Operational Plan Document for 2014-16

Gloucestershire Hospitals NHS Foundation Trust
Operational Plan for y/e 31 March 2016
This document completed by (and Monitor queries to be directed to):

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Date: 1 April 2014

In signing below, the Trust is confirming that:

• The Operational Plan is an accurate reflection of the current shared vision of the Trust Board having had regard to the views of the Council of Governors and is underpinned by the strategic plan;
• The Operational Plan has been subject to at least the same level of Trust Board scrutiny as any of the Trust’s other internal business and strategy plans;
• The Operational Plan is consistent with the Trust’s internal operational plans and provides a comprehensive overview of all key factors relevant to the delivery of these plans; and
• All plans discussed and any numbers quoted in the Operational Plan directly relate to the Trust’s financial template submission.

Approved on behalf of the Board of Directors by:

Name (Chair): Prof Clair Chilvers  
Signature

Approved on behalf of the Board of Directors by:

Name (Chief Executive): Dr Frank Harsent  
Signature
<table>
<thead>
<tr>
<th>Name</th>
<th>Mrs Helen Simpson</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Finance Director)</td>
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</tbody>
</table>

Signature
INTRODUCTION


It sets out how we are going to respond to changes in our context, both national and local, to enable us to have the flexibility and capacity to overcome short term difficulties (resilience) and make progress towards our 5 year strategy (sustainability).

BACKGROUND

Gloucestershire Hospitals NHS Foundation Trust is one of the largest hospital trusts in the country and provides high quality acute elective and specialist health care for a population of more than 612,000 people. Our hospitals are district general hospitals with a great tradition of providing high quality hospital services; some specialist departments are concentrated at either Cheltenham General or Gloucestershire Royal hospitals, so that we can make the best use of the expertise and specialist equipment needed.

Our Framework for the Future is made up of:

**Our Mission:**
“Improving health by putting patients at the centre of excellent specialist health care”

**Our Vision:**
“Safe effective and personalised care – every patient, every time, all the time”

**Our Goals:**
Our goals are described in 4 core areas:

**Our Services:** to improve year on year the safety of our organisation for patients, visitors and staff and the outcomes for our patients

**Our Patients:** to improve year on year the experience of our patients

**Our Staff:** to develop further a highly skilled and motivated and engaged workforce which continually strives to improve patient care and trust performance

**Our Business:** to ensure our organisation is stable and viable with the resources to deliver its vision

**Our Values:**
Our Values underpin everything we do and describe, in single words, the way we expect our staff to behave towards our patients and their families and carers, and colleagues. After listening to patients and staff the Trust has identified six core values, described here in the words of patients. These are:

**Listening** Patients said: "Please acknowledge me, even if you can't help me right now. Show me that you know that I'm here."

**Helping** Patients said: "Please ask me if everything is alright and if it isn't, be willing to help me."

**Excelling** Patients said: "Don't just do what you have to, take the next step and go the extra mile."

**Improving** Patients said: "I expect you to know what you're doing and be good at it."

**Uniting** Patients said: "Be proud of each other and the care you all provide."
Caring  Patients said: "Show me that you care about me as an individual. Talk to me, not about me. Look at me when you talk to me."

Our Strategic Plan, published in June 2014 set out our approach to meet our vision by identifying the following strategic initiatives aligned to our goals

<table>
<thead>
<tr>
<th>Goal</th>
<th>Strategic Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Our Services</strong></td>
<td>To continue to improve the quality of care we deliver to our patients and reduce variation&lt;br&gt;To continue to align our services between our sites&lt;br&gt;To future proof our services through clinical collaboration</td>
</tr>
<tr>
<td><strong>Our Patients</strong></td>
<td>To continue to treat our patients with care and compassion&lt;br&gt;To provide care closer to home where safe and appropriate</td>
</tr>
<tr>
<td><strong>Our Business</strong></td>
<td>To improve our internal efficiency&lt;br&gt;To improve our clinical estate&lt;br&gt;Harnessing the benefits of information technology&lt;br&gt;Exploiting the opportunities for new markets</td>
</tr>
<tr>
<td><strong>Our staff</strong></td>
<td>To develop leadership both within our organisation and across the health and social care system&lt;br&gt;To redesign our workforce</td>
</tr>
</tbody>
</table>

**REVIEWING OUR STRATEGIC PLAN**

The following section considers whether our plan is still relevant given changes in the national and local context, including our own performance

**The National Context**


The document identified three pressing “gaps” and the response required.

- the health and wellbeing gap, requiring a radical upgrade in prevention
- the funding gap, requiring efficiency coupled with investment
- the care and quality gap requiring major system changes and new models of care
The Dalton Review, published in December 2014, offers a further resource for those providers who are considering which new organisational model might be appropriate for them.

In December 2014 NHS England, Monitor, the NHS Trust Development Authority, Care Quality Commission, Public Health England and Health Education England jointly published The Forward View into Action: Planning for 2015/16. This guidance set out the first steps for implementing the Five Year Forward View as well as maintaining operational delivery to meet the standards within the NHS Constitution for 2015/16. The guidance requires leaders of local and national health and care services to take action on five fronts. It:

- sets outs seven approaches to a radical upgrade in prevention of illness with England becoming the first country to implement a national evidence-based diabetes prevention programme;
- explains how £480 million of the £1.98 billion additional investment will be used to support transformation in primary care, mental health and local health economies;
- makes clear the local NHS must work together to ensure patients receive the standards guaranteed by the NHS Constitution;
- underlines the NHS’s commitment to giving doctors, nurses and carers access to all the data, information and knowledge they need to deliver the best possible care;
- details how the NHS will accelerate innovation to become a world-leader in genomic and genetic testing, medicine optimisation and testing and evaluating new ideas and techniques.

Due to a combination of internal factors within organisations and wider pressures across the health system, nationally there has been a marked deterioration in operational and financial performance over the past 12 months with the foundation trust sector forecasting a 2014/15 year end net deficit for the first time since the inception of foundation trusts. Foundation trusts continue to underperform against a number of key operational targets, including accident and emergency waiting times, cancer waiting times and referral to treatment standards. The introduction of the Better Care Fund, pension reforms and uncertainty about changes in spending and health policy that may follow the 2015 general election, all add pressure to the resources available.

The Local Context

The size of the population we serve is continuing to grow and is ageing. The risk of all major causes of early death and serious illness increases with age. This means that the number of people living longer with a long-term illness will rise much more quickly than the growth in the population. Care for people with multiple long term conditions is often very complex. During 2014/15 we have seen an increase in the number of frail elderly people admitted, who need to stay with us for longer periods of time.

The vision for Gloucestershire, agreed across the health and social care system is: “to improve health and wellbeing, we believe that by all working better together – in a more joined up way – and using the strengths of individuals, carers and local communities, we will transform the quality of care and support we provide to all local people”.

The 2015/16 Commissioning Intentions for Gloucestershire Clinical Commissioning Group, our main commissioners, reaffirm the core principles set out in Joining Up Your Care and reinforced in the Five Year View. They are looking for their providers to:

- engage with and demonstrate active support for the Health and Wellbeing agenda
- engage with localities and the development of locality profiles
- engage with the clinical programme approach
• deliver a range of transformed care pathways for elective care, reducing demand for outpatients, with a greater emphasis on self care and prevention
• prioritise the shift of care out of hospitals and into the community
• share with them our learning from patient engagement and improving patient experience
• develop a capacity plan to deliver constitution compliant performance
• continue to implement action plans in line with recommendations from the Francis, Keogh and Berwick Reports and other national quality priorities
• develop a record sharing solution for the community

Our **market share** within the health economy is stable. As the only major provider of NHS acute care in Gloucestershire we have little competition for our non-elective services. Whilst the independent and third sector provision in Gloucestershire is growing it remains a small proportion of commissioning spend. Strategic initiatives in neighbouring trusts have not had significant impact on the flow of patients.

**Specialised Commissioning**

During 2014/15 the new specialised commissioning arrangements became more established. We have made good progress and completed actions to address service gaps identified against specialised service specifications as part of a comprehensive derogation process. For 2015/16 the strategic intent for specialised commissioning reflects the Five Year Forward View. In addition there is a strengthening of the standardised and national approach to coding and counting changes, standard template reporting and an extension to the number of national clinical specifications. Our level of activity and income from specialised services is likely to remain constant for 2015/16 with income of around £74 million, which is 19% of overall clinical services income.

**Our Performance in 2014/15**

The table below shows the comparison between our planned activity and our actual activity during 2014/15

<table>
<thead>
<tr>
<th>Activity category</th>
<th>2014/15 Plan</th>
<th>2014/15 Outturn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elective spells</td>
<td>60,194</td>
<td>59,665</td>
</tr>
<tr>
<td>Non-elective spells</td>
<td>52,013</td>
<td>48,541</td>
</tr>
<tr>
<td>A&amp;E Attendances</td>
<td>120,903</td>
<td>122,960</td>
</tr>
<tr>
<td>Out-patients</td>
<td>582,342</td>
<td>577,792</td>
</tr>
</tbody>
</table>

The high demands on the Accident and Emergency and Unscheduled Care Services experienced by the Trust during the winter have had an impact on our ability to undertake elective activity and associated outpatient activity, with theatre lists being cancelled as a result of no available beds for patients post operation and outpatient clinics being cancelled to release staff to support the response to those unscheduled care demands. This is a primary cause of the underperformance against plan in these areas. The increased complexity of care required by medical patients and the consequential increases in lengths of stay has contributed to level of completed non elective spells that is below the original 2014/15 plan.
Our performance against key performance measures and targets is reported to our Board monthly. Our performance remains generally strong with the exception of the 4 hour waiting time target in Accident & Emergency. This is due to increased demand for unscheduled care across the health and social care system, the complexity of care required by many patients, leading to increased lengths of stay and pressure on the available beds.

We recognise that the development of the workforce is critical to our continued ability to deliver excellent care to patients. We continue to invest in the ongoing recruitment, retention and support of an appropriately skilled, qualified and experienced range of staff to meet the challenging demands with which we are faced.

We have worked especially hard on meeting our Trust objectives in terms of appraisal compliance and mandatory training, and are very pleased that efforts in these areas have generated good results which set us apart from many other Trusts. Additionally, our sickness absence levels remain below the national average as we continue to focus energies on tackling this complex issue. Looking beyond these measures, we have developed further our priority of engaging with staff at all levels, with a dedicated project group seeking to ensure a harmonised approach to delivering our cultural change agenda.

This year has seen significant additional investment in nursing, in line with the safer staffing initiative, and we have welcomed the renewed national focus on the importance of ensuring high quality nursing provision. Recruitment in this area has been a priority, with extensive UK-based and overseas campaigns, the combined result of which has been the employment of over 200 new nurses, who are making a valuable contribution to the work of the Trust.

The table below shows the comparison between our planned financial position and the position at the end of 2014/15:

<table>
<thead>
<tr>
<th></th>
<th>2014/15 Plan (£m)</th>
<th>2014/15 actual (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>463.3</td>
<td>TBC</td>
</tr>
<tr>
<td>Expenditure</td>
<td>432.5</td>
<td>TBC</td>
</tr>
<tr>
<td>Non operating expenses</td>
<td>26.8</td>
<td>TBC</td>
</tr>
<tr>
<td>Operational surplus</td>
<td>4.0</td>
<td>TBC</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>19.6</td>
<td>TBC</td>
</tr>
<tr>
<td>Year end cash position</td>
<td>13.0</td>
<td>TBC</td>
</tr>
</tbody>
</table>

Note: Text and table to be completed when the end of your position is finalised.

PROGRESSING OUR STRATEGIC PLAN

We believe that our Strategic Plan is broadly consistent with the Five Year Forward View. Set out below is our response to each of the three gaps.

The Health and Well Being Gap:

We will amend our 5 year plan to strengthen our commitment to the health and wellbeing agenda. We will embrace a further strategic objective “to improve the health and wellbeing
of our staff, patients and the wider community”. We will take forward our Health and Wellbeing Strategy, endorsed by our Board in January 2015, with 3 separate plans addressing the health and wellbeing of staff, of patients and our contribution to the wider community.


Leadership for this agenda will come from a newly formed Health and Wellbeing Committee as a formal sub committee of our Board. As part of this work we will actively promote our engagement in the delivery of the national diabetes prevention programme.

As recommended by the South West Clinical Senate, we will seek to incorporate clear prevention and public health principles into new models of care developed in partnership with others, and we will focus on our responsibility for ‘making every contact count’ including within referral pathways principles of behaviour change and where appropriate, referral to prevention services.

We will ensure our screening programmes are meeting all standards to maximise their ability to detect preventable illness early.

The Care and Quality Gap:

Delivering high quality healthcare is at the heart of our mission and vision. Our Quality Committee will continue to lead our quality agenda. Our quality priorities for 2015/16 reflect the national priorities and the input from staff, governors, commissioners, and patient representatives, including Healthwatch and our Health Overview and Scrutiny Committee. These are set out in detail in our Quality Account.

http://www.gloshospitals.nhs.uk/en/Publications/

We will work with partners across the health and social care system to redesign the unscheduled care pathway to ensure we can continue to provide safe and effective care and meet the nationally agreed targets, as the demand for these services increases.

Our Smartcare Programme will deliver an information system which is innovative, efficient, effective, safe, accessible and reliable, helping us improve patient care and save money. It will enable our staff to be able to access the information they need about a patient, when they need it, wherever they are. We now have a partner, Intersystems, to help us radically transform how we deliver healthcare for future generations. At its core will be an Electronic Patient Record that:

- Is kept constantly up to date and available to key staff involved in each patient’s care
- Improves patient safety by, for example, highlighting special needs, allergies and past medication doses
- Supports clinicians in taking decisions on treatment, with prompts to take action or to carry out tests
- Speeds up the ordering and turnaround of tests, such as blood and tissue analysis
- Puts an end to the difficulties posed by missing notes
- Reduces medication errors
- Means patients shouldn’t need to repeat the same information to different staff
- Reduces or eliminates the use of paper

We will work with partners across the health community to improve information sharing across organisations to improve patient care.
Looking to the future, we have a number of **Workforce initiatives** in place to address the workforce redesign and transformation elements of our Trust objectives. Through our 2014 workforce planning exercise the key concern raised by many stakeholders was that the ongoing challenges in medical workforce supply, combined with expected shortages at Junior and Middle grade Doctor level and the national imperative to deliver 7 day services, would combine to create an unsustainable fragility in our medical workforce, and clinical services. In response to this, a Trust-wide project was initiated to scope this issue, and recommend possible solutions. The focus for 2015 and beyond will be on delivering the identified solutions, which are creative and wide-ranging, impacting on numerous different parts of the workforce, including:

- The expansion of the Advanced Nurse Practitioner role to complement, and in some cases replace, Medical staff.
- The exploration of the Physician’s Associate role, to understand its possible value to, and compatibility with, our current ways of working.
- The development of the Pharmacy Prescriber role, exploring ways in which prescribers could work in teams with non-prescribing clinical colleagues so as to release clinical time.
- The continued development of the Therapy services within the Trust to ensure that all opportunities for the provision of these services are maximized.

**Leadership development** will be a priority for us, recognising the importance placed on high quality leadership in the 5 Year Forward View. We will continue to support staff at all levels both internally (through coaching and development programmes) and externally (through the provision of opportunities to participate in the Leadership Academy’s range of Development programmes). A strategic approach to Talent Management and Succession planning will be developed and embedded to ensure we have a resilient and secure Leadership infrastructure in the future.

The development and promotion of the “Wider workforce” (Bands 1 – 4, including Apprentices) has been a significant growth area for the Trust in recent years and this will continue with widespread support and investment dedicated to developing this cadre of staff, and extending our already significant number of Apprentices.

Through our existing channels and forums for staff engagement, we will seek to understand, and respond to, our staff survey results. Our intention will be to build on the many identified areas of strong performance for the Trust, and address directly and swiftly those few areas which were a cause for concern.

Within nursing, recognising the national landscape and issues around workforce supply, we are implementing a comprehensive **Nurse Recruitment strategy** which has been designed to ensure we have the right number of appropriately trained and qualified nurses within the Trust. We plan to attract nurses from a wide variety of pipelines, including UK, EU and non-EU sources, as well as ongoing engagement with Universities both locally and nationally to provide newly-qualified nurses. We are also exploring more innovative routes and have developed our own “return to acute practice” scheme for nurses working in community settings.

With workforce costs representing approximately 60% of the Trust’s total expenditure, the delivery of workforce-related efficiencies remains a high priority. We recognise the value that well-crafted schemes can bring, not only in reducing spend but also in driving innovation and transformation among the workforce, generating greater productivity and efficiency which in turn improves our service to patients. The approach to planning for this year has been to give Clinical and non-Clinical Divisions the autonomy to develop plans which are meaningful and achievable, with support given on a Trust-wide basis through an overarching infrastructure.
The Funding Gap:

In developing our financial plan the following assumptions have been used, in line with Monitor guidance:

<table>
<thead>
<tr>
<th>2015/16 High level assumptions on uplifts and pressures</th>
<th>%age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare income tariff adjustment</td>
<td>(1.6)</td>
</tr>
<tr>
<td>Operating and other income</td>
<td>2.0</td>
</tr>
</tbody>
</table>

**Cost increases**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee expenses</td>
<td>2.0</td>
</tr>
<tr>
<td>Non employee expenses</td>
<td>2.5</td>
</tr>
<tr>
<td>Efficiency requirement – Clinical</td>
<td>4.0</td>
</tr>
<tr>
<td>Efficiency requirement – Corporate</td>
<td>4.5</td>
</tr>
</tbody>
</table>

Our financial plan for 2015/16

In establishing the financial plan for 2015/16 we have adopted the following principles:

- We plan to achieve a £4m operational surplus
- We plan to maintain a Continuity of Service rating of 3 under the risk assessment framework.
- In agreeing a contract with our main commissioners the contracted levels of activity must be both affordable and deliverable for the Trust.
- The savings programme will be managed and delivered at Service line level supported centrally through the Delivery Board and Efficiency and Service Improvement Board.

The key financial assumptions for the period of the plan are:

<table>
<thead>
<tr>
<th></th>
<th>2014/15 actual (£m)</th>
<th>2015/16 original plan (£m)</th>
<th>2015/16 revised plan (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>471.4</td>
<td>482.7</td>
<td></td>
</tr>
<tr>
<td>Expenditure</td>
<td>437.3</td>
<td>454.7</td>
<td></td>
</tr>
<tr>
<td>Non operating expenses</td>
<td>28.1</td>
<td>24.0</td>
<td></td>
</tr>
<tr>
<td>Operational surplus</td>
<td>6.0</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>24.0</td>
<td>16.5</td>
<td></td>
</tr>
<tr>
<td>Year end cash position</td>
<td>14.5</td>
<td>10.0</td>
<td></td>
</tr>
</tbody>
</table>

The 2015/16 plan has moved from the original plan submitted as part of the operational plan last year from a £6m to a £4m surplus due to a number of factors. The income figures have
moved due to the increased volumes for the services we host and an increase in the healthcare contract income that has been either agreed with or proposed to commissioners. Within the contract income the impact of tariff deflation has been offset by both growth and investment in services from commissioners. These include initiatives to manage demand for unscheduled care and improve patient flow through our services. We have agreed with our commissioners Quality, Innovation and Productivity and Prevention (QIPP) schemes aimed at reducing demand and increasing efficiency across the health community.

The cost improvement target set for 2015/16 is deliverable but the plan recognises there will be pressures associated with the expenditure position. Recruitment initiatives will continue but in the short term there are still likely to be gaps in the workforce that need to be addressed with temporary staffing. Also investment in staffing is required to deliver the investments made by commissioners in new and existing services. Non pay pressures will be managed through the cost improvement programme but the impact of NICE guidance and increased activity will lead to planned expenditure increases in 2015/16.

For non-operating costs we envisage a benefit will be derived from the revaluation of the estate exercise carried out at the end of 2014/15 financial year.

OUR PLAN FOR SHORT TERM RESILIENCE

Our Priorities 2015/16

In determining our priorities for next year we have taken into account:

- Feedback from a wide range of stakeholders
- The need to make progress towards our strategic objectives to be sustainable into the future
- The need to ensure we are operationally and financially resilient

Our priorities for 2015/16 are detailed in the table below, aligned to our strategic objectives
<table>
<thead>
<tr>
<th>Strategic Goal</th>
<th>Strategic Objective</th>
<th>In year Objectives 2015–16</th>
</tr>
</thead>
</table>
| **Our Services** | To continue to improve the quality of care we deliver to our patients and reduce variation | To reduce the prevalence of pressure ulcers  
To reduce the risk of VTE  
To improve the management of patients with Acute Kidney Injury  
To improve how patients flow through our services  
To improve our handover processes  
To reduce the likelihood of missed fractures in ED  
To reduce the number of lower limb amputations in patients with diabetes  
To improve the management of patients with fractured neck of femur |
| | To continue to align our services between our sites | To improve the management of patients requiring emergency abdominal surgery  
To improve the experience of patients undergoing elective orthopaedic procedures |
| | To future proof our services through clinical collaboration | To contribute to the development of a genomics centre in Bristol  
To implement 24 hour availability of primary angioplasty |
| | To improve the health and wellbeing of our staff, patients and the wider community | To implement the staff health and wellbeing strategy  
To develop our patient health and wellbeing strategy |
| **Our Patients** | To continue to treat our patients with care and compassion | To improve the transition from children to adult services for children with long term conditions  
To implement the Living with and Beyond Cancer Programme  
To improve the information we provide for patients  
To improve our services based on what we learn from those who use them |
| | To provide care closer to home where safe and appropriate | To continue to support the CCGs priority Clinical Programme Groups  
To continue to roll out homecare |
| **Our Business** | To improve our internal efficiency | To deliver the Cost Improvement Programme |
| | To improve our clinical estate | To implement approved schemes from capital programme |
| | Harnessing the benefits of information technology | To implement phase 1a and 1b of Smartcare  
To contribute to the countywide information sharing project |
| | Exploiting the opportunities for new markets | To develop capacity and capability to identify new markets and technologies and promote commercialisation  
To develop a clear private patient offer |
Our activity in 2015/16

The 2015/16 activity plans have used the 2014/15 outturn as a start point. This has then been supplemented by our commissioners assessment of likely growth in demand over the coming year and then reduced by the commissioners Quality, Innovation, Productivity and Prevention (QIPP) Programme which has made assumptions on the level of activity that can be removed/deflected away from the Trust during 2015/16.

<table>
<thead>
<tr>
<th>Activity category</th>
<th>2014/15 outturn</th>
<th>2015/16 plan</th>
<th>2015/16 revised plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elective spells</td>
<td>59,665</td>
<td>61,398</td>
<td>59,760</td>
</tr>
<tr>
<td>Non-elective spells</td>
<td>48,541</td>
<td>53,053</td>
<td>48,640</td>
</tr>
<tr>
<td>A&amp;E Attendances</td>
<td>122,960</td>
<td>122,321</td>
<td>122,960</td>
</tr>
<tr>
<td>Out-patients</td>
<td>577,792</td>
<td>593,989</td>
<td>577,158</td>
</tr>
</tbody>
</table>

Cost Improvement Programme

Cost Improvement Programme will support our ability to maintain and improve the quality of services we deliver with in an increasingly constrained financial envelope. The key workstreams of our Cost Improvement Plan include:

- **Demand-based bed allocation**
  - Reduced patient length of stay and greater flexibility in the provision of ward capacity
  - Remodelling capacity across sites
- **Operational effectiveness within surgery, outpatients and diagnostics**
  - Improved efficiency in theatres
  - Careful targeting of community-based services to balance outcomes with resources
  - Reduction in unnecessary scans and tests
  - Consolidation and improved operational efficiency of administration of out-patient clinics
  - Consolidation of diagnostic and support services across hospital sites
  - Consolidation of asset management and maintenance of specialist equipment both within divisions and across hospital sites
- **Workforce utilisation and efficiency**
  - Increased efficiency across Trust support functions
- Reduction in temporary staffing levels in medical, nursing and other staff categories
- Improved workforce efficiency in senior level staffing and across supervisory grades
- Promotion of evidence-based workforce savings across corporate departments and medical divisions

**Supplier engagement in procurement and supply chain effectiveness**
- Savings in drugs procurement and Gain Share through joint-working arrangements with local health economy stakeholders and specialist commissioners
- Further development of procurement catalogues to most items purchased, then develop a category management platform approach to procurement and supply chain
- Increased savings through better buying efficiency
- Development of innovative and cash-saving approaches to procurement of expensive equipment and specialist services
- Development of more effective patient food provision arrangements at Cheltenham. Generally improve and retarget food offerings across site operations

**Business Development**
- Develop a range of services tailored to private patients and commercially leverage the new dedicated facilities at Cheltenham General Hospital
- Develop new mailing systems to patients which maintain quality of service delivery whilst generating workforce and logistical savings
- Seek savings in PFI financing at the Gloucester site

The table below shows how our cost improvement programme aligns with our strategic objectives. Quality impact assessments will ensure that as we progress these transformational programmes we continue to make progress towards our strategic goals.

<table>
<thead>
<tr>
<th></th>
<th>Demand based bed allocation</th>
<th>Operational effectiveness</th>
<th>Workforce</th>
<th>Procurement and supply chain</th>
<th>Business development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving quality</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aligning services</td>
<td>•</td>
<td>•</td>
<td>•</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clinical collaboration</td>
<td>•</td>
<td>•</td>
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<td></td>
<td></td>
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<tr>
<td>Harnessing technology</td>
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<td></td>
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<tr>
<td>Improving health</td>
<td>•</td>
<td>•</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Care and compassion</td>
<td>•</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Care closer to home</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workforce redesign</td>
<td>•</td>
<td>•</td>
<td>•</td>
<td></td>
<td></td>
</tr>
<tr>
<td>System leadership</td>
<td>•</td>
<td>•</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improving the estate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New markets</td>
<td>•</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A summary of 2015/16 Cost Improvement Plan by themes and our divisions is shown in the tables below:
### CIP theme

<table>
<thead>
<tr>
<th>Theme</th>
<th>£k</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand-based bed allocation</td>
<td>800</td>
</tr>
<tr>
<td>Operational effectiveness</td>
<td>3,890</td>
</tr>
<tr>
<td>Workforce efficiency</td>
<td>6,454</td>
</tr>
<tr>
<td>Procurement &amp; supply chain</td>
<td>3,050</td>
</tr>
<tr>
<td>Business development</td>
<td>1,150</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>15,344</strong></td>
</tr>
</tbody>
</table>

### Division

<table>
<thead>
<tr>
<th>Division</th>
<th>£k</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surgery</td>
<td>4,408</td>
</tr>
<tr>
<td>Medicine</td>
<td>2,622</td>
</tr>
<tr>
<td>Unscheduled Care</td>
<td>780</td>
</tr>
<tr>
<td>Diagnostics &amp; Specialties</td>
<td>3,609</td>
</tr>
<tr>
<td>Women’s &amp; Children’s</td>
<td>1,312</td>
</tr>
<tr>
<td>Estates &amp; Facilities</td>
<td>1,523</td>
</tr>
<tr>
<td>Corporate</td>
<td>1,090</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>15,344</strong></td>
</tr>
</tbody>
</table>

### Our Investment Programme

Over the next year we will **invest** in the following areas:

- Ambulatory Emergency Care (AEC)
- Short Stay Unit
- Additional Medical staffing in Emergency Departments
- Primary Percutaneous Coronary Intervention (PCI) service
- Acute Care Response Team
- Nutritional Support Team
- Enhanced Nursing roles
- Extension of Acute Oncology service

The investments will enable us to manage demand for services in the most effective way whilst also ensuring the future of the key services for the local population are either developed or improved. It is essential to the overall financial plan that services deliver as per the planned investment to ensure the financial resilience of the Trust is maintained.

### Our Capital Programme

The capital programme has been reduced from the original plan due to a number of factors including the movements of a potential capital receipt into a later year, the reduced planned surplus position and the need to improve the working capital position. The capital plan addresses the key Trust strategic initiative of implementation of the Smartcare clinical information system and also the significant priorities within the estate that will help support service reconfiguration and enable greater efficiency in Trust services.

A summary of our capital programme allocations is shown below

<table>
<thead>
<tr>
<th></th>
<th>2015/16 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and Infrastructre schemes</td>
<td>7.0</td>
</tr>
<tr>
<td>Medical Equipment Fund</td>
<td>3.0</td>
</tr>
</tbody>
</table>
Key elements within the capital plan include

**Building and Infrastructure** - Theatre and environment improvement programmes combined with essential infrastructure upgrades to ensure future viability of the estate is maintained.

**Service reconfiguration schemes** – Significant schemes to improve the quality of our Unscheduled Care pathway and the quality and capacity of our Ophthalmology Services.

**Major Equipment replacement** – these include development schemes commencing for CT and MRI scanners at GRH and a new Linear Accelerator at CGH.

**Information Management & Technology** – the most significant investment in the programme for 2015/16 is the Smartcare project and will ensure that operational requirements and technical configuration of the system are met. The project will also ensure operational change processes are robust and the clinical pathways design changes required are implemented as the project is rolled out. The Smartcare system will change the way the Trust works and provide significant benefits to the patient experience as well as efficiencies.

**What are the risks in this plan?**

Each year when we have agreed our priorities we consider the risk to achieving our plan. The most significant risks are then reflected in our Controls Assurance Framework and are regularly reviewed by the Main Board.

This year the key risks to delivery in each area of our framework are:

**Our Services**
- Inability of the local health and social care system to manage demand within the current capacity
- Inability to meet quality standards across all of our services
- Inability to meet national access standards across all of our services

**Our Patients**
- Failure to meet the expectations of patients for personalised compassionate care
- Failure to discharge patients in a way, which meets their, and our partners, expectations

**Our Staff**
- Failure to match the workforce profile with the clinical / service needs of the organisation
- Failure to engage appropriately with staff, leading to poor alignment of services and a demotivation of the workforce

**Our Business**
- Failure to maintain our physical estate to meet the requirements for high quality health care
- Failure to deliver financial plans
- Failure to maintain the positive reputation of our organisation

**DECLARATIONS**

**Sustainability**

Our Board has considered the strategic context in which this plan has developed and believes that this plan does demonstrate meaningful progress against delivery our overarching strategy. The previously identified clinical, operational and financial challenges
to our sustainability remain. Whilst delivering our strategic objectives are designed to mitigate these there is a high level of risk associated with their delivery which poses a significant threat to our sustainability

**Resilience**

The financial environment has become increasingly challenging and although the Trust has remained in surplus over recent years our plans recognise the importance of robust systems and processes to effectively manage financial risks and opportunities and the importance of a stable position that enables the Trust to continue to operate for the foreseeable future. The Trust will have to operate within tighter constraints with tighter budgets.

As part of our financial planning process we have reviewed our risks of delivery on cost improvements for 2015/16 and 2016/17 and will continue with an external CIP Director however the focus of this external expertise will be on specific aspects of delivery reflecting our understanding of the challenges ahead.

To ensure we can continue to respond proactively to financial challenges our plans reflect sound financial governance arrangements, financial plans which are updated to reflect the requirements of our Trust priorities and mindful of system wide operational pressure.

The Trust will continue to review and strengthen wherever possible its financial controls across all areas. The Internal Audit and Local Counter Fraud Service work plans are reviewed regularly to support the control environment.

Our continued drive to have less reliance on agency and locums by recruiting nurses and hard to fill medical posts is an important part of our plans. Productivity and efficiency and the system wide transformational programmes with our commissioners and partners are also an important part of our plans.