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Dear Grant

NHS TAYSIDE: ANNUAL OPERATIONAL PLAN 2019/20

Thank you for submitting your Annual Operational Plan (AOP), setting out your operational priorities and key actions for 2019/20. May I take this opportunity to thank you and your team for all the hard work that has gone into the preparation of the AOP over the last few months.

As detailed in the guidance we issued in February 2019, the AOP is intended to support NHS Boards and their partners to deliver safe, effective and accessible treatment and care, and provides the basis on which the Scottish Government will hold Boards to account for their contribution over the year to delivering the Cabinet Secretary's priorities including waiting times improvement; investment in mental health; and achieving greater progress and pace in the integration of Health and Social Care.

In responding to your AOP, I would like to take the opportunity to reinforce the importance of adopting a whole system approach to implementation. This will necessitate a clear focus on interagency and integrated working with your key partners and stakeholders across the health and care system, always maintaining the primacy of patient safety as an underpinning principle.

We recognise that this is essentially a one year plan, focusing on 2019/20 at this stage. For next year, we will want to move to align the AOP with the three year planning horizon set out in the Medium Term Financial Framework to ensure that we have clear visibility of the significant change processes that are underway across the system and to ensure that AOPs fully support and reflect the service reform agenda. We will be in touch with you over the next few months to take forward this development process.

For this year, however, I am satisfied that your plans meet our requirements and on that basis I am content to approve your final AOP for 2019/20.

Within your financial plan and engagement with the Scottish Government, you have indicated that you will require a two to three year period to move back to financial balance

and to meet the requirements of the three year planning and performance cycle. As part of this, you have set out an expected variance of £11.2 million in 2019/20 and that you expect to return to recurring financial balance by 2021/22.

As part of the AOP instructions issued on 27 February, you also received guidance on transparency of reporting as part of the new planning and performance cycle and as agreed with Audit Scotland. In line with this guidance, your statutory accounts for 2019/20 will be required to confirm the Board's financial position both before and after additional support from the Scottish Government and the extent to which this is in excess of the one per cent tolerance allowed as part of the new flexibilities for NHS Boards. Further disclosure will be required in the Performance Report to include: i) the level of additional financial support provided by Scottish Government to allow delivery of in-year financial balance; ii) the plans to bring the Board back into sustainable financial balance; and iii) the indicative repayment profile agreed with Scottish Government from 2019/20 onwards.

In terms of the indicative repayment profile, we expect that cumulative breakeven will be delivered as soon as possible in the medium term (with 2019/20 as the baseline year) following delivery of recurring financial balance by 2021/22.

We have set out in the paragraphs below the specific issues that we expect to be addressed by the Board.

1. Elective Waiting Times

Delivery of the agreed waiting times trajectories for outpatients and inpatients/daycases by March 2020 needs to be a key focus. We have agreed quarterly trajectories with you that will deliver the March 2020 position of 3,783 for outpatients and 1,349 for inpatients/ daycases. This will be continually monitored throughout the year and any deviation from the quarterly trajectories should be addressed immediately by your Board, with appropriate action taken to secure delivery for March 2020.

With regard to your Board's financial allocation to support improvements in Elective Waiting Times, a total of £8.4 million (including independent sector) has been allocated for 2019/20. Excluding the independent sector allocation, 75% of the agreed funding will be released immediately. In recognition of the complex range of risks and opportunities that exist across the system, the remaining 25% of the sum will follow in early October, conditional upon the achievement of performance at or around the agreed trajectory over the first two quarters of the year. This arrangement is separate from any additional second tranche of funding which may be allocated over the next few months.

In relation to the independent sector, we are investing additional funding to deliver improvements in specific specialties that will support the delivery of the March 2020 position. You will receive a separate letter itemising the breakdown of this funding, including between private sector (if any) and Board investment. It is also recognised that the additional capacity through Stracathro in September will also support the reduction of waiting times. We know you are working closely with colleagues in NHS Grampian to ensure this additional capacity is up and running within the agreed timescales.

If you have any immediate queries on either agreed trajectories or associated funding, Gordon Frame (Gordon.Frame@gov.scot) is available to help in the first instance. You should note that any funding which is not used for the agreed purpose is liable for repayment.

The existing cross boundary flow charging arrangements remain extant. Work carried out in tertiary centres will be subject to normal arrangements between Boards, as per previous years.

2. Cancer Waiting Times

NHS Tayside's focus on cancer and ambition to improve waiting times performance has been noted through receipt of your AOP and accompanying Waiting Times Improvement Plan template. As you are aware, and as is reflected in your plans, ensuring full adoption of the Effective Cancer Management Framework, dissemination of the Scottish Cancer Referral Guidelines, clearing the backlog and treating those waiting longest while enhancing pathways are key areas of focus nationally to ensure the 62 day standard is met by Spring 2021.

We acknowledge that some of these improvements may be subject to funding, as outlined in your template. We expect Boards to work towards and deliver against the 31 day and 62 day cancer standards and the Cancer Access Team will now therefore work closely with colleagues in NHS Tayside for the foreseeable future to clarify funding and ultimately improve patient experience and Cancer Waiting Times performance.

3. Unscheduled Care Waiting Times

All NHS Boards are expected to deliver the 4 hour A&E Target of 95% - working towards the 98% standard to ensure that patients receive the most appropriate assessment, treatment, support and services at the right time, in the right place by the right person. You have outlined your intention to work towards delivering the 4 Hour Emergency Access Target of 95% across each of your sites. The AOP has described the improvements and priorities that the NHS Board will focus on in 2019/20 to deliver this performance.

We appreciate you taking the opportunity for peer review at the Learning Workshop on 21 May 2019 and hope this has further developed your thinking on the plan. As previously discussed progress will be monitored through the monthly Programme Management Action Plan process. Utilising the funded improvement team to deliver your initiatives is expected to further understand the data and information required to implement the 6 Essential Actions including; a robust escalation policy to reduce crowding and exit block; balancing capacity and demand through timely in-patient discharge across 7 days to eliminate boarding; and work closely with Integration Authorities to reduce unnecessary attendances and to reduce length of stay.

4. Integration

Delivery of your objectives will require the pace and effectiveness of integration to increase. As stated in the letter from John Connaghan and Richard McCallum of 25 February, and in line with the proposals from the review of integration, delegated hospital budgets and set aside requirements must be fully implemented.

There is much work underway in each local system, including your own, on delivering the review's proposals and we are grateful for your continued contribution to this. Collaborative leadership across NHS Boards, Local Authorities and Integration Authorities, which empowers and supports IJBs to deliver on their statutory duties and improve outcomes for citizens, is a key priority of the Cabinet Secretary. We recognise the challenges and the opportunities of getting integration fully embedded, and look forward to your continued support in making a success of integration.

We encourage the Board to continue to work in partnership with its Integration Authority partners to maintain the focus on delayed discharge, through the development of community based prevention and support services.

5. Mental Health

Our ten-year Mental Health Strategy set out our ambition to build a world-class mental health system that works for everyone, and which is centred on a whole-system approach. This will be enabled through partnership working that brings together people using mental health services and their families, with mental health workforce, and delivery partners across the public and third sectors. We know that specialist services for people with mental health issues need to improve, and it is important that our ambitious mental health treatment targets are delivered and sustained by all NHS Boards across Scotland.

As set out in the commissioning letter from John Connaghan and Richard McCallum on 25th February, the expectation is that Boards will show through their AOP how the national standards for Children and Adolescent Mental Health Services (CAMHS), Psychological Therapies (PT) and Mental Health Emergency Departments will be met and sustained. The Plan for your Board does not currently provide this reassurance and as such it is not possible for Scottish Government to sign off this part of your AOP at this time.

The previous release of funding for Mental Health by the Scottish Government was predicated against the receipt of, and agreement to, plans to meet national standards. I understand that the trajectory for CAMHS has been agreed, but that the PT Standard is not scheduled to be met. With this in mind, you are asked to provide revised trajectories for all Mental Health Standards by the end of June 2019. Ministers have asked Scottish Government officials to engage with you to ensure that this deadline is achieved.

6. Primary Care

As one of the four signatories to the Memorandum of Understanding (MoU) supporting implementation of the 2018 General Medical Services Contract, NHS Boards are expected to work with Integration Authorities to deliver service redesign as set out within in the MoU.

NHS Boards have a key role to play in implementing this redesign as they provide many of the enablers required to deliver primary care redesign, including workforce planning and infrastructure.

Your Annual Operating Plan set out how your Board will work with Integration Authorities to deliver primary care redesign, and I expect this to be reflected in the second iterations of your local Primary Care Improvement Plan which are currently being drafted and locally agreed.

It is also important for NHS Boards to ensure that, during this period of reform, current primary care services remain safe and sustainable, both in and out of hours. This will continue to be monitored throughout the year and picked up through the Annual Review process as appropriate.

7. Healthcare Associated Infection

Scotland has made significant improvements over the last decade in terms of reducing overall hospital infection rates. Despite this progress, reducing Healthcare Associated

Infections (HCAs) and containing Antimicrobial Resistance (AMR) remains a constant challenge and a key priority for the Scottish Government.

Prevention of infection has a key role to play. As Boards are aware, the National Infection Prevention and Control Manual (NIPCM) is mandatory for NHS Scotland and considered best practice in all other care settings. It ensures that the assessment, reporting and escalation of infection outbreaks and incidents is robust. It is therefore expected that the NIPCM is fully embedded and implemented in all infection prevention and control practices and procedures and that boards are assuring staff compliance with the NIPCM, using a quality improvement approach.

There has recently been a heightened focus on the risk of infection posed by the built healthcare environment and there are lessons to be learned following HCAI incidents and outbreaks over the past 12 months. On 8 March, the DG Health and Social Care (DGHSC) and Chief Executive of NHS Scotland wrote to NHS Board Chairs requesting confirmation that all relevant aspects of the requirements and recommendations contained in the report published by Healthcare Improvement Scotland, following the unannounced inspection of the Queen Elizabeth University Hospital, are implemented as standard practice.

We therefore ask that you ensure these requirements and recommendations are implemented and that any further findings and learnings are incorporated into your plans going forward; with particular focus on new builds and refurbishment of existing builds and compliance with the relevant Health Technical Memoranda issued by Health Facilities Scotland.

In addition to this, following the publication of the UK's five-year national action plan on AMR, the HCAI standards and indicators for NHSScotland are in the process of being updated to reflect the changing epidemiology of HCAI and the continuing rise in AMR.

8. Finance

As Accountable Officer, you have a responsibility for ensuring that the resources of your Board are used economically, efficiently and effectively. At the Annual Operational Plan meeting we discussed the Board's indicative requirement of up to £11.2 million in additional financial support in 2019/20. We recognised that there are financial challenges linked to this, most notably relating to drugs and staff costs.

Successful delivery of the efficiency saving programme will be a key element of delivering the anticipated financial position in 2019/20. Significant pressures were also recognised with respect to the Integration Authorities and more detailed recovery plans were agreed to be shared once developed.

In view of this, following the first quarter of the financial year, we will require an update on the financial position, including progress in the identification and delivery of savings. We will further discuss the specifics of what is required, including timescales, with your Director of Finance.

As previously stated, the finalised and signed off AOP will be used as the basis for engagement with the Board over the coming year, and we look forward to working with you to deliver on-going improvement of safe and accessible treatment and care.

If you have any questions about this letter, please contact Yvonne Summers in the Performance and Delivery Directorate in the first instance (Yvonne.summers@gov.scot)

Yours sincerely

A handwritten signature in black ink, appearing to read 'Malcolm Wright', with a stylized flourish at the end.

Malcolm Wright
Director General for Health & Social Care and Chief Executive of NHSScotland