider finances. Our medium-term aim is to return to a position where breaking even is the norm for all organisations. This will negate the need for individual control totals and, in turn, will allow us to phase out the provider and commissioner sustainability funds; instead, these funds will be rolled into baseline resources. We intend to begin this process in 2019/20.

However, we will not be able to move completely away from current mechanisms until we can be confident that local systems will deliver financial balance. Therefore, 2019/20 will form a transitional year, in which we will set one year, rebased, control totals. These will be communicated alongside the planning guidance and will take into account the impact of distributional effects from any policy changes agreed post engagement in areas such as price relativities, the Market Forces Factor and national variations to the tariff.

In addition to this, we will start the process of transferring significant resources from the provider sustainability fund into urgent and emergency care prices. The planning guidance will include further details on the provider and commissioner sustainability funds for 2019/20.

Incentives and Sanctions

From 1 April 2019, the current CQUIN scheme will be significantly reduced in value with an offsetting increase in core prices. It will also be simplified, focussing on a small number of indicators aligned to key policy objectives drawn from the emerging Long Term Plan.

The approach to quality premium for 2019/20 is also under review to ensure that it aligns to our strategic priorities; further details will be available in the December 2018 planning guidance.

Alignment of commissioner and provider plans

You have made significant progress this year in improving alignment between commissioner and provider plans in terms of both finance and activity. This has reduced the level of misalignment risk across the NHS. We will need you to do even more in 2019/20 to ensure that plans and contracts within their local systems are both realistic and fully aligned between commissioner and provider; and our new combined regional teams will help you with this. We would urge you to begin thinking through how best to achieve this, particularly in the context of the proposed move to blended payment model for urgent and emergency care.

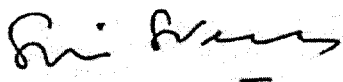
Good governance

We are asking all local systems and organisations to respond to the information set out in this letter with a shared, open-book approach to planning. We expect boards and governing bodies to oversee the development of financial and operational plans, against which they will hold themselves to account for delivery, and which will be a key element of NHS England's and NHS Improvement's performance oversight. Early engagement with board and governing bodies is critical, and we would ask you to ensure that board / governing body timetables allow adequate time for review and sign-off to meet the overall timetable.

The planning guidance, with confirmation of the detailed expectations, will follow in December 2018. In the meantime, commissioners and providers should work together during the autumn on aligned, profiled demand and capacity planning. Please focus, with your local partners, on making rapid progress on detailed, quality impact-assessed efficiency plans. These early actions are essential building blocks for robust planning, and to gauge progress we will be asking for an initial plan submission in mid-January that will be focussed on activity and efficiency (CIP / QIPP) planning with headlines collected for other areas.

Thank you in advance for your work on this.

Yours sincerely



Simon Stevens
Chief Executive
NHS England



Ian Dalton
Chief Executive
NHS Improvement

Annex

Outline timetable for planning	Date
NHS Long Term Plan published	Late November / early December 2018
Publication of 2019/20 operational planning guidance including the revised financial framework	Early December 2018
Operational planning	
Publication of <ul style="list-style-type: none"> • CCG allocations for 5 years • Near final 2019/20 prices • Technical guidance and templates • 2019/20 standard contract consultation and dispute resolution guidance • 2019/20 CQUIN guidance • Control totals for 2019/20 	Mid December 2018
2019/20 Initial plan submission – activity and efficiency focussed with headlines in other areas	14 January 2019
2019/20 National Tariff section 118 consultation starts	17 January 2019
Draft 2019/20 organisation operating plans	12 February 2019
Aggregate system 2019/20 operating plan submissions and system operational plan narrative	19 February 2019
2019/20 NHS standard contract published	22 February 2019
2019/20 contract / plan alignment submission	5 March 2019
2019/20 national tariff published	11 March 2019
Deadline for 2019/20 contract signature	21 March 2019
Organisation Board / Governing body approval of 2019/20 budgets	By 29 March
Final 2019/20 organisation operating plan submission	4 April 2019
Aggregated 2019/20 system operating plan submissions and system operational plan narrative	11 April 2019
Strategic planning	
Capital funding announcements	Spending Review 2019
Systems to submit 5-year plans signed off by all organisations	Summer 2019