

NHS COUNTY DURHAM AND DARLINGTON INTEGRATED BUSINESS BOARD

Annual Operational Plans 2009/10 and 2010/11

1. Introduction

The purpose of this paper is to update the board on the current status of the annual operational plan (AOP) 2009/2010 and the work and timetable to prepare the annual operational plan (AOP) 2010/2011.

2. Implications and risks

The board received an update on the AOP 2009/2010 in November 2009 highlighting impact upon delivery and utilisation of available funding. The financial position and associated impact of the AOP continues to be reviewed on a monthly basis. Current performance of the 2009/10 AOP is contained within the paper attached.

The Department of Health published the 2010/2011 operating framework on 16 December 2009, and the 'Informatics Planning 2010/11' guidance. Also published during December was 'NHS 2010–2015: from *Good to Great - Preventative, People-Centred, Productive*' which maps out a five year plan for improvement in the NHS within the new financial era. NHS County Durham and Darlington is required to produce an AOP for 2010/2011, the paper attached details the requirements and milestones in its production. A draft of the 2010/11 AOP will be presented to the IBB in February 2010.

3. Recommendations

The integrated business board is asked to:

- note the current position with regard to the AOP for 2009/10,
- note the requirements for the AOP in 2010/11.

Document management				
Version	Date	Summary	Owner's Name	Approved
1.0	14/1/08	Presented to IBB.	Pat Keane	

4. Author and sponsor director

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Date: 14 January 2010

Purpose of paper	Information sharing <input checked="" type="checkbox"/> Development/discussion <input checked="" type="checkbox"/> Decision/action <input checked="" type="checkbox"/>
How does the paper support / have implications for:	
NHS County Durham's 4 Strategic Aims	The AOP is the one-year response to the 5 year strategic plan and operating framework and details delivery of aims and objectives.
Our Vision Our Future workstreams	As above.
World class commissioning competencies	Competencies 2,3,4,5,6,7,8,9,11
Standards for better health	C1,2,3,4,5,7,13,16,17,18,19,20,21,22,23,24
Use of resources	KLOE 1.1, 2.3
Targets and Vital signs	All.
NHS Constitution	All 7 key principles.
Darzi Principles	AOP is developed in conjunction with all Darzi principles.
Impact on / Involvement of partners	AOP is developed using outcomes from stakeholder events.
Equality & Diversity	No significant impact.
Other policies / Issues	Strategic Plan, Informatics Planning 2010/11, NHS 2010-2015: From Good to Great, NHS North East Framework for Annual Operational Plans 2010/11.

NHS COUNTY DURHAM AND DARLINGTON INTEGRATED BUSINESS BOARD

Annual Operational Plans 2009/10 and 2010/11

1. Annual Operational Plan 2009/2010

There were 117 schemes identified for 2009/10 across both PCTs (a full list of schemes is attached). Due to the current financial position some schemes have had the associated funding frozen. Approximately two thirds of the funding for the 2009/10 AOP has been allocated to schemes.

The details below demonstrate the current rated position of the schemes, split by PCT:

There are currently twenty schemes that are not frozen for NHS County Durham and eighteen schemes that are not frozen for NHS Darlington. The schemes were evaluated by a panel comprising of representatives from finance, planning and performance using the following criteria:

- | | |
|-------|--|
| Red | Not on target to deliver scheme. Not on target to achieve outcomes/metrics. No response received from the Project Lead to update progress. |
| Amber | Funding drawn down or partially drawn down. Partially achieving or delivered some metrics. |
| Green | Funding drawn down and on track to deliver outcomes. |

NHS County Durham

- Thirteen schemes are rated as Green currently and forecast Green by year end.
- Four schemes are rated as Amber currently and forecast Amber by year end.
- Three schemes are rated as Amber currently and forecast Green by year end.

NHS Darlington

- Eleven schemes are rated as Green currently and forecast Green by year end.
- Five schemes are rated as Amber currently and forecast Amber by year end.
- Two schemes are rated as Amber currently and forecast Green by year end.

The schemes that are currently frozen include both those that have not drawn any funding and those that have drawn partial funding.

NHS County Durham

- Twenty one schemes are rated as Green currently and forecast Green by year end.
- Sixteen schemes are rated as Amber currently and forecast Amber by year end.
- Thirty six schemes are rated as Red currently and forecast Red by year end.
- One scheme is rated as Red currently and forecast Amber by year end.
- Two schemes are rated Amber currently and forecast Green by year end.

NHS Darlington

- Seven schemes are rated as Green currently and forecast Green by year end.
- Four schemes are rated as Amber currently and forecast Amber by year end.
- Eighteen schemes are rated as Red currently and forecast Red by year end.
- One scheme is rated as Red currently and forecast Amber by year end.
- One scheme is rated as Amber currently and forecast Green by year end.

There are eleven schemes that were either not funded or have been withdrawn for 2009/10.

2. Operating Framework 2010/2011

The Department of Health published the 2010/2011 Operating Framework on 16th December 2009, along with the 'Informatics Planning 2010/11' guidance.

The five national priorities still remain:

- improving cleanliness and reducing healthcare-associated infections (HCAIs),
- improving access through achievement of the 18-week referral to treatment pledge, and improving access to GP services (including at evenings and weekends),
- keeping adults and children well, improving their health and reducing health inequalities,
- improving patient experience, and staff satisfaction and engagement,
- preparing to respond in a state of emergency, such as an outbreak of a new pandemic.

Other headlines from the Operating Framework include:

- 0% uplift in tariff and non tariff services. This assumes 3.5% efficiency saving from providers,
- an increase in the proportion of tariff subject to CQUIN to 1.5%.
- move towards tariff as maximum price,
- PCTs will have rights to withhold a proportion of the contract payment up to 10% over time if providers do not met agreed patient satisfaction goals,

- emergency activity will be based on 2008/09 activity levels – above this it will be paid at 30% marginal tariff. Commissioner savings will be used to create a regional pool for system risk management and transformation,
- 2% of committed spend by PCTs has to be non recurrent annually for the rest of spending review period. This will be aggregated across PCTs at regional level in 2010/11 but must be achieved by each PCT by 2013/14,
- strong emphasis on working more effectively with local government,
- plans for community services to be in place by March 2010 and for non-foundation trusts to have plans in place for achieving foundation status by March 2010 and to have achieved foundation trust status by 2013/14,
- management cost reductions in PCTs of 30% by 2013/14,
- management consultancy services are to be used only when no other option is available,
- a requirement to make a £1b surplus from PCTs and SHAs at end of 2010/11 to be indicatively deployed during 2011/12 to 2013/14.

Production of Annual Operation Plan 2010/11

NHS North East has produced a framework for Annual Operational Plans (attached) which details the requirements and timeline for activities required for PCTs.

The operational plan for 2010/11 is the central plan to bring together activity, finance, workforce and informatics plans. NHS North East requires assurance of the following:

- that the plans support the delivery of performance against the priorities in the Vital Signs,
- realise the *Next Stage Review* visions,
- address the productivity challenge,
- provide an overall coherent picture of the expectation of each PCT during the year.

The operational plan needs to:

- be consistent with the contracts agreed with local providers and the principles set out in the *Commissioning Assurance Handbook*,
- take into account the need for consistency with the Joint Strategic Needs Assessment and the Children and Young People's Plan,
- consider the outputs of the review of the National Indicator Set, but the Department of Health does not anticipate this having any impact on the priorities set out in tiers 1 and 2 of the Vital Signs.

Also published during December was 'NHS 2010–2015: from Good to Great. Preventative, People-centred, Productive' which maps out a five year plan for improvement in the NHS within the new financial era.

A work programme was established at the beginning of January 2010 which will ensure:

- the requirements of the national operating framework are addressed,
- alignment with the Framework developed by NHS North East,
- alignment with the refresh of the 5 year strategic plan,
- production of robust commissioning intentions for 2010/11,
- submission of the final AOP at the end of February 2010.

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Date: 14 January 2010

Framework for Annual Operational Plans 2010/11

1 Purpose of Framework

The following outlines a framework and timeline for the activities required for PCT to finalise their strategic plans (SP) 2009/10 -13/14 and complete annual operational plans (AOPs) for 2010/11.

2 Links to the NHS North East vision

Clarity of planning for the NHS in the North East will contribute to the following:

- No barriers to health and wellbeing
- No avoidable deaths, injury or illness
- No avoidable suffering or pain
- No helplessness
- No unnecessary waiting or delays
- No waste
- No inequality

3 Background

3.1 Strategic plans 2009/10 -13/14

In May 2009, five year strategic plans for all PCT Clusters were supported in principle by the SHA, although there was an acknowledgement that further discussions would be required in the light of the national economic climate. Strategic plans including quality, innovation, productivity and prevention of ill health(QIPP) were refreshed in autumn 2009 in consultation and engagement with stakeholders within the context of the economic downturn, the resulting resource constraints and the ambitious vision described in 'Our Vision, Our Future'.

Each PCT Cluster developed initial QIPP proposals that were submitted to the SHA on 28 August 2009. The proposals were refined on an ongoing basis from August to October 2009 as a result of joint work with the PCT Clusters, supported by the SHA, to share experience across the region. The QIPP proposals were also informed by work undertaken by McKinsey that provided an external view of the likely potential for improved productivity and efficiency across the North East to assist PCT clusters in the finalisation of their plans. The QIPP proposals were considered further at a meeting of NHS Supply Chain Leaders on 18 December 2009.

First drafts of the refreshed strategic plans (incorporating revised and common resource assumptions) were received from all PCTs on 30 October 2009. Showcase events were held between 16 November and 23 November 2009 where there was an opportunity for PCT Clusters to present their strategic plan to the SHA, to discuss the plan and provide assurance that QIPP had been embedded in the strategy and its

implementation. McKinsey are supporting the further development of strategic plans for 6 weeks from 7 December 2009.

3.2 Annual Operational Plans (AOPs) 2010/11

In autumn 2008, guidance on the development of AOPs and assessment criteria to be adopted by the SHA when evaluating the AOPs was developed and is attached as follows:

- Annual Operational Plan “How to” guide – Appendix 1
- Annual Operational Plan Framework – Appendix 2
- Annual Operational Plan Assessment criteria – Appendix 3

Although some refinement has been incorporated, it is proposed to repeat the 2008 process to develop and assess AOPs for 2010/11.

4 AOP Submissions

The Operating Framework for 2010/11 was published by the Department of Health on 16 December 2009; see link below:

http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_110107

Planning arrangements need to take into account the wider landscape of new systems and a changing economic context for 2010/11 and after. The changing economic climate and the challenges set out in *NHS 2010–2015* necessitate preparations for the long term.

The Department of Health will review, by the end of March 2010, the plans for 2010/11 with each SHA. In doing so, the Department shall apply key assurance tests to the plans to ensure that they:

- are based on robust demand and activity assumptions that support delivery of the 18-week standard and other key expectations as set out in existing commitments and Vital Signs tiers 1 and 2;
- provide assurances on the delivery of national priorities and reconcile these across finance, workforce and activity;
- are consistent with contracts agreed locally; and
- are aligned with the priorities within their local area agreement (LAA) for health and well-being.

The operational plan for 2010/11 is the central plan to bring together activity, finance, workforce and informatics plans. The SHA requires assurance of the following:

- that the plans support the delivery of performance against the priorities in the Vital Signs,

- realise the *Next Stage Review* visions,
- address the productivity challenge
- provide an overall coherent picture of the expectation of each PCT during the year.

The operational plan needs to:

- be consistent with the contracts agreed with local providers and the principles set out in the *Commissioning Assurance Handbook*.
- take into account the need for consistency with the Joint Strategic Needs Assessment and the Children and Young People's Plan.
- The Department will consider the outputs of the review of the National Indicator Set, but does not anticipate this having any impact on the priorities set out in tiers 1 and 2 of the Vital Signs.

Local health communities' plans for 2010/11 should demonstrate how informatics, including digital capabilities, are being actively developed.

5 Timetable

The Operating Framework requires SHA plans for 2010/2011 to be submitted in two stages.

A North East timetable for submission of plans is shown below:

Annual Operational Plan Timetable 2010/11

Initial Plans

12 noon 22 January 2010	Initial (numeric where appropriate) annual plan to be submitted to SHA on finance, informatics checklist, planning lines relating to the vital signs tiers 1 and 2 and workforce. These plans will need to be consistent with each other, in line with agreements with Local Strategic Partnerships and reflect the SHA's Next Stage Review refreshed vision. This submission will require an accompanying narrative statement to explain how the plan will be achieved
By 28 January 2010	Feedback to PCTs from respective SHA leads to validate data on finance, informatics, vital signs, workforce and Next Stage Review
29 January 2010	North East submission date for WCC evidence (including strategic plan)
29 January 2010	Initial SHA plans for finance, informatics checklist, vital signs, workforce and Next Stage Review refreshed visions to Department of Health

Full Annual Operational Plans

12 noon 26 February 2010	Final AOP with full narrative (incorporating informatics enablers and completed SRO Informatics checklist) to be submitted to SHA
1 March 2010	Contracts to be agreed
9 March 2010	1:1 meetings between SHA and PCT Clusters
15 March 2010	Contracts to be signed
22 March 2010	Final AOP (incorporating informatics enablers and completed SRO Informatics checklist) reflecting signed contracts to be agreed by SHA
26 March 2010	Final SHA plans to be submitted to Department of Health

6. Initial plans for AOPs to be submitted to the SHA on 22 January 2010

The national Operating Framework 2010/11 requires initial plans for finance, informatics, vital signs, workforce and Next Stage Review refreshed visions to be submitted to the Department of Health by 29 January 2010. In the North East, initial plans (incorporating informatics enablers) and for finance, vital signs, workforce and Next Stage Review refreshed visions must be submitted to the SHA on 22 January 2010.

The 22 January 2010 submission to the SHA is expected to provide numbers in relation to vital signs activity and finance; this should include initial submission of the LHC Informatics SRO Checklist. An accompanying narrative statement to explain how the overall plan will be aligned and achieved will be required. It is imperative that the information contained in each of these plans is consistent.

Feedback from respective SHA leads on finance, informatics, vital signs, workforce and Next Stage Review will be provided to PCTs in late January 2010 in advance of submissions to the Department of Health.

Further details on individual plans are shown below:

6.1 Finance plan

Appendix 4 outlines deal breakers on financial issues. Please note that to date the SHA has not been informed of control totals. It is expected that FIMS Planning templates will be available from the Department of Health imminently and these will need to be completed and submitted to the SHA by 12noon 22 January 2010. The SHA will validate and quality assure the FIMS Planning templates between 22 and 29 January 2010 in communication with PCTs prior to submission to the Department of Health on 29 January 2010.

6.2 Informatics plan

All the key informatics aspects of 2010/11 Operating Plans are expected to be addressed in the main body of PCO Annual Operating Plans, rather than in separate documents. Plans will indicate the informatics components underpinning delivery of all national policies, regional initiatives and PCT strategies contained in them. In line with this, PCTs should ensure that local community operating plans for 2010-11 show explicitly how informatics will be used to underpin delivery of key service developments and improved commissioning processes.

Attached at appendix 5 is a checklist showing expectations in relation to informatics. For 22 January 2010 the Local Health Community Checklist and SRO Assurance need to be completed.

6.3 Vital signs and activity plan

The Department of Health requires the SHA to have signed off first cut submissions of trajectories on Unify by 29 January 2010. With this in mind, please send to Tracey Hutchinson (tracey.hutchinson@northeast.nhs.uk) a completed Tier 1 and Tier 2 vital signs template by 12noon on 22 January 2010. This will provide an opportunity to check submissions against national requirements and give suitable time to feed back and make any adjustments if necessary. Submission on UNIFY will need to be

completed by close of play on 28 January 2010. For provider lines please agree trajectories on a lead commissioner basis with each provider and also send the templates to Tracey Hutchinson to the above timetable.

Technical guidance, upload templates and baseline data is available on UNIFY, please follow this link

<http://nww.unify2.dh.nhs.uk/InstantForum414/Topic10024744-10001108-1.aspx>

6.4 Workforce plan

A commitment to achieving the following needs to be provided in the 22 January 2010 submission

- For all plans to include their workforce implications.
- For all plans to demonstrate how the PCT will work with provider organisations in implementing the recommendations of the Boorman Review into staff health and wellbeing – most particularly regarding absence management.
- For all plans to demonstrate how commissioners will work towards increasing flexibility in the workforce (and thereby the avoidance of redundancies) by easing the transfer of employees between different employers in health and social care. To assist with this, the NHS Staff Passport toolkit (Nov. 2009) should be used.
- For all plans to demonstrate the high priority given to Flu resistance, by ensuring that staff vaccination levels are high in both provider organisations and PCTs.
- For all plans to demonstrate initial views on how they will work in partnership with the SHA and the region to achieve the aggregate reduction of 30% in management and agency costs by 2013/14. The greatest progress here is expected to take place between 2010 and 2012.
- For all plans to demonstrate how PCTs will assist in making the NHS in the North East the employer of choice, both regionally and nationally. This should be evidenced through detail on how the PCT undertakes regional collaboration on the planning and development of the required workforce, ensuring it enables the realisation of the regional vision, as well as the quality and productivity challenge.

6.5 Regional vision

Plans should specifically provide details of strengthened collaborative arrangements with the North East Clinical Innovation Teams, including how the outputs from the forthcoming programme of ASE events will be taken forward into the commissioning process (Lead Directors for Our Vision, Our Future for each PCT Cluster will be able to advise locally on these events and their strategic themes).

AOPs should include key priorities for 2010/11 from 'Better Health Fairer Health' and 'Safer Care North East'.

7 Final AOPs to be submitted to the SHA on 26 February 2010

Final AOPs with a full narrative and based on the framework must be submitted by PCTs to the SHA by 12.00noon on 26 February 2010. Meetings between the SHA and individual PCTs will be held on 9 March 2010 and a final AOP to reflect signed contracts will be submitted to the SHA on 22 March 2010 in advance of submission to the Department of Health on 26 March 2010. The Strategic Plans and AOPs will need to be published on PCT websites by 31 March 2010 in their final form, having been signed off by the respective PCT boards.

7.1 Finance plan

Updated finance templates will need to be completed and submitted to the SHA by 26 February 2010. The SHA will validate and quality assure the templates through communication with PCTs prior to submission to the SHA of a final AOP that reflects signed contracts by 22 March 2010 and submission to the Department of Health on 26 March 2010

7.2 Informatics plan

All informatics requirements will need to be identified within the narrative of the AOP as well as being identified within initiatives in OGIMs. Finance and workforce/resource requirements to support informatics must be explicit in all AOPs

7.3 Vital signs and activity plan

Technical guidance, upload templates and baseline data is available on UNIFY, please follow this link

<http://nww.unify2.dh.nhs.uk/InstantForum414/Topic10024744-10001108-1.aspx>

A second cut of vital signs trajectories will need to be submitted to the SHA by 12.00noon on 26 February 2010 in line with the final AOP submission. These should be sent on a UNIFY template to Tracey Hutchinson(tracey.hutchinson@northeast.nhs.uk).

The final upload of templates onto UNIFY will need to be completed by COP on 25 March 2010 in advance of the stated national deadline of 26 March 2010.

7.4 Workforce

A full narrative to ensure delivery of the following required by 26 February 2010

- For all plans to include their workforce implications.
- For all plans to demonstrate how the PCT will work with provider organisations in implementing the recommendations of the Boorman Review into staff health and wellbeing – most particularly regarding absence management.
- For all plans to demonstrate how commissioners will work towards increasing flexibility in the workforce (and thereby the avoidance of redundancies) by easing the transfer of employees between different employers in health and social care. To assist with this, the NHS Staff Passport toolkit (Nov. 2009) should be used.
- For all plans to demonstrate the high priority given to Flu resistance, by ensuring that staff vaccination levels are high in both provider organisations and PCTs.

- For all plans to demonstrate initial views on how they will work in partnership with the SHA and the region to achieve the aggregate reduction of 30% in management and agency costs by 2013/14. The greatest progress here is expected to take place between 2010 and 2012.
- For all plans to demonstrate how PCTs will assist in making the NHS in the North East the employer of choice, both regionally and nationally. This should be evidenced through detail on how the PCT undertakes regional collaboration on the planning and development of the required workforce, ensuring it enables the realisation of the regional vision, as well as the quality and productivity challenge.

The requirement is that all four PCT clusters produce AOPs by March 2010 that:

- Are completely aligned with the financial implications of the 2010/2011 contracting round.
- Are fully aligned with the Strategic Plan year two priorities and any outstanding priorities from year one.
- Are fully costed and are cognisant of the prevailing financial climate whilst retaining significant ambition for health outcomes for the local population.

7.5 Regional vision

AOPs should include key priorities for 2010/11 from 'Our Vision Our Future', Better Health Fairer Health' and 'Safer Care North East'.

8 Governance arrangements

The SHA commissioning team will co-ordinate the Strategic Plan and AOP work across the region.

The WCC / System Management sub group of the NHS Management Board North East (comprising the four PCT Directors of Commissioning, SHA Director of Operations and SHA System Management Lead) will manage the overall production of the plans. This group meets monthly.

9 Appendices

Annual Operational Plan "How to" guide - Appendix 1
 Annual Operational Plan Framework - Appendix 2
 Annual Operational Plan Assessment criteria - Appendix 3
 Deal breakers on financial issues - Appendix 4
 Expectations in relation to informatics - Appendix 5

30 December 2009

Step	Elements
<p>1. Assess new initiatives for this year</p>	<ul style="list-style-type: none"> • Identify the strategic plan initiatives which will be phased in this year • Identify any outstanding initiatives from previous years. Where initiatives were implemented in 2008/09 these will be subject to evaluation and refinement in 2010/11 • Alignment with WCC assurance (if this is a development initiative, full reference will be included in the OD Plan) • Determine steps required to achieve each initiative • Who is responsible for leading the initiative and who the partners are • Resources required (e.g., personnel, time) • Investment required • Identify key metrics to identify success • Time line and key milestones
<p>2. Prioritize initiatives / sub initiatives and develop detailed action plans and budgets</p>	<ul style="list-style-type: none"> • Assess each initiative/sub initiative (timing, impact, risk profile, and executability) ensure all enablers to support each initiative are clearly identified • Decide prioritisation and sequencing • Develop workplans • Test realism of investments, savings and disinvestments detailed in financial plan • Adjust initiatives / financial plan as required
<p>3. Reassess feasibility and refine workplans</p>	<ul style="list-style-type: none"> • Determine obstacles to implementation: • Interdependencies • Burden of all initiatives on organisation • Other external events • Refine set of initiatives and timing • Establish communication plan to build consensus among key stakeholders
<p>4. Plan Business as usual</p>	<ul style="list-style-type: none"> • Identify the 'Business as Usual' activities which are covered by above) • Determine steps required to achieve each activity • Who is responsible for leading the activity and who the partners are • Resources required (e.g., personnel, time) • Investment required • Time line and key milestones • Identify key metrics to identify success

- Throughout this entire process advice to be taken from and PCTs informed by key stakeholders
- Final plans should include a communication plan that ensures stakeholder feedback during implementation

Chapter	Description
PCT Context	<ul style="list-style-type: none"> • Describes the context of the PCT. This should be similar to the context material in the strategic plan and reference the strategic plan for detail, (including regional context), and also include relevant material on the operating framework, allocation, control totals and tariff
PCT objectives	<ul style="list-style-type: none"> • PCT objectives for 2010/11, ie. the objectives in the 5-year strategic plan which have been phased for 2010/11. The descriptions should be more detailed than those in the strategic plan and should explain the logic behind phasing these initiatives for these years. • Key performance targets for the year (including National targets, Local stretch targets, Financial implications and targets) and any other National ‘must dos’
Strategic initiatives	<ul style="list-style-type: none"> • The initiatives from the strategic plan which have been phased to take place in 2010/11. This includes initiatives from the previous year which are ongoing and those which were not completed to plan in the previous year • Plans should specifically provide details of strengthened collaborative arrangements with the North East Clinical Innovation Teams, including how the outputs from the forthcoming programme of ASE events will be taken forward into the commissioning process (Lead Directors for Our Vision, Our Future for each PCT Cluster will be able to advise locally on these events and their strategic themes).
Measures of success	<ul style="list-style-type: none"> • What success will look like for each initiative. Success should be measurable
Work plans/delivery plans for each initiative	<ul style="list-style-type: none"> • A work plan for each initiative, showing at a task level how it will be achieved, who is responsible and what the timescales are
Business as usual	<ul style="list-style-type: none"> • High-level ‘Business as Usual’ plans (including workforce, safety, Vital Signs etc) • Links to provider plans where relevant

Monitoring	<ul style="list-style-type: none"> • How implementation of the operational plan will be monitored. This should include both the process for monitoring implementation, and the clinical, financial and operational metrics (as appropriate) against which all of the areas (both 'Business as Usual' and new initiatives) will be measured • Description of PCT approach to performance management, including performance reporting, assessment, interventions and escalation
Delivering requirements	<ul style="list-style-type: none"> • How these objectives will deliver national, regional and local requirements
Finance and activity plan	<ul style="list-style-type: none"> • The finance and activity plan for 2010/11, showing both 'Business as Usual' finance and activity and the effects of the initiatives, investments and disinvestments. This should be extracted from the 5-year financial template. • Particular not should be made of the financial "deal-breakers" that have been agreed and shared with finance teams..
Workforce plan	<p>In the workforce element of the AOP, commitment to the following points should be shown in the January submission, a full narrative is required in February:</p> <ul style="list-style-type: none"> • For all plans to include their workforce implications. • For all plans to demonstrate how the PCT will work with provider organisations in implementing the recommendations of the Boorman Review into staff health and wellbeing – most particularly regarding absence management. • For all plans to demonstrate how commissioners will work towards increasing flexibility in the workforce (and thereby the avoidance of redundancies) by easing the transfer of employees between different employers in health and social care. To assist with this, the NHS Staff Passport toolkit (Nov. 2009) should be used. • For all plans to demonstrate the high priority given to Flu resistance, by ensuring that staff vaccination levels are high in both provider organisations and PCTs. • For all plans to demonstrate initial views on how they will work in partnership with the SHA and the region to achieve the aggregate reduction of 30% in management and agency costs by 2013/14. The greatest progress here is expected to take place between 2010 and 2012.



- For all plans to demonstrate how PCTs will assist in making the NHS in the North East the employer of choice, both regionally and nationally. This should be evidenced through detail on how the PCT undertakes regional collaboration on the planning and development of the required workforce, ensuring it enables the realisation of the regional vision, as well as the quality and productivity challenge..

Informatics

- As described in the Informatics Planning Guidance 2010/11, all the key informatics aspects of 2010/11 Operating Plans are expected to be addressed in the main body of PCO Annual Operating Plans, rather than in separate documents. Plans will indicate the informatics components underpinning delivery of all national policies, regional initiatives and PCT strategies contained in them. In line with this, PCTs should ensure that local community operating plans for 2010-11 show explicitly how informatics will be used to underpin delivery of key service developments and improved commissioning processes

Change management and organisational development

- Identification of key areas of change management and organisational development that will confront the PCT during 2010/11 and the plan to manage.
- Evidence that there are firm, evidence-based plans to instigate transformational change, aimed at improving quality and productivity and reducing waste, prior to the end of financial growth.

Risk Management

- Areas of potential risk, and mitigating actions the PCT has taken and/or will take (covering providers, commissioners and financial implications)
- Protocol for informing relevant parties in case of failure to achieve aspects of plan (including national targets)

Governance service safety and quality

- How the PCT will ensure effective governance, service safety and quality

North East Annual Operational Plan Assessment Criteria

Appendix 3

Questions to consider

Does the AOP produced by the PCT cover all areas of the framework

Is there evidence that the PCT has followed the suggested process for developing its AOP (or an equivalent, equally detailed, process)?

What evidence can the PCT provide to prove it has checked its financial assumptions and tested the realism of its budgeting?

Is the PCT using a detailed balanced scorecard to monitor implementation, using robust metrics?

What evidence is there that the PCT is managing its contracts in ways that are consistent with its AOP priorities?

Does the PCT have robust reporting and monitoring against the operational plan at board meetings, and has the AOP been signed off at a board meeting?

What evidence would the SHA have to see?

- Covers all areas included in AOP framework issued by SHA
- Alignment with SP
- Feedback from partners showing involvement
- Detailed risk assessment
- Informatics SRO Checklist
- Detailed financial plan
- Different financial scenarios (including margin for error, contingencies)
- Detailed sample of initiatives costings
- Historical track record of delivery (including ALE/UOR and CQC annual health check scores)
- Use of agreed metrics, that describe expected outcomes, tied in with quarterly performance tracking
- Evidence of Board use of scorecard
- Supplement with a greater emphasis on outcomes rather than process.
- Include the outcome of the WCC assurance
- Surveys
- Historical track record
- Board meeting minutes
- Engagement with Board members to increase knowledge
- Board to Board meetings

AOP 2010/11 Financial Dealbreakers

Operating
Framework
Ref

Delivery of in-year financial balance or better	Para 3.11
Demonstration of underlying recurrent expenditure no higher than 98% of revenue allocation [ie minimum 2% recurrent contingency held and used non-recurrently to support service transformation]	Paras 3.7 and 3.8
Medium term planning (ie for the years 2011/12 to 2012/13) reflects flat-real growth in revenue allocations	Para 3.13
Plans consistent with SHA/PCT RAB surplus of £???m in 2010/11 [to be confirmed]	
Plans account for the anticipated delegation of pharmacy and ophthalmic budgets to PCTs	Para 3.20
15% (?) management cost savings target achieved in recurrent full-year terms by the end of 2010/11	Para 3.52
Tariff uplift of 0% applied to all tariff and non-tariff contractual arrangements	Paras 3.37 and 3.38
CIP/DM is realistic and deliverable [efficiency target of 3.5%]	
IFRS and other accounting policy changes are considered and accounted for, and financial plans for 2010/11 are fully compliant	Para 3.25
Key National Targets are reflected in financial plans	
Workforce plans and activity are reflected in financial plans	
Plan signed off by Chair, Chief Executive and Director of Finance	

NHS Operating Framework Expectation Checklist v0 1

Appendix 5

Theme	Objective/Expectations	AOP Reference (to be completed by LHC)	LHC Response (to be completed by LHC)	SHA Comments
National Programmes	PCTs need to ensure that plans and resources are identified to implement the Electronic Prescription Service 2 stages of implementation published on the NHS CfH website			
	Summary Care Record (SCR): <ul style="list-style-type: none"> · PCTs, as commissioners, should agree a timeline with their SHA for the creation of SCRs at all SCR-compliant GP Practices in FY10/11 · PCTs should agree an implementation plan for the care settings that will realise the benefits of access to SCRs. 			
	Pseudonymisation Implementation Programme: All NHS Commissioners and Providers of NHS commissioned care should: <ul style="list-style-type: none"> · complete implementation by March 2011 in line with plans submitted in October 2009; · ensure that relevant staff are aware of and trained to be able to use anonymised or pseudonymised data; · ensure appropriate changes are made to processes, systems and security mechanisms in order to facilitate the use of de-identified data in place of patient identifiable data; 			
	Annual Operating Plans should identify how the Map of Medicine will be used to streamline processes and improve patient pathways of care			
	PCTs should ensure that their operating plans demonstrate how local communities will achieve consistent and comprehensive use of the NHS number in all systems and communications of patient data.			

Exploit Existing Technology	PCTs should ensure that local community operating plans for 2010/11 demonstrate how digital capabilities , for clinical and citizen benefit, are being actively developed to support improved patient experience. PCTs should ensure that local community operating plans for 2010/11 demonstrate how digital capabilities, for clinical and citizen benefit, are being actively developed to support improved patient experience.			
	PCTs should ensure that operating plans for 2010/11 set out clearly how the utilisation of informatics, including digital capabilities, will deliver increased efficiency, productivity and reductions in the total cost of ownership (TCO) of technology in the LHC.			
	AOPs should also address transition to move all organisations to NHS Mail in order to realise efficiency savings			
	Choose & Book - AOPs should demonstrate timelines for achieving utilisation of Choose and Book for all referrals			
	AOPs should demonstrate significant investment in and exploitation of mobile technology to improve quality and productivity			
	Annual Operating Plans should demonstrate alignment with the principles of Quality, Innovation, Productivity and Prevention by promoting the adoption of centrally provided capabilities including N3 VOIP telephony			
	LHC Plans should identify how Trusts will make more innovative use of PACS , not just in acute radiology			
	It is expected that significant progress in investing in and beneficial exploitation of mobile technology to improve quality and productivity will be made in all LHCs, in particular to support the Transforming Community Services agenda			

Finance	Annual Operating Plans should include projected revenue and capital expenditure for local costs for all National Applications and Services, with annual figures for 2010-15 for all NHS providers in each Local Health Community, demonstrating sources of funding and any gaps.			
Infrastructure	Annual Operating Plans should outline activities to increase the maturity of Infrastructure Management in Trusts, including more efficient use of technology with lower environmental impact. NHS organisations should publish their current position on the NIMM and determine the priority elements of infrastructure for analysis using the NIMM, aiming to achieve at least Level 3 and ideally Level 4 of the NIMM across the priority elements of its Technical Infrastructure within the next 12 months;			
Information Governance	All NHS organisations need to continue to demonstrate compliance with IG standards through achievement of at least Level 2 performance in terms of the NHS Information Governance Toolkit and plans should be in place to progress beyond this minimum where it has been achieved.			