University Hospitals Bristol NHS
NHS Foundation Trust

Annual Plan
2010/11

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1. INTRODUCTION

1.1 Introduction

This plan sets out the Trust's business plan for the period 2010/11 to 2012/13.

The plan has been developed with the input of Governors and Divisions and was approved by the Board of Directors on 26th May 2010.

The document follows the structure recommended by Monitor, the independent regulator of Foundation Trusts, in its 2010/11 Compliance Framework. This document will provide commentary as follows:

- Summary of past performance in 2009/10;
- Future business plans;
- Risk analysis;
- Declarations and self-certification;
- Membership.

This commentary document is not required for submission to Monitor. It represents a form of communication to stakeholders and is intended to provide summary information about the Trust's business plans, with a focus on the changes to the plan.

It is supported by the following Appendix templates, which are required for separate submission to Monitor:

- Schedules 2 & 3;
  - Mandatory Goods and Services
  - Mandatory Education and Training
- Governance and Service Performance;
- Strategy Templates 1 to 9 (reproduced as Appendix 1 to this document);
  - 1 - Vision and Key Priorities
  - 2 – Key External Impacts
  - 3 – Clinical Quality
  - 4 – Service Development
  - 5 – Workforce
  - 6 – Capital Programmes
  - 7 – Operational / Financial Effectiveness
  - 8 – Leadership and Governance
  - 9 – Regulatory
- Financial Schedules;
- Additional Information.

2. PERFORMANCE IN 2009/10

2.1 Summary Overview

Whilst the Trust has faced challenges during the 2009/10 year, there have been notable successes and developments that support the delivery of the Trust's long-term business plan.

By the end of March 2010, the Trust delivered its planned £7m revenue surplus for the financial year, although it underperformed against the delivery of its planned 4% Cash Releasing Efficiency Savings. The Trust views this as a clear demonstration of the need to transform the way the organisation works to ensure future success.

To support and provide a strong foundation for the future, the Trust has established a creative "Making Our Hospitals Better" programme, which will focus on delivering a sustainable and large scale change programme (as described in Section 3.6).

In May 2009, the Trust opened the new Bristol Heart Institute; a flagship building that brings together the best in ground-breaking research, innovative treatment, skilled staff and 21st century facilities for the diagnosis and treatment of patients with heart conditions. This is a major milestone in the delivery of the Trust's strategic development plans, and consolidates our position as a specialist provider of cardiac services. The staff and patients of the Bristol Heart Institute enjoyed a well-deserved marker event when HRH The Princess Royal formally opened the building on 12th October 2009.

This move allowed us to transfer a number of wards from the 18th century Old Bristol Royal Infirmary building into more suitable accommodation in the main BRI campus. As described in Section 3.8, the move of all in-patient services from the Old Building remains a key strategic objective of the Board. The Trust will therefore continue to develop its capital programme including the re-provision of services by 2014/15.

The Trust has continued to devote significant effort to engage with its members. Patient and Public membership now stands at more than 11,000. Governors have continued to develop their role in offering constructive challenge to the Trust Board.

The Trust achieved 15 national targets including 4 hour emergency access and 18 week referral to treatment time standards. Whilst a number of access standards remain a challenge to the Trust, plans are in place and will be reviewed and amended routinely to ensure a dynamic response. Performance challenges in Quarter 3 of 2009/10 led to the Trust receiving a red rating from Monitor and subsequent intervention. However, the Trust has since met the performance plan set out by Monitor and it will continue to take external advice as to ensure all standards are met and achievable on an ongoing basis.

2.2 Performance Against Key Priorities in 2009/10

The Trust has continued with significant reductions in healthcare associated infections and is now seen as an example of good practice within the South West. It also delivered key waiting time standards for emergency access and elective admissions, new outpatient and suspected cancer referrals, heart procedures, and prompt access to chest pain and genito-urinary medicine clinics.

Continuing good performance seen in 2008/09, the Trust also made significant progress in reducing the number of patients waiting more than 6 weeks for diagnostic tests.

Although performance improved against a number of patient access standards, the Trust did not fully achieve all patient access standards. These remain a high priority for the Trust Board in 2010/11:

- **Accident and Emergency waiting times** – during the year, the Trust made significant investment in both time and finance to support the delivery of this standard, increasing the number of acute physicians to 3 Whole Time Equivalents, and increasing medical assessment and medical short stay capacity. Whilst the national standard was met for the year, peaks in demand continued to present a challenge to service delivery, indicating that yet more work is required to manage demand placed on emergency admissions. Reducing levels of emergency admissions will enable the Trust to more effectively manage patient flow - this remains a focus for the Trust. Close working with key stakeholders, including the Primary Care Trusts, the Ambulance Trust and Social Care Services, is essential to ensure that all service users accessing the Emergency Department facilities can be seen in a timely manner.

- **Cancer treatment times** – these standards continued to create a challenge to the Trust in 2009/10, specifically the delivery of the 62 day standards. Following detailed review of actions, significant strides have been made in the second half of the year and this will provide a solid foundation for full achievement of all cancer standards in 2010/11.

- **Cancelled operations** – despite improvements in 2009/10 over previous years, the Trust did not meet the national standard for minimising the number of operations cancelled at the last minute for non-clinical reasons and for re-admitting patients whose operations were cancelled within 28 days. This standard remains reliant upon the delivery of the emergency access 4 hour standard and the management of the elective bed base, and will remain a priority for delivery in 2010/11.

- **Delivering Discharge Summaries to GPs within 24hours** – to meet the required turnaround times for issuing discharge summaries and clinic letters to General Practitioners and patients within 48 hours, the Trust has invested in a new system and IT software. Implementation commenced in 2009/10 and will continue to be rolled-out in 2010/11, with full implementation by October 2010.

The Trust views the national and local standards as minimum standards that patients in our care should expect and will continue to ensure all possible actions are taken to meet and where possible exceed these standards. A clear framework for performance management has been identified and will be rolled out in Quarter one of 2010/11.

2.3 Summary of financial performance in 2009/10

The key highlights for the Trust's financial performance during 2009/10 include:

- Delivery of an income and expenditure surplus of £11.4m before exceptional items (asset impairments of £15.7m);
- An EBITDA[1] (operating surplus) of £38.9m (8%);
- Achievement of cash releasing efficiency savings of £11.4m;
- Expenditure on capital schemes of over £24m;
- A healthy cash position (£37.8m) and a strong Balance Sheet.

The Trust has achieved financial breakeven or better (before exceptional items) in each of the last 7 years. The results for 2009/10 confirm that the Trust has delivered the second year of its financial strategy as a foundation trust.

The significant issue on reported financial performance for 2009/10 was the impact of the revaluation of non current assets on a Modern Equivalent Asset basis and the downward valuation of land and buildings on 1st April 2009 together with a further downward revaluation of buildings at March 2010.

[1] Earnings Before Interest Taxation Depreciation and Amortisation

The Annual Plan provided for impairment charges of £6.526m for the year whereas in practice the actual charge was £15.743m. The higher than planned impairment charge is partially offset by reduced charges for depreciation and the dividend payable on Public Dividend Capital. This has led to the Trust reporting a technical deficit of £4.292m for the year.

The Trust's financial risk rating for 2009/10 is 4. This reflects the delivery of the financial plan on an EBITDA basis, together with good performance on the return on assets, the income and expenditure surplus margin and the liquidity ratio metrics.

The financial highlights of the year 2009/10 are summarised in Table 1 below.

	Plan 2009/10		Actual 2009/10		Plan 2010/11	
	%	£'m	%	£'m	%	£'m
Income		484.8		485.6		494.3
Net Surplus/ (Deficit)		1.0		(4.3)		6.3
I&E Surplus Margin	1.5%		2.4%		1.5%	
EBITDA		38.0		38.9		35.7
EBITDA Margin	7.8%		8.1%		7.2%	
Return on Assets		18.3		21.0		16.3
Return on Assets	5.1%		6.5%		5.5%	
CRES achieved		14.9		11.4		15.5
CRES %	3.3%		2.5%		3.4%	
Financial Risk Rating	4		4		4	
Capital Expenditure		39.4		24.3		31.4
Depreciation		19.3		17.6		16.9
Impairments		6.5		15.7		1.2
Assets Non-Current		363.7		286.5		292.9
Net Assets Current		-		19.1		9.7
Cash		27.2		37.8		30.8

CRES % of Operating Expenses

Table 1: Financial highlights of 2009/10

Capital expenditure for the year at £24.3m was less than planned because of slippage on the BRI Redevelopment schemes, the Bristol Haematology and Oncology Centre refresh, major medical equipment and operational capital schemes.

The Trust has increased its cash balances during the year as a result of slippage on capital expenditure and a retained balance of cash held on behalf of Skills for Health (a service hosted by UH Bristol).

3. FUTURE BUSINESS PLANS

This section outlines the Trust's strategic aims, the corporate objectives and service development plans for 2010/11 and subsequent years and the financial forecasts informing the plan. This section has a focus on those parts of the Trust's business plan that have changed, in accordance with the guidance contained in Monitor's Compliance Framework 2010 /11. This section complements the Strategy Templates reproduced in the Appendix.

3.1 Our mission and strategic aims

The Trust's mission is to provide patient care, education and research of the highest quality.

The Trust's strategic aims in the three core business areas of clinical services, research and teaching are shown below in Table 2, along with aims in key supporting domains:

Clinical Services	Research & Development	Teaching and Learning
• To provide efficient and effective services, affordable to commissioners and desirable to patients and referring clinicians • To be the major specialist service provider for the population of Bristol & the South West region • To provide additional services for the local population • To support the principle of local access wherever possible • To provide services which are quick and easy to access and provide an excellent patient experience • To deliver services to the highest standards	• To develop collaborative and consultative research partnerships with patients, carers and the public • To support research of national and international excellence and innovation • To develop the Trust's research portfolio in line with its service strategy • To develop a Clinical Research Imaging Centre in partnership with the University of Bristol • To develop research activities in partnership with academic and healthcare organisations • To further develop research governance	• To ensure staff are enabled to provide safe, effective and high quality patient care • To pursue teaching and learning partnerships with education providers and others • To embrace personal and organisational development • To encourage a culture of innovation and enterprise • To maximise recruitment and retention by meeting the development needs of current and prospective staff
Supporting aims		
• To achieve a sustainable financial surplus • To improve the environment for patients and staff, to improve ease of access for patients and visitors and to develop the Trust's estate to give the optimal configuration of services • To ensure that the Trust has the governance and information structures, systems and processes necessary to deliver its mission efficiently, effectively and with the highest standards of probity.		

Table 2: Trust Strategic Aims

As part of the Trust's annual business planning process, strategic plans have been reviewed. Strategy Template 1 (see Appendix) further describes the Trust's vision and key priorities for the 2010/11 to 2012/13 period.

3.2 Strategic Challenges and External Impacts

The challenge for the Trust is to maintain a focus on quality improvement by significantly increasing the level of efficiency gains achieved through innovation.

While the drivers for review are largely internal, a number of developments in the external environment will significantly affect our business and clinical model. Since the Integrated

Business Plan was developed, the Trust has recognised that acute hospital services are the focal point for constraint on spending growth. Under the Quality, Innovation, Productivity and Prevention (QIPP) agenda, the Strategic Health Authority and Primary Care Trusts are developing plans to reduce spending on acute services in Bristol, North Somerset and South Gloucestershire. These key external impacts are further described in Strategy Template 2 (Appendix).

Managing demand is the key priority for commissioners and diverting referrals away from the hospital and controlling admissions will have a significant impact on future funding and the Trust's plan to strengthen annual operating surpluses to fund site redevelopment projects. Commissioners will particularly aim to invest in primary and community services to provide care closer to home and standardise patient pathways to reduce variation in treatments and cost.

A range of other factors are fundamental to the revision of our clinical services strategy. These will include the findings of a series of service reviews which include:

- Breast Services review
- Gynaecology Oncology Centralisation
- Head and Neck Services review
- Transforming Community Services
- Pathology Services Review
- Paediatric Cardiac Surgery Designation

The Trust will need to revise its plan to take account of the outcome of these reviews in due course.

3.3 Strategy Formation

The Trust has a standard approach to strategy formation, involving internal and external analysis, objective setting, scenario planning and risk analysis. A major strategic review has been undertaken every three years at corporate and Divisional levels based on the principles of wide engagement with clinical staff and governors, with more focused reviews in the intervening years.

The Strategic review of 2007/08 set the ten year business plan which underpinned the Trust's successful application for Foundation status.

This Annual Plan is based on the findings of that review and the associated investment objectives, updated for known factors. The macro-economic challenges described above, however, and the potential outcomes of the service reviews currently in progress mean that the strategic review in 2010/11 will be pivotal in assessing whether changes to the Trust's strategic objectives are required.

3.4 Revision of Clinical Services Strategy 2010/11

Many specialties in the organisation will experience the effects of the new economic environment and shifting patient flows. A crucial step is therefore to understand the magnitude of the challenge and the scale of change for the organisation.

While there is no change to the Trust mission to provide clinical services, research and development and teaching and learning, a Trust-wide revision of the clinical services strategy 2010/11 was launched in March 2010. This has involved multi-professional representation from all Divisions, Executives, non-Executives, Governors and representatives from NHS Bristol.

The purpose of the review process is to create a strategy that is 'fit for purpose'; to reduce costs at the same time as meeting increased patient expectations. A step approach to the review process is being coordinated by the Corporate Development team to define Divisional and corporate service priorities.

There is an imperative in the Trust for clinicians, managers and key stakeholders to understand the dynamics of local and national markets. Without a clear understanding of the future shape of services in the organisation there can be no effective framework to guide investment.

The application of a service portfolio analysis is designed to be a mechanism for Divisions to refine Divisional priorities. The purpose of the analysis is to bring together a range of information that is available in the Trust. Each Division is provided, with a set of data against a core set of indicators which provide information about the Divisions position along the following dimensions:

- Financial indicators: Service Line Reporting to assist Divisions to understand the interaction between costs/income and activity, potential for improved efficiency and strategic planning;
- Clinical indicators: performance against patient access targets ;
- Non-Financial indicators covering clinical quality; referrals, activity and waiting list data; benchmarking length of stay; mortality and 28-day readmission rates.

The high-level indicators are driven by a variety of factors but together provide a measure of our current hospital performance. Building on current profitability analysis models the data outputs provide a critical insight into the economic and financial drivers that also determine our performance.

3.5 Vision and Values

During 2009 the Trust reviewed its values through the involvement of over 150 staff, Governors and patients. The feedback from those involved was very positive, with a groundswell of opinion that the new values of the Trust should have real meaning, be memorable and should allow staff to live and work by them. The values were also reviewed in light of the introduction of the NHS Constitution and it was clear that they complemented each other.

The Trust's new values of **working together, embracing change, recognising success and respecting everyone** will become central to organisational change, effective leadership and defining what we expect from our staff. We also believe they will enable and empower staff to work together towards shared goals.

3.6 Making Our Hospitals Better

From September 2009 the Medical Director was appointed as Deputy Chief Executive and Lead Director for Transformation. Explicit in this role is the embedding of change programmes throughout the Trust to deliver continuous improvement in the quality of healthcare.

It is recognised that the Trust is a highly complex system of professional groups and support staff working together. The 'Making Our Hospitals Better' programme will look across the whole organisation and will use existing skills and talents to develop and deliver change. The well-being of staff is highly important to the Board and their energy and ideas will be key to systemic continuous improvement.

The focus for Phase One of the programme during 2010/2011 is to reduce length of stay across the Trust and to improve theatre productivity. The critical element within the work is to ensure that the changes are sustainable.

A programme office is in place to support teams in delivering projects on time, measure progress and success. It also supports Divisions and departments to generate ideas on how to make the changes required.

3.7 Clinical Quality

Introduction

The profile of quality management within the Trust continues to be a priority. Following the inquiry into the management of children receiving complex heart care from 1984 to 1995 at the Bristol Royal Infirmary and the subsequent Kennedy Report of 2001, the Trust has delivered an open approach to assuring the public on quality issues.

The Trust now seeks to build on this approach and has developed a strategy for clinical quality, which will be implemented in the period from 2010/11. The Trust has chosen to base its approach on that described in Lord Darzi's Next Stage Review, which presents a framework of: Patient Safety, Patient Experience and Clinical Effectiveness / Outcomes. Our plans for clinical quality are further described in Strategy Template 3 (Appendix).

Patient Safety

Patient Safety is at the heart of our priorities and is approached in three ways:

3.7.1 Monitoring for Safety

The Trust will:

- Collect data about key safety indicators and present these to the Board, e.g. Hospital Standardised Mortality, Hospital Acquired Infections and admission rates;
- Engage in continuous safety improvement through a range of safety projects;
- Show patients and staff that patient safety is a priority for Board members though Executive Walk-Arounds;
- Continue to implement the Bristol Observation Chart and provide training for the Medical Early Warning System;
- Emphasise the management of high risk drugs;
- Develop peri-operative care, as part of both the safety programme and *Making our Hospitals Better*;
- Focus on the monitoring of Care Bundles in Intensive Care settings and apply them with reliability, in order to deliver improved outcomes;
- Reduce further incidence of health-care acquired infections
- Improve antibiotic prescribing compliance
- Reduce the number of high risk medication errors which cause actual harm to patients
- Reduce Hospital Acquired Thrombosis

3.7.2 Continuous safety improvement in the Children's Hospital

The existing safety initiatives have a high focus on adult care. In order to deliver equal priority for children, the Trust has entered the *Leadership in Patient Safety Programme,* which has previously been successful in the development of paediatric safety management at Sheffield Children's Hospital.

3.7.3 Incident Review and Improvement

Key to all improvements in patient safety is the learning from specific incidents. The Trust will continue to use its Lean Team to develop safety aspects of individual clinical care pathways as part of the Making our Hospitals Better programme. The Trust will also regularly publish details of untoward incidents and near misses, including lessons learned and subsequent improvement actions.

A significant aspect of culture change in the approach to safety is the acquisition by the Trust of the Bristol Simulation Centre in 2009/10, with subsequent investment in Human Factors training for high risk procedures. Initial emphasis has been in the development of team understanding for error prevention in paediatric and adult cardiac theatres using the High Fidelity Theatre Simulation Suite and the Orpheus Perfusion Simulator.

3.7.4 Patient Experience

The Trust is committed to providing a high quality, patient-focused healthcare service that meets the needs of a diverse population. Our Patient and Public Involvement Strategy sets out a vision for how we will:

- Improve opportunities for patients, their families, and carers to give us feedback on our services;
- Use this feedback to improve our services;
- Involve patients and the public in decisions about the Trust's services.

The Chief Nurse will lead this through the collection of robust patient feedback.

3.7.5 Clinical Effectiveness / Outcomes

The Medical Director will work with Divisions and the Clinical Effectiveness Committee to develop robust outcome measures across the Trust.

Our aim is to deliver key outcome data measures for all our clinical specialties, which will be reported in a timely way to both clinical groups and to the Trust's Quality Committee.

3.8 Strategic Service Developments

The Trust has a Strategic Development Plan that supports the agreed clinical strategy. The Development Plan is also supported by an approved Estates Strategy that sets out the longer term vision of how the Trust Estate will change. A summary of capital programmes is contained in Strategy Template 6 (Appendix).

Within the last year the Bristol Heart Institute has been completed, which has created a co-located service, offering state of the art facilities. The completion of the Heart Institute created opportunities to relocate wards from the BRI Old Building into refurbished accommodation within the main hospital precinct.

Two major Strategic Developments are currently in the development stage and will deliver the Trust Strategic Development Plan by 2014:

3.8.1 BRI Redevelopment

This scheme will replace inappropriate in-patient ward accommodation, rationalise the Trust estate and deliver new models of care for Emergency and Surgical Services. The scheme is being delivered through the ProCure 21 framework and the stage 4 (construction) contract will be signed in December 2010 following the approval of the Full Business Case.

The completion of the BRI Redevelopment scheme will replace all Nightingale, open plan wards with modern facilities with 66% single room provision. A new Adult Intensive Care Unit combined with the development of a surgical floor will greatly improve the efficiency of the general surgical services.

Additionally, an Integrated Assessment Unit co-located with a refurbished Emergency Department will deliver a more effective model of care for emergency services. Other elements

of the development will re-provide support services allowing site rationalisation through the disposal of redundant building stock.

The flexibility of the BRI Redevelopment design will provide the Trust with the ability to react to the changing commissioning environment and deliver the opportunity for further site rationalisation.

3.8.2 Centralisation of Specialist Paediatrics

The approved Bristol Health Services Plan requires the Specialist Paediatrics Burns and Neurosciences Services, currently based at North Bristol Trust, Frenchay site, to be co-located with the Bristol Royal Hospital for Children. A scheme to transfer these services to the Children's Hospital by 2014 to coincide with the closure of the Frenchay site for acute services is currently in the planning stage.

The scheme will integrate Specialist Burns and Neuroscience services with other services in the Children's Hospital such as Intensive Care, and specialist operating theatres. The impact of the specialised commissioners' national designation processes for these services has been accounted for, and the final scheme requirements are being developed in close consultation with the local specialised commissioning group.

This scheme will be delivered in parallel with the BRI Redevelopment project, using the same procurement route.

3.9 Summary of Financial Forecasts

3.9.1 Overview

The financial forecasts have been derived from a baseline of the agreed 2010/11 Financial Plan (approved by the Board in March 2010) together with a review and update of the long term financial model used in the Foundation Trust application process at the beginning of 2008. This update extends to 2017/18, although earlier years are clearly based on firmer estimates.

The planned income and expenditure position is shown in Table 3.

£m	Actual 2009/10	Plan 2010/11	Plan 2011/12	Plan 2012/13
Income				
From Activities	375.1	388.5	391.1	382.2
Operating Income	110.5	105.8	98.7	93.6
Staffing costs	(294.9)	(301.8)	(297.9)	(287.1)
Supplies and Services	(151.8)	(156.8)	(154.7)	(153.2)
EBITDA	38.9	35.7	37.2	35.5
Depreciation	(17.6)	(19.1)	(19.0)	(19.3)
Interest receivable	0.2	0.1	0.1	0.2
Interest payable	(0.5)	(0.4)	(0.4)	(0.4)
PDC Dividend	(9.6)	(8.8)	(9.0)	(9.2)
Interest on loans	-	-	(0.4)	(1.4)
Net Surplus before exceptional items	11.4	7.5	8.5	5.4
Impairments	(15.7)	(1.2)	(2.7)	(2.5)
Net Surplus / (Deficit)	(4.3)	6.3	5.8	2.9
EBITDA Margin	8.0%	7.2%	7.6%	7.5%
Return on Assets	6.5%	5.5%	5.3%	4.4%

Income and Expenditure Surplus Margin	2.4%	1.5%	1.5%	1.1%
Financial Risk Rating	4	4	4	3
Normalised Surplus	11.1	11.1	11.9	5.8

Table 3: Planned income and expenditure position 2010/11 - 2012/13

As can be seen, the normalised income and expenditure surplus has been maintained in years 2010/11 and 2011/12. The normalised surplus in 2012/13 reduces by £6.1m largely due to the impact (c.£4m) of relocating services on the closure of the Bristol General Hospital to the South Bristol Community Hospital and loan interest (£1.4m). A Financial Risk Rating of 3 is achieved in 2012/13. The deficit in 2009/10 of £4.3m is after incurring £15.7m of non-recurring impairment charges.

3.9.2 Income

The Trust has agreed and signed Service Level Agreements with English Commissioners where Non Contractual arrangements do not apply.

The key features of these agreements include the following:

- The 2010/11 National Tariff generated a net gain of £2.9m. This includes a significant increase in Paediatric Specialist Top-ups;
- Service Developments of £3m in areas such as Breast Screening, Clinical Genetics, Barth Syndrome and Bowel Screening;
- Consolidation of 2009/10 over-performance into SLA baselines (net £7.5m);
- Planned activity growth of £4m including Cardiac, Oncology, Cochlear implants and 18 week backlogs;
- Planned transfers of activity out of the Trust to Taunton re Radiotherapy (£0.3m) and the Independent Sector Treatment Centre (£3.7m);
- Commissioner savings of £3.6m have been included – primarily Contract Limiters and recording changes. In addition, further savings of £10m are being targeted by Commissioners categorised into;
    - Planned schemes in the process of being worked up in detail with a phased implementation later in year;
    - Savings yet to be identified;
    - It has been recognised that the savings plans are high risk to Commissioners and they have established arrangements with the Strategic Health Authority to manage the position with regard to contingencies and strategic funds.
- CQuins funding amounts to £5.3m. This is subject to performance gateways and individual indicators. There is no assumed net surplus of income over expenditure hence the achievement of CQuins provides some flexibility for financial management in year.

The Service Level Agreements are established at a level which makes the 2010/11 financial plan deliverable but significant risks exist. These can be described below along with key mitigations:

- Planned activity in SLAs – with the securing of 2009/10 out-turn plus growth the plans should be manageable;

- CQuins – the assumption made is extremely conservative hence provides financial flexibility to the Trust provided performance targets are met;

- The transfer to the Independent Sector Treatment Centre is considered by both the Trust and Commissioners to be highly optimistic. Active encouragement to have patients treated at the ISTC is a strong focus for the services. The Trust is, however, preparing plans for lower levels of transfer to be managed. The SLA does not restrict payment in this circumstance;

- Emergency activity has been set in the SLA at 2008/09 out-turn plus agreed transfers. This is a conservative assumption, however, we recognise the application of the 30% marginal rate will create financial risk if activity does exceed 2008/09 levels and capacity needs to be created to ensure performance targets are delivered. There is an active process in 2010/11 to engage with network/commissioning and ambulance providers to understand what is happening and ensure system wide action is taken to reduce activity.

£m	Actual 2009/10	Plan 2010/11	Plan 2011/12	Plan 2012/13
Income from Activities				
NHS Clinical Income				
Elective	88.6	85.6	85.8	85.6
Non-Elective	107.1	104.7	104.9	96.5
Out-patients	52.1	56.8	56.9	56.7
A&E	10.1	10.9	10.9	10.3
Other	113.8	126.7	128.9	129.4
Non-NHS Clinical Income				
Private Patients	1.9	2.1	2.0	2.0
Other	1.5	1.7	1.7	1.7
Total Income from Activities	**375.1**	**388.5**	**391.1**	**382.2**
Income from Operations				
Research & Development	7.9	9.9	9.3	9.1
Education & Training	39.7	38.7	36.0	34.8
Other	62.9	57.2	53.4	49.7
Total Income from Operations	**110.5**	**105.8**	**98.7**	**94.9**
Total Income	**485.6**	**494.3**	**489.8**	**475.8**

Table 4: Income and Activity Plans 2010/11 to 2012/13

The Trust does not anticipate difficulties with its Private Patient Cap which was only 51% utilised in 2009/10. This was £2.0m below the Private Patient Cap ceiling. A non NHS income manager has been appointed to ensure the Trust takes advantage of this income stream in 2010/11.

3.9.3 Operating Costs and Cash Releasing Efficiency Saving (CRES) Plans

Table 5 shows a summary of the three year operating expenses and cost improvement plans.
Table 5: Summary of three year operating expenses and cash releasing efficiency savings

	2009/10		Current Plan		
£m	**Plan**	**Actual**	**2010/11**	**2011/12**	**2012/13**
Operating Expenses					
Staffing Costs	288.6	294.9	301.8	297.9	287.1
Drug Costs	33.3	33.6	34.8	36.8	38.9
Clinical Supplies & Services	40.4	47.1	45.8	44.8	43.9
Other Operating Costs	84.5	71.1	76.2	73.1	70.4
Total Operating Expenses	**446.8**	**446.7**	**458.6**	**452.6**	**440.3**
Cash Releasing Efficiency Savings Plans					
Staffing	5.0	2.7	8.9	12.8	12.7
Non-pay / Other	8.0	6.2	5.3	5.7	5.8
Income	1.9	2.5	1.3	-	-
Total CRES	**14.9**	**11.4**	**15.5**	**18.5**	**18.5**

2009/10 saw significant increases in both staffing and non pay costs in order to provide the activity contracted with Commissioners, the increased demand experienced during the year and to achieve the 18 week Referral to Treatment targets.

In 2009/10 a number of significant service changes took place with the opening of the Bristol Heart Institute (May), the transfer of the 'Somerset' oncology service to Taunton (June) and the opening of the Independent Sector Treatment Centre at Emersons Green (November). These changes will have an impact for a full year in 2010/11.

Staffing costs will increase by 2.3% in 2010/11 which is a combination of pay awards, incremental drift, service developments and transfers, together with the impact of Cash Releasing Efficiency Savings.

In subsequent years the main causes of pay and other cost changes comes from:

- inflation,
- further service transfers,
- developments including in 2011/12 the opening of the South Bristol Community Hospital and the closure of Bristol General Hospital,
- growth
- offset by planned cash releasing efficiency savings.

Drugs inflation over the period of the plan is assumed to be 6% across all three financial years. In addition, the impact of the NICE guidelines and high cost drugs is also allowed for in the plan.

Other costs in future years will be affected by service transfers and developments. Of significance is the closure of the Bristol General Hospital and the provision of services at South Bristol Community Hospital in 2012.

The Trust has a good track record of delivering cash releasing efficiency savings plans, for 2009/10 the Trust delivered savings of £11.437m.

The Trust has set a cash releasing efficiency savings target for 2010/11 totalling £15.5m, equivalent to 4% of Divisional Budgets. This target has been determined in order to meet service level agreement efficiency requirements (3.5%) and cost pressures not covered by income inflation (0.5%). The plans to achieve this target have been worked up within Divisions.

Within this target, £8.85m relates to pay savings. A significant portion of this target relates to nursing staff savings which will be delivered through skill mix adjustments, length of stay efficiencies, theatre efficiencies, outpatient efficiencies and reduced use of bank and agency staff. Medical staff savings are also included and will be delivered by a combination of a review of consultant staffing job plans and other payments.

Planned savings on non pay headings for 2010/11 include savings on drugs of £0.810m and clinical supplies of £2.368m as a result of both procurement and usage savings.

Income gains for 2010/11 total £1.3m and are made up of a mixture of commercial income generation schemes, increased private patient charges and full cost recovery of trading services.

The Trust will maintain the system of risk rating cash releasing efficiency savings delivery plans. Plans will continue to be reviewed monthly throughout the year at Divisional Financial and Operational Reviews and through the Trust's Programme Improvement Committee with a view to developing contingencies for areas considered at risk of non delivery.

Cash releasing efficiency savings plans for 2011/12 and 2012/13 are in the process of being developed based on a target 4.5% of Divisional Budgets, these total £18.5m for 2011/12 and 2012/13. Pay savings plans total £12.8m in 2011/12 and £12.7m in 2012/13, the most significant pay savings relate to reductions in Consultant Programmed Activity commitments in job plans and nursing savings with regards to length of stay efficiencies, skill mix savings, theatre and outpatient efficiencies. Pay savings are also planned through better management of absence and the introduction of a pathology managed equipment service.

Clinical supplies and savings planned total £2m for both 2011/12 and 2012/13. These savings will be delivered through procurement efficiencies and usage. Progress towards achieving these targets will be monitored and challenged by the Trust's Programme Improvement Committee.

Cash Releasing Efficiency Savings	**2009/10**		**Planned Savings**		
	Plan £'m	**Actual £'m**	**2010/11 £'m**	**2011/12 £'m**	**2012/13 £'m**
Total CRES	14.9	11.4	15.5	18.5	18.5
Recurrent	14.9	9.4	14.5	18.5	18.5
Non Recurrent	-	2.0	1.0	-	-
% of cost base	3.3%	2.6%	3.4%	4.1%	4.2%

Table 6: Cash Releasing Efficiency Savings

3.9.4 Key Assumptions

Inflation and Cost Pressures

The income / tariff uplift for 2010/11 assumes a gross uplift of 3.5% less 3.5% cash releasing efficiency savings. Pay awards and incremental drift are assumed to be 2.5% for medical and dental staff and 3.3% for Agenda for Change staff.

Drug budgets are inflated at 6% for 2010/11 (excluding NICE) and other non-pay at 2% per annum. For 2010/11 energy budgets have been set at 2009/10 out turn prices with a further inflation provision of 15% for 2010/11.

The national tariff for 2010/11 does not include an element for quality. Providers have the opportunity to secure up to 1.5% of contact value under the CQUIN framework by local agreement with commissioners. This equates to approximately £5.3m for the Trust (excluding Welsh and non-commissioned activity). Providers must have the opportunity to earn this

funding but do not have an automatic right to it. The assumption in the Plan is that any income earned will be spent in year.

For 2011/12, the net tariff change is assumed to be a reduction of 1% with a 3% tariff uplift, offset by a 4% cash releasing efficiency savings reduction. For 2012/13, the net tariff change is assumed to be a reduction of 1.5% with a 2.5% tariff uplift, offset by a 4% cash releasing efficiency savings reduction. Pay awards are assumed to be settled at an average of 1% in each year. Incremental drift at 1% in 2011/12 and 0.5% in 2012/13 has been allowed. This ceases in 2012/13 when incremental mix is assumed to have stabilised. An increase in employer's national insurance contributions at 0.5% for 2011/12 is built into the tariff forecast. Inflationary increases for drugs, clinical supplies and other non pay expenditure is assumed to be 5%, 1.75% and 1.5% respectively for 2011/12 and 2012/13. The tariff assumptions also include provision for an increase in CNST charges and the indexation and an increase in capital expenditure.

The Trust has negotiated a framework of local incentives with PCTs, based as far as possible on the following principles:

- Indicators should be clinically meaningful and developed through consultation with clinical teams;
- Targets should be achievable but should represent 'stretch' above the average;
- Schemes should cover the domains of safety, effectiveness and patient experience, and include innovation.

The Trust recorded significant reductions in the value of its land and buildings in 2009/10 with the impact of the introduction of the Modern Equivalent Asset revaluation together with a further downward revaluation in March 2010. For 2010/11 an indexation of 2% has been assumed over the year, with a similar percentage uplift assumed for the following two years.

Activity Projections

Activity growth at 1.2% is assumed for 2011/12 and 2012/13 which is in line with the Bristol Health Services Plan forecast and is considered to be prudent in the light of increases experienced in recent years.

Full allowance for transfers to the Independent Sector Treatment Centre and Taunton (for Radiotherapy) has been made, with part year effects in 2009/10 and full year effects in 2010/11. The major development at South Bristol Community Hospital and the closure of the Bristol General Hospital in 2012 has a substantial impact on the financial position (a net cost of £4.0m). Activity and income in respect of rehabilitation services reduces significantly by £9.7m.

The cost of additional activity is assumed at 75% of income. This is a prudent assumption but it provides the opportunity to achieve savings plans by providing the activity at a lower marginal cost than 75%.

3.9.5 Investment and Disposal Strategy

The Trust has a clear investment policy whereby capital investment is financed by income and expenditure surpluses, capital receipts, loan financing and internally generated depreciation funding.

This is underpinned by a Financial Strategy and Investment Strategy which sets out the principles for the management of resources over the long term.

The capital investment priorities are:

- To ensure all clinical areas are fit for purpose;

- To ensure that the estate, medical equipment stock and information technology can be maintained and replenished as required;

- To dispose of all surplus properties as they become available for disposal;

- To provide a level of operational capital that is discretionary but enables the service needs of the Trust to be met each year.

The priorities for capital investment are:

- The Bristol Royal Infirmary includes clinical accommodation dating from the 1730s along with newer but still sub-standard wards. The scheme to ensure no inpatients are treated in such areas is estimated to cost £89m and will be completed by 2014/15. A loan of £60m will be sought to assist in financing this scheme. This is the highest priority for capital investment in the Trust;

- The transfer of Specialist Paediatrics from North Bristol Trust in 2014/15 to the Bristol Royal Children's Hospital is an essential scheme and is not included in the North Bristol Trust Private Finance Initiative for clinical governance reasons. It is also an enabling scheme for the new hospital at Southmead;

- Operational Capital is allowed at circa £15m per annum to finance medical equipment replacements, backlog maintenance, general operational requirements and Information Management and Technology costs.

The investment programme will be agreed on the clear basis that if resources from income and expenditure surpluses reduce, the level of operational capital will be reduced to compensate and ensure loan repayments will still be affordable.

Table 7 shows the Capital Programme for the period to 2012/13.

£m	Plan 2010/11	Plan 2011/12	Plan 2012/13
Sources of Funds			
Depreciation	17.9	18.0	18.5
Charitable Donations	2.1	-	-
Public Dividend Capital	-	2.5	5.0
Capital Receipts	-	1.0	4.5
Long Term Loan	-	20.0	25.0
Cash Balances	11.4	7.9	5.1
Total Sources	**31.4**	**49.4**	**58.1**
Application of Funds			
Medical equipment	7.7	5.5	5.5
Information Technology	2.6	4.1	3.1
Backlog maintenance/compliance	2.5	2.5	2.5
Refurbishments/Operational schemes	9.4	8.1	7.3
BRI Redevelopment	8.2	22.0	29.3
Specialist Paediatrics	2.0	7.5	9.5
Other strategic schemes	5.6	7.3	1.3
Slippage assumed	(6.6)	(7.6)	(0.4)
Total Applications	**31.4**	**49.4**	**58.1**

Table 7: Capital Programme 2010/11 – 2012/13

The Public Dividend Capital funding assumed in the above table relates to the Centralisation of Specialist Paediatrics scheme (total PDC funding assumed at £10m).

3.9.6 Loans and working capital

The Trust has in place a committed Working Capital Facility to a value of £31.75m for the two year period to 31 May 2010. A new facility of £37.5m will, subject to Board approval, be in place from 1st June. The Trust has, thus far, not had to use this facility and the financial plan shows that it is not expected to be used throughout the Plan period.

The Trust's cash flow forecast for 2010/11 show cash balances consistently greater than £30m. Retained cash balances are projected to be above £28m in 2011/12 and 2012/13. The cash forecasts taken together with the working capital facility gives the Trust liquidity headroom of at least £65.5m throughout the plan period.

The Trust's revised capital programme requires the financial support of a long-term loan to finance two substantial schemes. The Trust plans to obtain a long term loan to a value of £60m with repayment over 20 years. An interest rate of 4.43% has been assumed, using rates recently quoted by the Public Works Loan Board (April 2010). The Plan is based on the assumption that the loan will be drawn down over 3 years as detailed in Table 8.

2011/12	2012/13	2013/14	Total
£'m	£'m	£'m	£'m
20.0	25.0	15.0	60.0

Table 8: 3 year loan draw down assumptions

The financial impact of the repayment of the loan instalments and interest charges has been built into the financial forecasts.

The Trust's forecast performance against the April 2009 Prudential Borrowing Code for NHS Foundation Trusts is detailed in Table 9.

	Monitor Tier 1 Ratios	2010/11	2011/12	2012/13
Minimum Dividend Cover	>1x	4.1x	4.2x	3.9x
Minimum Interest Cover	>3x	83x	44x	20x
Minimum Debt Service Cover	>2x	60x	24x	10x
Maximum Debt Service to Revenue	<2.5%	0.1%	0.3%	0.8%

Table 9: Trust forecast performance against Prudential Borrowing Code

3.10 Corporate Objectives for 2010/11

The corporate objectives for 2010/11 have been developed as detailed objectives for the first year of the 2010/11 to 2012/13 period covered in this Annual Plan, complementing the Trust's three year priorities described in Strategy Template 1 (Appendix 3).

The Trust's 2010/11 objectives have been developed through the Trust's business planning cycle and have been subject to consultation with Divisions, Non-Executive Directors and the Governors' Strategy Group, which is a sub-group of the Membership Council established with the express purpose of involving Governors in the business planning process. Progress with the development of this plan has been reported to the Governors' Strategy Group, the Membership Council, the Trust Executive Group and the Trust Board. The corporate objectives outlined below are supported by detailed actions plans.

To improve care for patients and the overall patient experience

- Meet the service standards mandated in national frameworks and agreed in local contracts at a minimum
- To deliver at least upper quartile service efficiency across the Trust through the *Making Our Hospitals Better* programme
- To demonstrate the improving quality and effectiveness of clinical services across the Trust and report this publicly in a Quality Account
- To reduce further the incidence of healthcare-acquired infections
- To improve patient safety in hospital
- To ensure that every child in hospital is protected from harm

To work with partners to deliver better patient care

- To increase the level of patient and public involvement in service improvement
- To reduce delays in communicating with referrers about the care of their patients and to improve the quality of information provided
- To work with health and social care partners to redesign services for patient benefit
- To achieve designated provider status for key specialist services
- To engage primary care practitioners in service improvement and design

To use our resources as efficiently as possible

- To deliver the agreed cash releasing efficiency savings plans
- To design a performance management and reporting framework aligned to the objectives of the Trust that engages clinical staff in service improvement
- To refine financial management, income recovery and procurement systems
- To implement patient-level costing and service-line reporting across the Trust

To increase the capacity and impact of research and development

- To improve information systems in the Trust to enhance patient care
- To open a Clinical Research Imaging Centre at St Michael's Hospital
- To collaborate with University partners in successful bids for research programme funding
- To develop a Bristol-wide research vision and infrastructure
- formalise academic partnerships

To provide high quality teaching and training

- To develop and deliver a leadership programme across the organisation
- To enable colleagues to achieve to the best of their abilities
- To enhance personal service skills, particularly in front line staff

To become the local employer of choice

- To ensure that all employees understand and maximise their contribution to the work of the Trust
- To attract and retain high calibre staff
- To embed equality and diversity into all aspects of Trust business
- To develop a framework of competencies that will support succession and career planning

To improve functions that support patient care

- To invest in the Trust's estate, particularly in the patient environment, and to improve physical access to services for patients and visitors
- To reduce the carbon footprint of the Trust as part of the 5-year Carbon Management Programme
- To enhance the positive reputation of the Trust internally and externally, through proactive communications, and celebrate the successes of staff
- To take forward the redevelopment of the Bristol Royal Infirmary and the centralisation of specialist children's services in Bristol

4. RISK ANALYSIS

This section describes the Trust's ability to comply with the elements of appropriate governance defined in Monitor's *Compliance Framework (2010-11)*. It complements Governance and Service Performance schedules, submitted separately to Monitor.

4.1 Governance Risk

4.1.1 Legality of constitution

The Trust constitution is legally compliant and was reviewed at a joint meeting of the Board and Membership Council in July 2009. Some minor changes were identified, but a decision made not to incorporate these until such time when more significant changes were required. The constitution is due for further review in July 2010.

4.1.2 Growing a representative membership

In 2009/10, the Trust's public and patient membership grew by 1199 (11.5%) reaching 11,602 in line with the Trust's target. Staff membership was retained at nearly 100% with two staff opting out.

Representation has improved, particularly having doubled the membership of children and young people during 2009/10; however, this still remains the most under-represented group. The number of members of Asian, Black and mixed ethnicity has increased by 36%, 52% and 62% respectively. More details can be found in the membership report in section 6.1.

4.1.3 Appropriate Board roles and structures with a collaborative relationship between the Membership Council and the Board

The Board has considered the Trust's compliance with the Foundation Trust Code of Governance (Monitor 2010) best practice recommendations in relation to Board roles and structures and agreed that the Trust fully complied with the principles of the Code. The Board has approved a supplementary management report reviewing Board roles and structure and capacity to deliver the Annual Plan, to support its self certification in this area.

The Board and Membership Council have developed their collaborative relationship during 2009/10 with the introduction of an annual joint Board/Membership Council meeting and through regular contact between the Chair, governors and directors. The appointment of a "Lead Governor" has assisted in strengthening the relationship with the Chair and Chief Executive in particular.

The Board maintains its Register of Interests and confirms that there are no material conflicts of interest relating to Board members.

A Board appraisal exercise was carried out during April to July 2009 which assessed the Board overall as "good" and a Board development plan is in place.

A number of Board changes took place in 2009/10 with permanent appointments to the positions of Director of Workforce & Organisational Development and Chief Nurse. In addition there has been a change of Chief Executive with acting arrangements in place from January 2010 and secondment of an experienced director into the position of Director of Corporate Development for 2010/11.

All directors are appropriately qualified to carry out their role on the unitary Board, and recruitment of new Non-Executive Directors follows a robust selection process and comprehensive induction programme.

The Board is confident that the Senior Management Team has the experience and capability to deliver the Annual Plan objectives over the next three years, and that the appropriate management structure is in place to do so.

4.1.4 Service performance

Monitor's Compliance Framework, which has been significantly revised for 2010/11, sets out the targets and indicators against which Foundation Trusts will be measured to determine governance risk ratings. In respect of service performance, for each target for which the required standard was not achieved for each successive quarter during 2009/10, or is forecast not to be achieved in 2010/11, plans have been put in place to support compliance. The following sections summarise performance in 2009/10, risks to target achievement, and provide an overview of actions being taken to ensure ongoing compliance in 2010/11. A formal risk analysis of the key targets flagged at risk for 2010/11 is provided in Strategy Template 9 (Appendix).

A&E 4-hour maximum wait

The Trust achieved the 98% standard in three quarters and for the year as a whole in 2009/10. The programme of work to improve Accident and Emergency 4-hour performance in 2010/11 builds on the actions taken in 2009/10, which resulted in a 0.3% improvement in overall performance relative to 2008/09. This includes:

- Further enhancements in the acute medicine model to increase the capacity to admit and assess medical emergencies, to reduce Emergency Department waits and the number of required inpatient stays;

- Joint work with local Primary Care Trusts (PCTs) to reduce emergency admissions and enable prompt discharge of patients back to the community with home based packages of care;

- A programme of work to reduce pre and post-operative bed days for patients requiring surgery;

- Expansion in services provided by GPs within and alongside our Emergency Departments, to reduce un-necessary attendances and admissions.

Cancer waiting time standards

The Trust met the 2-week maximum wait from urgent GP referral to being seen by a specialist, for the year as a whole in 2009/10. Performance against the 31 diagnosis to treatment and 62-day cancer referral to treatment standards was less consistent and the 62 day targets were not achieved for the year as a whole. However, demonstrable improvements in performance against the cancer standards were evident in the latter half of 2009/10. To consolidate these improvements the Trust will continue to focus on the potential risks to sustainability that have been identified. Key risks to target achievement for the 31 and 62-day cancer standards relate to lung and upper GI cancer surgical capacity, patient choice to delay diagnostic tests, especially for patients referred from national screening programmes, and tertiary referral delays. For the breast 2-week wait target for symptomatic patients, which came into effect on the 1st January 2010, patient choice to delay appointments remains a key risk. Plans have been developed for 2010/11 to address these specific areas of concern.

18-week referral to treatment times

The Trust achieved the 18-week wait from referral to treatment for 90% of admitted patients in three Quarters last year. The 18-week wait was achieved for at least 95% of patients not requiring an admission, in every Quarter in 2009/10. Achievement at a specialty level was less

consistent. It is forecast that in to the first Quarter of the year there are risks to achieving the 90% admitted and 95% non-admitted pathways in two specialties under each target. A plan has been implemented to reduce the volumes of patients waiting for treatment within these specialties, which will ensure full specialty level compliance from the second quarter of 2010/11 onwards.

Workforce

Service performance is clearly dependent on maintaining a sufficient and high quality workforce to deliver the services required. Three risks have been highlighted as significant in the area of workforce. These are:

- Ensuring the Trust complies with equalities legislation;
- Ensuring that the Trust maintains focus on reducing the utilisation of temporary staffing;
- Ensuring compliance with the European Working Time Directive.

Clinical quality and patient safety

The Trust is unconditionally registered with the Care Quality Commission as a provider of health services. Effective arrangements are in place to monitor and continually improve the quality of healthcare provided to the Trust's patients. In 2010/11 the Trust is developing Board and Divisional quality dashboards to improve monitoring of key quality metrics, including those relating to the South West Quality and Patient Safety Initiative in which the Trust is participating.

In the Trust's Quality Account for 2009/10, six key quality objectives have been identified for 2010/11:

- Further reduction in the incidence of healthcare-acquired infections;
- Improving antibiotic prescribing compliance;
- Reducing the number of high risk medication errors which cause actual harm to patients;
- Reducing Hospital Acquired Thrombosis;
- Increase the level of patient and public involvement in service improvement;
- Meet the requirements of the proposed NICE Quality Standard for Dementia.

The Trust has identified risks to meeting its objectives in relation to meeting the national Commissioning for Quality Indicator of risk assessing 90% of patients for venous thrombo-embolism and sustained funding beyond 2010/11 for pro-actively capturing patient experience metrics.

4.1.5 Effective risk and performance management processes to ensure continued compliance with the Trust's authorisation

During 2009/10 the Trust strengthened its Board Assurance Framework and risk management arrangements and will continue to do so during 2010/11. Divisional performance reviews will include a greater emphasis on quality, risk management and governance which will be reflected in information provided to the Board. The Trust Board has approved a supplementary management report reviewing the Trust's arrangements for risk and performance management to support self certification. This includes ensuring that effective planning, performance management and risk management processes are in place.

4.2 Mandatory Services

The Trust does not foresee significant risks to its ability to deliver Mandatory Services in the period covered by the Plan.

4.3 Financial Risk

4.3.1 Commentary on financial risk rating

The Trust's overall Financial Risk Rating has been assessed as follows for the Annual Plan period:

2010/11 risk rating:	4	(weighted score = 3.65)
2011/12 risk rating:	4	(weighted score = 3.65)
2012/13 risk rating:	3	(weighted score = 3.45)

The forecast reduction in the financial Risk Rating for 2012/13 reflects the financial impact of the transfer of certain outpatient and day case services to the South Bristol Community Hospital.

This is in line with previous plans, which is a strong position but delivery requires careful management of the risks outlined.

4.3.2 Significant risks

Management of clinical activity

This involves managing activity in line with service level agreements, ensuring compliance with contract limiters, integration of activity management into the delivery of performance targets, avoidance of fines and ensuring prior approval systems are followed.

Provision for breaches of these items has been provided for in 2010/11 (£4m) on a non-recurring basis. The Trust has strong processes for managing activity in service level agreements; however, they will need to be improved further to avoid financial losses.

Maintain Trust liquidity

Liquidity is currently strong (36 days at the end of 2009/10) and is planned to be maintained well above the risk rating 4 threshold of 25 days despite significant Capital Investment requirements.

This assumes a new Working Capital facility of £37.5m from June 2010.

Delivery of Cash Releasing Efficiency Savings

This is the highest risk particularly in a period when activity and income growth will be low. Trust processes have been developed to ensure delivery including the production of Divisional Operating Plans, monitoring/development at the new Programme Implementation Committee, Corporate work streams and monthly Divisions Reviews by Executive Directors.

Where non-delivery of CRES plans are forecast other in-year measures will be taken to compensate and ensure the Trust meets its financial plan for the year.

Funding of Capital Investment

Assumptions of £60m Long Term loan financing and £10m public dividend capital are included in the plan. These together with asset disposals, internal depreciation funding and income and expenditure surplus finance the Capital Programme. In particular the BRI Re-development (£89.2m) and Specialist Paediatrics (£31.4m) schemes rely on this source.

To mitigate against the risks re funding the following actions will be taken:

- Discussions with the Strategic Health Authority re financing of the Specialist Paediatric Scheme which is a key enabling scheme for the North Bristol Trust privately financed new hospital opening in 2014/15;
- Review of options for the required estate improvements in the BRI to fit a number of funding scenarios.

4.4 Risk of any other Non-Compliance

The Trust reported compliance with the Care Quality Commission's Standards for Better Health throughout the four Quarters of 2009/10. The Board received robust assurances that previously identified gaps which had led to a declaration of 'Not Met' in respect of Standard C4c (decontamination) for 2008/9, had been addressed.

The Trust is compliant with the requirements of the Hygiene Code, however the Trust is seeking to improve compliance rates with infection control training (currently below 90%): a robust action plan has been produced to deliver the necessary improvements by the end of March 2010.

4.5 Presentation of Risk

Strategy Template 9 (reproduced in the Appendix) summarises significant current and future risks.

5. DECLARATIONS AND SELF-CERTIFICATION

5.1 Declarations and Self-Certification

5.1.1 Clinical Quality

The Board of Directors is required to confirm the following:

- The Board is satisfied that, to the best of its knowledge and using its own processes (supported by Care Quality Commission information and including any further metrics it chooses to adopt), its NHS foundation trust has, and will keep in place, effective arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to its patients;

- The Board is satisfied that, to the best of its knowledge and using its own processes, plans in place are sufficient to ensure ongoing compliance with the Care Quality Commission's registration requirements;

- The Board is satisfied that processes and procedures are in place to ensure that all medical practitioners providing care on behalf of the NHS foundation trust have met the relevant registration and revalidation requirements.

5.1.2 Mandatory Services

The Board of directors is required to confirm the following:

- The Board is satisfied that it expects its NHS foundation trust to be able to continue to provide the mandatory services specified in Schedule 2 and Schedule 3 of its Authorisation.

5.1.3 Service Performance

The Board considers that plans and systems are in place to maintain compliance with existing targets and those coming into effect from 1st April 2010. The Trust is addressing compliance issues around the 62 day cancer screening and GP referral standards and expects to be compliant with these targets in Quarter 1 of 2010/11. However, as risks to achievement remain, these targets have been reported as at risk in Quarter 1. There are also risks to achievement of the symptomatic breast 2-week wait (cancer not initially suspected) standard, for which action has been taken to address compliance. Performance against this standard has significantly improved, but levels of patient choice remain high. So although compliance will be reached towards the end of the quarter it is unlikely that this will enable the standard to be achieved for Quarter 1 as a whole. Continuing growth in emergency admissions has led the Trust to also declare the risk of failure to comply with the 4-hour maximum wait in Quarter 1. But the Trust is addressing this risk and expects to continue to meet the 98% standard during each quarter of 2010/11.

The 18-week admitted and non-admitted referral to treatment targets are forecast to be met monthly, at an aggregated level, on an ongoing basis. The Trust has four individual specialties (Oral surgery and 'Other' for admitted, and Neurology and Trauma and Orthopaedics for non-admitted pathways) which are not forecast to meet the 18 weeks referral to treatment target over quarter 1. Plans are in place to improve performance for Oral Surgery and the areas falling within 'Other' so they are compliant in Quarter 2. For Neurology, the intention is to complete the transfer of this service to another trust as soon as possible. With two specialties forecast not to be met in Quarter 1, for each of the admitted and non-admitted targets, the Trust will be compliant with the revised 18-week referral to treatment standard as a whole.

5.2 Registration Standards

From 1st April 2010, the Standards for Better Health will cease, and new Registration Standards come into force. The Trust has undertaken a detailed review of local compliance with the various Registration 'Outcomes' and has been registered 'without compliance conditions' by the Care Quality Commission.

As of 1st April 2010, the Trust has declared minor concerns with four Registration Outcomes (in all relevant Registered Locations unless otherwise stated) and has developed robust action plans which have been accepted by the Care Quality Commission:

Outcome 5 - Meeting nutritional needs: The Trust has identified a need to roll-out a protected meal-times policy, to improve nutritional screening rates, and to improve consistency of nutritional care planning. These developments will be completed in adult services by September 2010, and in children's services by December 2010.

Outcome 10 - Safety and suitability or premises: St Michael's Hospital is currently subject to a Fire Enforcement Notice. Necessary improvements to fire prevention and detection systems was completed in May 2010.

Outcome 14 - Supporting Workers: The Trust has identified a need to review and improve systems for local and corporate staff induction, and to improve corporate training and development records. This work will be completed by September 2010.

Outcome 21 - Records: The Trust has identified a need to develop and implement a robust policy governing management, retention and disposal of corporate documents (as opposed to clinical records, for which such a system exists), and has undertaken to review the fitness-for-purpose of its in-house Document Management System. The Trust anticipates being fully compliant with Outcome 21 by the end of 2010.

In capacity as Acting Chief Executive and Accounting Officer

In capacity as Chairman

Signed on behalf of the Board of Directors, having regard to the views of the Membership Council.

6. MEMBERSHIP

6.1 Membership Report

University Hospitals Bristol NHS Foundation Trust is committed to the foundation trust model of local accountability through its members and governors, by building on its strong patient and public involvement relationships and partnership working. The Trust has increased its membership and continues to work towards the aim of ensuring that its total membership is representative of the communities it serves, and that those who join as members have opportunities to be actively engaged with the Trust and the work of the Membership Council.

6.1.1 Membership size & movements

The changes in membership size throughout 2009/10 and estimated growth for 2010/11 are shown in Table 10 below.

Public constituency	Last year	Next year 2011 (estimated)
At year start (1 Apr 2009)	4643	5781
New members	1557	614
Members leaving	419	400
At year end (31 March 2010)	5781	5995
Patient constituency		
At year start (1 Apr 2009)	5760	5821
New members	904	686
Members leaving	843	400
At year end (31 March 2010)	5821	6107
Staff constituency		
At year start (1 Apr 2009)	8,680	8,016
New members	1,203	1,090
Members leaving	1,867	1,303
At year end (31 March 2010)	8,016	7,803

Table 10: Changes in membership size throughout 2009/10 and estimated growth for 2010/11

The Trust's public and patient membership grew from 10,403 to 11,602 and staff membership was retained at nearly 100% with two staff opting out. Public and Patient membership increased by 11.5% in 2009/10. The combined public, patient and staff membership as of 31 March 2010 stands at 19,618. This has been achieved by offering membership to patients and their carers in our hospital out-patient areas, work experience students and at member events.

The number of public and patient members leaving membership during 2009/10 was 1,262. The membership register has been frequently data cleansed which has resulted in identifying members who have moved out of the catchment area or who were deceased. Patient members, who were no longer eligible for the patient constituency, were switched to the public constituency, if eligible. A number of tertiary patient members were no longer eligible for membership.

6.1.2 Analysis of current membership

The profile of the Trust's membership at the end of 2009/10 is shown in Table 11 below.

Public constituency	Number of members	Eligible membership
Age (years):		
0-16	452	143,200
17-21	286	691,800
22+	5,043	

Public constituency	Number of members	Eligible membership
Ethnicity:		
White	5,001	782,000
Mixed	65	12,000
Asian/Asian British	143	19,000
Black/Black British	134	13,000
Other	438	9,000
Socio-economic		
groupings:		
ABC1	4,228	463,421
C2	935	121,343
D	187	132,156
E	431	118,080
Gender:		
Male	2,490	411,000
Female	3,291	424,000
Patient constituency	**Number of members**	**Eligible membership (last 3 years)**
Age:		
0-16	346	104,273
17-21	127	27,944
22+	5348	304,961

Table 11: Profile of the Trust's membership at the end of 2009/10

6.1.3 Developing a representative and engaged Membership in 2009/10

The Board of Directors and the Membership Council share the aim of developing an engaged membership by ensuring that members are involved in service developments and to maintain a representative membership. To further this aim the Membership Development Strategy, together with the Patient and Public Involvement Strategy, provides the framework for engaging members and the wider community, building the member numbers and supporting the governors.

At the end of March 2009 we recognised that the largest under-represented group of members was young people. The Young Persons Involvement Lead together with the Membership Manager developed a membership package to address this and attract new young members from diverse backgrounds. This included:

- My Hospital My Say young members' events: Two events for young members have been held to tell us how they want to be involved in the hospitals;
- Youth Council: The Youth Council meets monthly and reports directly to the governors Involvement Sub Group and to the Membership Council. Three Youth Council members have nominated themselves in the governor elections taking place in the first quarter of 2010/11. The work with the Youth Council is ground breaking and is a unique opportunity for a Foundation Trust;
- Mystery Shopping: A Mystery Shopping event for young people was held where they tested the services of six hospitals;
- Improving services: The Youth Council and young members have been involved in improving hospital food, commenting on patient leaflets, creating a newsletter for young people, attending the Patient Environment Action Team audit at the Bristol Hospital for Children and conducting a survey for young members.

In addition public, patient and staff members have been involved in various opportunities including the opening of the Bristol Heart Institute, a dementia awareness event, a route map for health event, patient environment action team audits, a project team for the Bristol Haematology and Oncology Centre, governor nominations and governor constituency meetings.

Our governors have been involved in a many activities within the Trust including project teams, service improvement groups and strategy workshops.

6.1.4 Evaluation of 2009/10 steps to achieve a representative membership

Membership has increased in specifically targeted under represented areas:

- Public and Patient young members aged 4 to 16 years have increased by 102% and 17 to 21 years increased by 53%. These significant increases reflected the successful joint work carried out by the Membership Manager, Work Experience and Schools Liaison Co-ordinator and Young Persons Involvement Lead.
- The number of members of Asian, Black and mixed ethnicity has increased by 36%, 52% and 62% respectively. These were mainly young members recruited though our work with young people, but we have also worked hard at encouraging membership with these communities through outreach work, particularly with the Somali community and the local faith leaders, although this has proved to be less successful in terms of membership numbers.

6.1.5 Elections

No governor elections took place during 2009/10 as those governors who chose to stand down in year were able to be replaced through voting conducted for the 2008 elections in accordance with the Trust's constitution. Elections are planned to take place in early 2010/11 are underway with the notice of elections having been posted in March 2010 for 14 governor seats.

6.1.6 Membership Strategy for 2010/11

The Trust's Membership Development Plan for 2010/11 has been approved by the Board and Membership Council. This sets out a detailed schedule of member recruitment and engagement events for 2010/11, to supplement the Trust's long term aim to embed membership in all the Trust's development activities. Progress against this plan during 2009/10 has been monitored by the Governor Involvement Group, the Trust's Involving People Committee reporting into the Membership Council and Governance and Risk Management Committee respectively.

During 2010/11, the key objectives are:

- To achieve a modest increase in membership of the public and patient constituencies by 500 split proportionately across the constituencies as shown in Table the membership template submitted separately to Monitor. This is in addition to replacing those members who have left membership, which is estimated to be 800. This is accordance with our Membership Strategy to focus on engagement in years 2 and 3 of foundation status. We will continue to focus on recruiting membership in under-represented groups, specifically children and young people, as can be seen in the membership template submitted separately to Monitor. We will do this by building on the successes of the Youth Council and our Work Experience and Schools Liaison programmes in 2009/10 to increase the membership of children and young people.

- To focus membership recruitment on under-represented groups from Black Minority and Ethnic communities by strengthening links with key members of these communities as set out the Trust's Patient and Pubic Involvement Strategy. We recognise the need to continue to work towards long term engagement of these communities on terms that are acceptable and will do this by encouraging membership as a vehicle for their views to be heard.

- To maintain staff membership at 95% or higher, and recognise the need to work with our staff governors to improve membership involvement in all our staff groups. We intend to

use the Foundation Trust Network commissioned Foundation Trust Staff Governor Study as a framework to achieve this.

- To continue to engage our members by providing a range of involvement opportunities, including member events shaped by our Governor Involvement Group and members' special interests.

- Elections will take place for 14 governor seats.

6.1.7 Examples of key areas to engage members include

Members Events: Opportunities for members to be involved through the member's special interests and the Trust programme of events.

Youth Council: Involve young members in improving hospital services.

Members Newsletter: To inform the membership on membership activities, Trust activities, service development opportunities and governor activity.

Patient Environment Action Teams audit at all our hospitals.

Mystery Shopping events for young people.

Governor constituency meetings held in the hospitals out-patient clinics.

6.1.8 Contacting the Trust

Members wishing to communicate with Directors and elected members of the Membership Council or anyone interested in finding out more about membership should contact:

Membership Office
University Hospitals Bristol NHS
Foundation Trust
Freepost UH Bristol FT Office
BS1 3NU
Telephone: 0117 342 3764
Email: foundationtrust@uhbristol.nhs.uk

6.2 Membership Commentary

The University Hospitals Bristol NHS Foundation Trust has five membership constituencies:

- Public Bristol constituency
- Public North Somerset constituency
- Public South Gloucestershire constituency
- Patient constituency with four groups: Patients from tertiary areas, local patients, carers of patients 16 years and over and carers of patients under 16 years
- Staff constituency with four groups: Medical and Dental, Nursing and Midwifery, Other Clinical Healthcare Professionals and Non-Clinical Healthcare Professionals

Public Constituencies

Eligibility for public membership is open to those who live in Bristol, North Somerset or South Gloucestershire and who are not eligible to become a member of the Trust's Staff or patient constituency, are not members of any other constituency and are 4 years of age and above. Public membership is by opting in, that is to say, by application.

Patient Constituency

Eligibility for the patient constituency is open to all those who are recorded on the Trust's Patient Administration System as having attended the Trust as a patient within the preceding three years, or and who are neither eligible to become a member of the staff constituency nor are less than 4 years of age. There are four groups within this constituency: patients from tertiary areas, local patients, carers of patients 16 years and over, and carers of patients under 16 years. However, once eligibility for patient membership has expired, members can be switched to the public constituency, if eligible. Patient membership is by opt-in.

Staff Constituency

The staff constituency is made up of people who are employed under a contract with

the Trust for at least 12 months, are employed by the Trust and whose place of work is at the Trust, contractor's staff who work full time at the Trust, registered volunteers with the Trust and in all cases are at least 16 years of age. The staff constituency has four groups: Medical and Dental, Nursing and Midwifery, Other Clinical Healthcare Professionals and Non-Clinical Healthcare Professionals.

Staff membership is by an opt-out and Trust staff are automatically made members on appointment. Information on opting out of the scheme is included in induction packs and on the intranet. Volunteers must apply to become a member.

7. APPENDIX

Template 1: Vision and key priorities

The Trust commences the new financial year in 2010 in a debt-free position and in good financial health to face anticipated economic challenges ahead in the three-year period 2010/11 to 2012/13. The Trust must now respond to significant changes in commissioning intentions and demonstrate an ongoing commitment to deliver efficient use of public resources, while delivering ever-improved and safe patient care.

The challenges to performance against key targets led to the Trust self-declaring a "red" rating to Monitor for Quarter 3 in 2009/10, which triggered a subsequent meeting with Monitor in January 2010 to discuss recovery actions. The Trust views these challenges very seriously and took immediate action to mitigate falling performance, along with plans for continued sustainability. These are further described in Section 2.2 of the Annual Plan commentary.

In the period 2010/11 to 2012/13, the Trust will maintain a focus on quality improvement by significantly increasing the level of efficiency gains achieved through innovation. These are further described in Section 3 of the Annual Plan commentary.

The opening of the new Bristol Heart Institute in May 2009 was a major milestone in the delivery of the Trust's strategic development plan, and consolidates our position as a specialist provider of cardiac services. This move created space for the transfer of several wards from the 18th century Old Building into more suitable accommodation. The move of all inpatient services from the Old Building remains a key strategic objective of the Board, in order to finally re-provide one of the oldest operational healthcare buildings in the United Kingdom.

In our second year as a Foundation Trust in 2009/10, our patient and public membership has grown to over 11,000 people. We have developed the role of the elected Governors through induction and training activities and direct involvement in the planning processes of the Trust. In the coming three year period, we plan to devote significant effort to increasing and developing our membership.

The Trust's mission is to provide patient care, education and research of the highest quality.

In pursuit of this mission we abide by the following values:

- We put patients first
- We involve, develop and support staff
- We promote innovation and improvement
- We pursue excellence in everything
- We respect others and treat everyone as equals
- We work in partnership to improve the health and well-being of the community, within a sustainable environment
- We are accountable for our use of public resources.

Our strategic aims for the period 2010/11 to 2012/13 are summarised in the three core business areas of clinical services, research and teaching. These are shown below, along with aims in key supporting areas:

1. **Clinical Services**
- To provide efficient and effective services, affordable to commissioners and desirable to patients and referring clinicians
- To be the major specialist service provider for the population of Bristol & the South West region
- To provide additional services for the local population
- To support the principle of local access wherever possible
- To provide services which are quick and easy to access and provide an excellent patient experience
- To deliver services to the highest standards

2. **Research & Development**
- To develop collaborative and consultative research partnerships with patients, carers and the public
- To support research of national and international excellence and innovation
- To develop the Trust's research portfolio in line with its service strategy
- To develop a Clinical Research Imaging Centre in partnership with the University of Bristol
- To develop research activities in partnership with academic and healthcare organisations
- To further develop research governance
- To ensure staff are enabled to provide safe, effective and high quality patient care

3. **Teaching and Learning**
- To pursue teaching and learning partnerships with education providers and others
- To embrace personal and organisational development
- To encourage a culture of innovation and enterprise
- To maximise recruitment and retention by meeting the development needs of current and prospective staff

Supporting aims
- To achieve a sustainable financial surplus
- To improve the environment for patients and staff, to improve ease of access for patients and visitors and to develop the Trust's estate to give the optimal configuration of services
- To ensure that the Trust has the governance and information structures, systems and processes necessary to deliver its mission efficiently, effectively and with the highest standards of probity.

Key priorities for the Trust which must be achieved in the three years of the annual plan to underpin the delivery of the Trust's vision, with milestones of delivery of each over the period of the plan are shown in the table below.

Key priority (and timescales)	How this priority underpins the strategic vision	Key milestones (2010/11)	Key milestones (2011/12)	Key milestones (2012/13)
To improve care for patients and overall patient experience	To provide services which are quick and easy to access and provide excellent patient experience; To meet standards mandated in national frameworks and agreed in local contracts at a minimum	Achievement of key national and local targets; Making Our Hospitals Better milestones	Achievement of key national and local targets; Making Our Hospitals Better milestones	Achievement of key national and local targets; Making Our Hospitals Better milestones
To work with partners to deliver better patient care	To provide services which are quick and easy to access and provide excellent patient experience; To work with health and social care partners to redesign services for patient benefit	Engagement in NHS Bristol's Healthy Futures Programme	Engagement in NHS Bristol's Healthy Futures Programme	Engagement in NHS Bristol's Healthy Futures Programme
To use our resources as efficiently as possible	To provide efficient and effective services, affordable to commissioners; To deliver agreed cash releasing efficiency savings plans	CRES targets for 2010/11 Deliver the financial plan	CRES targets for 2011/12 Deliver the financial plan	CRES targets for 2012/13 Deliver the financial plan
To increase the capacity and impact of research and development	To support research of national and international excellence and innovation; To collaborate with partners in successful bids for research funding and to open a Clinical Research Imaging Centre	Refresh the Research Strategy and Implementation Plan	To increase NIHR Flexibility and Sustainability income	Re-provision of the Biomedical Research Unit
To provide high quality teaching and training	To pursue teaching and learning partnerships with education providers and others; To enable colleagues to achieve to the best of their abilities	Implement training programmes to re-skill staff	Programme to support re-skilling	Programme to support re-skilling
To become the local employer of choice	To recruit, develop and retain high calibre staff; To ensure that all employees understand and maximise their contribution to the work of the Trust	To reduce staff sickness to 4%;	Progress towards pay cost reduction from efficiency; Reduced bank and agency usage	Progress towards nursing skill-mix goals
To improve functions that	To invest in the Trust's estate; To	Business cases for BRI and	Fire Compliance capital	Disposal of Bristol General

Key priority (and timescales)	How this priority underpins the strategic vision	Key milestones (2010/11)	Key milestones (2011/12)	Key milestones (2012/13)
support patient care	take forward plans to redevelop the Bristol Royal Infirmary and centralisation of specialist children's services in Bristol	centralisation of children's services; Refurbish ITU	schemes; Disposal of estate to support new developments	Hospital; Preparations for BRI and children's developments

Template 2: Key external impacts

Key external impact	Risk to the plan	Mitigating actions and residual risk	Overall expected outcome	Measures of progress and accountability
Overall funding environment	Reduced income Reduced capital Increased costs	Further cost saving requirements Review capital programme desirability and affordability Increased efficiency savings	Maintain financial liquidity Appropriate capital developments Appropriate cost base	Financial Risk Rating maintained Capital programme review Monitoring of service line income and expenditure
Tariff changes	Changes in structure of tariff Reduced income Increase in assumed efficiencies "Best practice" tariffs	Review of clinical services strategy Review of cost base Review of clinical services with commissioners	Synergy of clinical services with other local providers Revised clinical services strategy Engagement with commissioners and shared vision for services	Consultation with stakeholders about proposed service changes Alignment of Trust and commissioner medium-term priorities
Quality incentives and penalties	Non-recurring nature of rewards (CQUINs) Non-achievement of targets, leading to penalties	Close operational management to ensure delivery of targets Transformation programme to support service quality	Achievement of targets Neutral financial impact assumed in financial plans	National target outcomes Key deliverables from Transformation programme Reporting of Key Performance Indicators
Demand management and contract changes	Activity exceeds planned contract Over-activity places pressure on capacity to deliver care	Review and optimise capacity Share capacity planning with commissioners	Optimal use of capacity, maintaining patient access standards Alignment of commissioner and	Performance against patient access standards Contract performance indicators

Key external impact	Risk to the plan	Mitigating actions and residual risk	Overall expected outcome	Measures of progress and accountability
	within patient access standards	Agree planned service changes with commissioners and other providers	Trust medium-term activity plans	Assist commissioners with medium-term capacity planning
Service reconfiguration, competition and co-operation	Outcomes vary from planning assumptions Opportunities for patient benefit and cost savings missed	Scenario planning in light of new information Upside and Downside plan testing	Tested scenario plans Synergy of clinical services with other local providers	Consultation with stakeholders about proposed service changes Alignment of Trust and commissioner medium-term priorities
National or local policy changes, e.g. Pay, patient care standards	Impacts on productivity, savings and workforce Tariff funding insufficient to cover costs of delivering standards or policy	Recruitment and retention of staff via workforce strategy Activity and workforce planning Utilisation of new technologies to improve efficiency and reduce costs	Optimal staffing levels and retention of appropriate expertise Optimal facilities for contracted patient activity levels	Workforce strategy
Designation standards	Impacts of failing to gain designation for services Impacts of successfully gaining designation for services Unknown service specifications for designation standards	Planning and development of key services Anticipation of service specifications through close working with specialist commissioners	Designation of key services	Progress against designation standards

Template 3: Clinical quality

Clinical quality priorities	Contribution to the overall vision	Key actions and delivery risk	Performance in 2009/10	3 year targets / measures 2010/11, 2011/12, 2012/13
Participate in South West Quality and Patient Safety Improvement Programme	Providing safe, high quality clinical care	• Leadership in Safety • Patient safety of general wards. • Improving Medicines Management. • Improving critical care • Improving perioperative care. • Reducing venous thromboembolism	• Hospital Standardised Mortality Ratio (HSMR) – continues to reduce • Venous Thromboembolism – introduction of single assessment	• 2010 – Maintain HSMR below 80. • 2011 to 2013 – Top Decile HSMR • 2010/11 – 95% Compliance with Deep Vein Thrombosis (DVT) assessments
Continued reduction of Healthcare Acquired Infection	Providing safe high quality clinical care	• Maintain hand washing compliance • Delivery of MRSA screening to all admitted patients • Early isolation of infected patients	Reduction in MRSA and Clostridium Difficile Infections	• 2010 – reduce MRSA infection to under 2.6 per 100,000, i.e., under 6 cases per year • 2010 - reduce C. Diff rates to 0.28 per 1000, i.e. under 72 cases per year
Improve antibiotic prescribing	Providing safe high quality clinical care	Ward Pharmacist audit	Reduction in antibiotic usage	• 2010 – zero tolerance of protocol breaches
Reducing venous thromboembolism	Providing safe high quality clinical care	Implementation of Drug Chart Risk Assessments on a Trust-wide basis	Introduction of standardised Trust Risk Assessment	• 2010 – 95% of all patients, risk assessed • 2010 – 95% of all patients receive appropriate prophylaxis
Reduce high-risk medication errors	Providing safe high quality clinical care	Audit and action-planning for moderate harm errors	17% of all Patient Safety Incidents at the Trust related to medication errors	• 2010 – maintain level of reported drug errors • 2010 – no increase in catastrophic errors • 2010 – under 12 moderate harm errors per month

Clinical quality priorities	Contribution to the overall vision	Key actions and delivery risk	Performance in 2009/10	3 year targets / measures 2010/11, 2011/12, 2012/13
Improve Patient Experience through routine monitoring	Providing safe high quality clinical care	Implementation of survey plan. Risk poor return of forms by public	Introduction of Pilot satisfaction	• 2010/11: 1. Use of exit questionnaires at point of discharge 2. Targeted surveys led by Governors in the Out-Patient environment 3. Routine feedback to wards 4. Use of satisfaction surveys to set ward Key Performance Indicators
Participate in all relevant National Clinical Audit and Patient Outcomes Programme	Measurement of clinical outcome to improve quality	Clinical Audit Resources stretched to cover all major audits	Participated in all 33 relevant audits	• 2010/11: 1. Maintain participation at 100% 2. Action plans for all returned audits to achieve 75% compliance
Publish clinical outcomes for key regional services	Measurement of clinical outcome to improve quality	Resource reduces opportunity for systematic data selection	Publish outcomes in cataract, oesophageal and cardiac surgery	• 2010 – Colorectal and Obstetrics outcomes to be published

Template 4: Service development strategy

Service development priorities	Contribution to the overall vision	Key actions and delivery risk	Key resource requirements	Measures of progress 2010/11, 2011/12, 2012/13
Organic / innovation:				
BRI Redevelopment Project: Phase 3 - supports the closure of the Bristol Royal Infirmary Old Building and the reconfiguration of services Phase 4 - reflects the Trust's strategy to replace out-dated impatient accommodation and the successful delivery of the estate rationalisation strategy	The project will enable the Trust to: - deliver key performance targets and prompt access to acute care - implement new models of care to improve the quality of patient care and the patient experience through the provision of modern facilities - centralise patient care with optimum clinical adjacencies to improve patient flow and the efficiency of services by maximising available resources - improve patient safety by reducing patient movement - work in partnership with the health community to establish alternative services in the community	Develop a Full Business Case for presentation to Trust Board December 2010. Secure capital funding. Internal cash savings to release funding for the project.	Loan finance of £60m; balance from internal resources including disposals.	Phase 3: Dec 2010 Planning application - April 2010 Enabling works - July 2010 Full Business Case - November 2010 Construction contract with principal supply chain partner - January 2011
Centralisation of Specialist Paediatrics project - will enable the transfer of activity from Frenchay Hospital to the Bristol Royal Hospital for Children	The project meets the long-term vision and strategy to centralise paediatric services and deliver the following objectives:	Revenue affordability. Slippage in the project due to defining the scope of the project with Specialist Commissioners.	Loan finance of £60m; balance from internal resources including disposals.	Outline Business Case - June 2010 Full Business Case - November 2010 Construction contract with

Service development priorities	Contribution to the overall vision	Key actions and delivery risk	Key resource requirements	Measures of progress 2010/11, 2011/12, 2012/13
	- to integrate incoming services within the hospital and maximise co-location with existing facilities - to provide all children and young people optimum access to appropriate paediatric care - to achieve optimal operational performance, quality of care and patient safety	Develop a full business case to be presented to Trust Board December 2010		principal supply chain partner - January 2011
Transformation Change Programme - 'Making our Hospitals Better' programme	The programme will assist the Trust to make fundamental changes in the way it delivers services building on the Productive Ward programme, Productive Theatre programme and Outpatient productivity opportunities	Phase 1 - the overall programme aims and objectives: - to deliver length of stay reductions in the Divisions of Surgery, Head & Neck and Medicine through key initiatives e.g. the expansion of day of surgery admission, development of new models of care, increase day case activity - to improve theatre productivity by maximising the use of funded sessions and procedure times within operating schedules - to improve productivity within outpatients across the organisation by maximising attendance at clinic and reduction in short-notice clinic	Consultancy Transformation Team Internal resources including Analyst	Phase 1 - 2010/11: Length of stay - release 18,000 bed days in Surgery, Head & Neck and Medicine Divisions. Theatre productivity - 95% session template utilisation The learning and evaluation of the productivity and efficiency gains achieved during a dedicated outpatient project (Bristol Children's Hospital) will be spread across all outpatient sites in the Trust. Phase 2: Length of stay reductions in Women's & Children's Services - July 2010 Length of stay reductions in

Service development priorities	Contribution to the overall vision	Key actions and delivery risk	Key resource requirements	Measures of progress 2010/11, 2011/12, 2012/13
		cancellations Risk - appropriate support and accountability structure to ensure delivery of each element of the work programme		Specialised Services - Dec 2010
Clinical Research and Imaging Centre (CRIC)	The CRIC is a partnership project between the Trust and the University. The centre will promote greater collaborative working.	The CRIC will serve the needs of the Clinical Research community in Bristol and will enable a wide range of neuroscience and translational research. It will provide the opportunity to benefit from increasing funding for human based research from the research councils, major medical charities and the NHS Research and Development budget.	Fully resourced	End of 2010 for completion - operational early 2011
Acquisition etc:				
Transferred / discontinued activity:				
Development of the South Bristol Community Hospital will reduce reliance on acute hospital care. The Trust will: 1. Transfer 2nd Stage Care, Rehabilitation and Intermediate Care services	The Trust is aligned to the strategy to provide care at home or closer to home and improve access to treatment for the population of South Bristol	Significant slippage in the project will necessitate a review of the full business case assumptions, level of activity transfer and financial and workforce impact assessment.	Internal project management resource to ensure: - decommissioning of the Bristol General Hospital - transfer and provision of	Proposed opening May 2012

Service development priorities	Contribution to the overall vision	Key actions and delivery risk	Key resource requirements	Measures of progress 2010/11, 2011/12, 2012/13
2. Provide day case, endoscopy, diagnostics, community dental services and some outpatient services			services in the community hospital	
Participation in community wide service reviews and service configuration initiatives	The Trust is committed to partnership working with primary care. The Trust's participation in the review processes will ensure: - reduction in the duplication of services across the community - improved access to care - services are delivered in the most appropriate setting	The Trust must understand its areas of specialist focus taking into consideration increased capacity constraints, service transfers and the development of outreach services in the community	Project management	Centralisation of inpatient Urology services 2010/11

Template 5: Workforce strategy

Key workforce priorities	Contribution to the plan	Key actions and delivery risk	Key resource requirements	Measures of progress 2010/11, 2011/12, 2012/13
Workforce Changes				
To reduce sickness Trust wide from 4.4% to 3.7% pa in 2010/11	Reduces overall staffing costs by reduced temporary staff requirement	• Unforeseen pandemic • Failure to implement policies at local level	Investment of HR and manager time to achieve targets	Achieve reduction by March 2011 and maintain thereafter
To change nursing skill mix including the implementation of associate practitioner programme to achieve 50:50 skill mix by 2014 on general wards	Delivers safe working practices at lower costs. Increases retention rates	• Insufficient funded places from SHA • Lack of training investment	Training and development infrastructure	Recruitment of target Associate Practitioners on an annual basis 60 further assistant practitioners in place by the end of 2014 Skill mix 50: 50 on general wards by 2014
To achieve pay savings of £34.4m over the period of the plan through efficiency gains and subsequent reductions in workforce costs	Delivers reduced costs	Changes to operational plan due to CRES targets not being achieved, or changes in PCT commissioning plans	n/a.	2010/11 : £8.9m 2011/12 : £12.8m 2012/13 : £12.7m
To reduce the percentage of bank and agency as a proportion of total workforce WTE from 5.5% to 4.9% (2010/11)	Reduces workforce costs. Delivers more experienced workforce	• Levels of staff sickness exceed plan • Failure to implement controls • Unexpected workload due to PCT demand management	Targeted investment in substantive workforce. Line focus on delivering controls	2010/11 reduction from 5.5% to 4.9% and maintain thereafter.
Deliver a workforce reduction support plan that ensures natural wastage is capitalised upon and the need for redundancies is minimised	Delivers workforce cost reductions at minimum cost and with minimum impact on staff motivation and performance	• Lack of flexibility in workforce to move between roles • Inappropriate re-skilling focus • Management inflexibility in moving people creatively between roles	Re-skilling training programmes (see Education and Training below) Management training and support to deliver flexible working support	2010/11 Training programmes identified to re-skill and move people based on natural wastage being seen. Redundancy programme developed with standardised approach to support further needs for reductions 2011-13 Re-skilling and

Key workforce priorities	Contribution to the plan	Key actions and delivery risk	Key resource requirements	Measures of progress 2010/11, 2011/12, 2012/13
				reduction programme implemented to support natural wastage and flexible working programmes
Pay and Reward				
Review of all terms and conditions to ensure fit for purpose and motivate appropriate performance	Deliver identified cash savings and better motivated and focused staff.	• Inflexibility in National Agenda for Change Terms and Conditions and consultant contracts • impact on staff morale and partnership working - potential increase in turnover and subsequent loss of skills and knowledge	Impact on HR, staff side and local departments.	2010/11 complete review and implement meeting target 2011/12 target delivered 2012/13 target delivered
Recruitment and Retention				
Develop and deliver strategies to employ and retain in difficult to fill staff groupings	Ensures ability to deliver plans in Theatres, facilities & Estates and other challenge areas	• Inability to recruit. • ODP resources reduced. • Stopping Widening Access (WAX). • Poor retention of existing staff	• SHA funding for existing schemes • Resources to develop Assistant Trainee Practitioner roles. • Development of existing staff. • Robust induction and training for new staff	Plans in place Resources delivered in line with plans Measures ongoing
Develop the Trusts Recruitment / Employer brand and employer reputation	• As an employer of choice, can attract high calibre staff • Establishes an identity underpinned by Trust values. • Delivers a workplace that is free from any discrimination and can attract from the widest possible applicant pool	• Limited financial resources to develop recruitment resources, Internet/Intranet sites and marketing materials. • Failure to complete equality impact assessments on services and policies impacts on equality and diversity	Funding in line with current plan.	2010/11 Results of recruitment lean review implemented Recruitment marketing media/collateral developed Equality Impact Assessments completed for all service changes and policies 2011/12 to 2012/13 All outcomes of review and assessments implemented in line with plans Staff survey results for

Key workforce priorities	Contribution to the plan	Key actions and delivery risk	Key resource requirements	Measures of progress 2010/11, 2011/12, 2012/13
				recommend as a place to work increase by 5% year on year
Education and Training				
Review Teaching and Learning Infrastructure and Strategy	Supports the delivery of high quality teaching and education	• Efficiency gains through improved infrastructure. • Transparency of funding streams. • Realign teaching activity across the Trust	Project Manager – 2010 for 6 months. Head of Learning and Development 2011	2010/11 Review of Teaching and Learning Infrastructure and Strategy 2011 Head of Learning and Development appointed 2011/12 to 2012/13 Delivery of new strategy against defined key performance indicators
To develop and deliver a leadership programme across the Organisation	Supports the delivery of the provision of high quality teaching and education	• Leaders not freed up to take development time • Leaders not motivated to change • Poor application for performance management for leaders	• External provider 2010-12 • Internal infrastructure to be finalised and implemented to deliver ongoing strategy for leaders – 2011 onwards	2010/11 – programme definition completed – phase 1 delivered in line with plans 2011/12 to 2012/13 Programme and reviews/ evaluations delivered in line with plans
Implement KSF and other programmes for all staff	• Supports the delivery of plans through appropriately skilled staff • Ensures that all employees understand and maximise their contribution to the work of the Trust • Delivers a flexible workforce that is matched to the Trust's needs	• Development budgets diverted to other areas • Poor application of performance management processes • Staff not freed to undertake development	No additional costs - Investment and resources to be acquired through the redirection of funding as a part of the Teaching and Learning infrastructure review	2010/11 KSF competencies linked to performance management processes. Leadership competencies developed to support KSF Training linked to Trust needs. 2010 /12 Career pathways identified and development solutions scoped 2012/13 Talent Centre in place

Key workforce priorities	Contribution to the plan	Key actions and delivery risk	Key resource requirements	Measures of progress 2010/11, 2011/12, 2012/13
				for all succession and talent planning
To achieve 90% compliance in all areas under Statutory & Mandatory training umbrella and sustain	Necessary to achieve compliance with legislation/NHS Litigation Authority standards and Monitor requirements.	• Resource implications (trainers and venues) and clinical implications impacting on the ability to release staff for training • Non attendance remains an issue currently running at 17%.	Managers commitment to release staff and build into staff rosters/appraisal. Review of induction to include all modules under Statutory and Mandatory training umbrella/blended and further e-learning options. Roll out of At Learning to managers self service.	Achieve by March 2011 and maintain thereafter
Equality and Diversity				
To reduce the number of staff who have experienced discrimination, harassment or bullying (information from Staff Attitude Survey)	• Maintains staff morale • Reduces turnover • Maintains organisational reputation • Support absence management	• Attendance at training • Appropriate application of Trust Policies	• Management time for attendance at training • Maintenance of existing counselling budget	Improvement year on year in results from annual staff attitude survey; Reduction of 10% in trust grievance and disciplinary returns relating to discrimination, harassment and bullying year on year
European Working Time Directive				
To ensure all junior doctors rotas are compliant with EWTD.	Necessary to comply with the law and ensure delivery of safe services	Lack of junior Doctors in the UK to fill the rota spaces and reduction in training numbers planned by DoH	• Investment in junior doctor posts • collaborative working with local Trusts for some specialities (ENT). • Training of surgical care practitioners in cardiac surgery	Rotas to be compliant by 2011 EWTD audits ongoing demonstrate compliance
Staff Engagement				
Action required following Staff Attitude Survey	• Improves staff engagement – potential to reduce sickness and turnover • Improves patient care and safety • Supports partnership working	Action plan fails to address issues	Managers' time Appropriate communications space	Annual Staff Survey results demonstrate movements against identified areas

Template 6: Capital programmes (including estates strategy)

Key capital expenditure priorities	Amounts and timing	Contribution to the plan (including service delivery)	Key actions and delivery risk
Development:			
BRI Redevelopment Phase 3 and Phase 4	£89.2m to 2015/16 with £8.2m in 2010/11; £22.0m in 2011/12 and £29.3m in 2012/13	Re-provision of clinical services accommodation / expanded ITU facility	1. Local authority planning consent; 2. FBC to Trust Board, December 2010; 3. FTFF Loan Application approved; 4. Agreement of Guaranteed Maximum Price December 2010
Centralisation of Specialist Paediatrics	£31.4m to 2014/15 with £2m in 2010/11; £7.5m in 2011/12 and £9.5m in 2012/13.	Transfer of specialist paediatrics from North Bristol NHS Trust in line with Bristol Health Services Plan	1. FBC December 2010; 2. Secure PDC funding from SHA @ £10m; 3. Guaranteed maximum Price contract
Air Ambulance Access	£0.4m in 2009/10; £2.8m in 2011/12;	Improved patient care related to relevant services e.g. paediatric and cardiac etc.	1. Construction of lift to access helipad as part of BRI Redevelopment. 2. Multi-phase operational diversion / decant plans developed
Other	£5.6m in 2010/11 (BRI Phase 1&2, BGH re-provision, BHOC upgrade, SBCH) £4.4m in 2011/12 (BGH re-provision, Adult BMT, SBCH) £1.3m in 2012/13 (Adult BMT).	Principally renewal or modernisation of patient environment for delivery of patient care to be fit for purpose	Integrating works programmes with the operational requirements of the hospitals within which they are taking place managed by joint estates / clinical project team/board to manage impact and delivery.
Maintenance:			
ITU Ventilation	£1.5m in 2010/11	Reduces infection control and capacity risks	Overlap with other projects at the same time e.g. BRI Redevelopment Enabling Works
Other Rollover / Refurbishment Schemes / Fire Compliance	£4.1m in 2010/11; £3.6m in 2011/12 and £3.6m in 2012/13	Ensuring / achieving statutory compliance. Improving patient and staff safety	Integrating works programmes with the operational requirements of the hospitals within which they are taking place managed by joint estates / clinical project team/board to manage impact and delivery.
Other capital expenditure:			
Other Operational Capital	£6.3m in 2010/11;	Principally renewal or modernisation of	Integrating works programmes with the

Key capital expenditure priorities	Amounts and timing	Contribution to the plan (including service delivery)	Key actions and delivery risk
	£7m in 2011/12 and £6.2m in 2012/13	patient environment for delivery of patient care to be fit for purpose	operational requirements of the hospitals within which they are taking place managed by joint estates / clinical project team/board to manage impact and delivery.
Medical Equipment / Information Technology	ME £7.7m in 2010/11; £5.5m in 2011/12 and 2012/13. IM&T £2.6m in 2010/11; £4.1m in 2011/12 and £3.1m in 2012/13	Largely involving the reduction of patient safety and business continuity risks by the replacement of aging equipment. Some care improvements through improved technology	Integrating works programmes with the operational requirements of the hospitals within which they are taking place managed by joint estates / clinical project team/board to manage impact and delivery.
Programme slippage at 25%	£-6.6m in 2010/11; £-7.6m in 2011/12 and £-0.4m in 2012/13.		
Other estates strategy:			
Disposal - Sale of Residences	Planned receipts: 2011/12 £-1.0m; 2012/13 £-1.3m	Reduction of risk due to ownership of estate in excess of current requirements	1. Market conditions for sale of residential sites. 2. Local authority planning consent
Disposal - Sale of Brentry site	Planned receipts: 2012/13 £-1.2m	Reduction of risk due to ownership of estate in excess of current requirements	1. Market conditions for sale of residential sites. 2. Local authority planning consent
Disposal - Sale of Bristol General Hospital	Planned receipts: 2012/13 £-2.0m; 2013/14 £-3.0m 2014/15 £-2.0m.	Changes to models of care decentralisation. Decentralisation and improved access to services.	1. Delivery of South Bristol Community Hospital by NHS Bristol. 2. Market conditions for sale of mixed use sites. 3. Local authority approval to Development Brief. 4. Local authority planning consent for preferred purchaser. 5. Professional advisors for marketing / disposal appointed

Template 7: Operational / financial effectiveness

Key operating efficiency programmes	Amounts and timing	Contribution to the plan	Key actions and delivery risk	Resource requirements	Milestones 2010/11, 2011/12 2012/13
To improve patient care and patient experience, by achieving all national and local targets	Achievement of CQUIN targets	Achievement of all standards and compliance ratings	Delivery of operational plans for all access targets and CQUIN indicators, including reducing emergency demand and referrals Participation in health community plans to mitigate risk of rising emergency activity	Divisional teams, with support from the Trust Transformation team	Compliance with all national and local targets and contract limiters
To improve patient experience through reduced length of stay in hospital	To achieve upper quartile performance by April 2011 in Surgery Head & Neck and Medicine Divisions	Reduction in length of stay, resulting in increased capacity to manage patient flow, improve patient experience and opportunity to close beds and achieve savings in line with CRES	Review of admission and discharge practice Implementation of Healthcare at Home discharge plan **Risk:** activity levels do not reduce in line with objective 1 therefore minimising impact of plans	Making Our Hospitals Better programme to lead plan within Divisions PCT and Trust project leads to work with key clinical staff and Healthcare at Home staff	2010/11: reduction of 9,000 bed days 2011/12: reduction of 9,000 bed days 2012/13: further reduction in bed days Reduction in delayed discharges in all years of the plan
Review of Out Patient Productivity	£100k estimated for 2010/11. Scoping exercise to identify full impact in year 2	Reduction in new to follow ups. Improved efficiencies in management processes and staff utilisation. Review of outlying clinics	Scoping exercise to follow initial pilot. Mapping all clinics and processes. Review of staffing resources. Review of efficiencies	Project team to be appointed. Engagement with Divisions and clinical staff to ensure delivery.	2010/11: Revised management processes across key clinics. Revised staffing structure in place reduced new to follow up
Theatre Productivity	Surgery, Head and Neck	Financial and operational	Project plan agreed and in	Input from Divisional staff	Target Is to achieve 95%

Key operating efficiency programmes	Amounts and timing	Contribution to the plan	Key actions and delivery risk	Resource requirements	Milestones 2010/11, 2011/12 2012/13
programme	Division has identified potential savings of £0.95m for 2010/11	efficiencies.	place supported and facilitated by the Trust Transformation Team	with support from Trust wide Transformation Team	theatre session utilisation.
Energy and Carbon Management programmes	£276,000 of potential savings have been identified in CRES plans for 2010/11	Improved financial efficiency and achievement of carbon management targets	Potential capital investment in order to improve energy efficiency	Input from Estates and Facilities Divisional staff.	
Review of Procurement Clinical and Non Clinical	NHS South West Purchasing Consortium has identified potential savings totalling £5.8m over 3 year plan period.	Improved efficiency and contribution to CRES Plans	Review of top 10 suppliers with the aim of improving terms and prices	Input and lead from NHS South West NHS Purchasing Consortium	Ongoing review by NHS Procurement Team
Staff Productivity	Staff savings identified in each year across all staff groups as follows: 2010/11 : £8.9m 2011/12 : £12.8m 2012/13 : £12.7m	Improved efficiency and contribution to CRES plans	Terms and conditions being reviewed across all staff groups. Staff side support essential. Aim to reduce pay budget and sustain services	Engagement of staff side, clinical staff and HR	2010/11 WTE & pay costs 2011/12 WTE & pay costs 2012/13 WTE & pay costs

Template 8: Leadership and governance

Key leadership and governance priorities	Key risks (and gaps)	Actions to rectify / mitigate	Milestones 2010/11, 2011/12, 2012/13
Recruit new substantive Chief Executive Officer	Delay in recruiting causes unrest and instability in the workforce	Deliver full search, selection and appointment process. Deliver detailed induction process for post holder including development planning as appropriate	2010/11 – recruitment completed and substantive CEO in place. Full induction completed and development plan identified. 2011/12 – Development activity delivered in line with plan
To ensure consistency through activity planning for the re-election or replacement of Non-Executive Directors at their end of term	Lack of rapid replacement makes the Board unbalanced Turnover of multiple Non-Executive Directors over a short period of time results in instability and a lack of consistency at the Board	Develop plans to deal with 4 Non-Executives coming to end of term in 2011 (50% of Non-Executives)	2010/11 – Plans in place by end of 2010 Non-Executive appointments made in 2011 New Non-Executive training delivered in 2011
Deliver leaders across the Trust who can ensure the Trust meets its performance targets through continuous development and improvement of services and processes	Lack of leadership capability means performance and financial targets are not balanced and met	Develop and deliver refreshed leadership development programme for leaders across the Trust Deliver team development support for the top team, ensuring they are constantly challenged and working effectively as an Executive	2010/11 – Financial/commercial awareness training delivered to top 80 leaders clarifying the role of a leader in the downturn Executive Directors commence National Top Leaders Programme 2011/12 – Leadership competencies embedded for all Trust leads and integrated into performance management 2011/12 – Leadership development modules rolled out across the Trust to support competencies
Ensure the Board is operating effectively	Ineffective Board will impact significantly on Trust performance	Follow up on actions from previous Board review Deliver a new Board review in advance of Non-Executive re-elections, ensuring outcomes are planned into selection criteria and ongoing Board improvement	2010/11 Action plans delivered from 2009 Board review New Board review completed in early 2011 2011/12 – Action plans and selection criteria for new Non-Executives in place

Key leadership and governance priorities	Key risks (and gaps)	Actions to rectify / mitigate	Milestones 2010/11, 2011/12, 2012/13
		plan	by April 2011. Action plans implemented. 2012/13 – Further Board review undertaken
Develop and deliver integrated approach to Talent Management across the Trust	Gaps in current or future leadership capability not identified. Lack of continuity due to poor succession planning impacts on performance	Undertake full talent review and succession planning exercise for leaders and score skill roles across the Trust. Deliver recruitment and development programmes to close identified gaps	2010/11- Complete Talent and Readiness review for Executive Director, Divisional Managers and Heads of Division roles and develop plans to fill gaps in 2010 2011/12 – Undertake Talent and Readiness review for all Divisional Boards and implement action plan to close gaps Refresh understanding of core skill roles and undertake continuity planning activity to ensure staff turnover does not impact on Trust performance. 2012/13 - Ongoing review of Talent and Succession plans.

Template 9: Regulatory

Key regulatory risks	Nature of risk	Actions to rectify / mitigate and responsibilities	Measures 2010/11, 2011/12, 2012/13
Service performance - A&E 4 hours	Failure to make a sustained return to compliance with the target in 2010/11	The delivery of the 4 hour emergency action plan is monitored weekly by the Executive Performance Recovery meeting. The detail of the plan is reviewed and revised by the Emergency Access Steering Group monthly and by the Trust Operational Group on alternate weeks. A full report is received by the Trust Executive Group on a monthly basis. Daily reports are produced and circulated on performance, including breach reasons. These are monitored closely by the executive and action taken when challenges appear in daily performance. Twice daily patient flow meetings, monitor activity, prepare for projected activity, monitor and take action when patient discharge is delayed and monitor and take action where breaches occur.	Emergency access 4 hour target
Service performance - cancer services	Failure to make a sustained return to compliance with the target	Performance against this target and delivery of the action plan is reviewed weekly at the Performance recovery meeting. The weekly cancer patient tracking list reviews and monitors performance and identifies actions to be taken. Divisional Boards review performance and actions on a monthly basis. The Trust Operational Group reviews performance on alternative weeks by tumour site and identifies what actions need to be taken in other directorates to support delivery of the plan. The Trust Executive Group review performance monthly and challenges any deviation from the plan. The Cancer Board, now review actions and patient pathways routinely and assures performance against targets is understood and met.	Cancer targets
Service performance - 18	Failure to make a sustained return	Performance against this target and delivery of the action	18 week access targets

Key regulatory risks	Nature of risk	Actions to rectify / mitigate and responsibilities	Measures 2010/11, 2011/12, 2012/13
weeks and patient backlog	to compliance with the target and to deliver across all specialties consistently from 2010/11 onwards	plan is reviewed weekly at the Performance recovery meeting. Divisions are monitoring performance and taking action on a daily basis and reporting deviation to the plan to the Head of Performance and reviewing performance and actions at divisional board meetings. The Trust Operational Group monitors performance and seeks assurance at specialty level on alternate weeks and agrees and supports any mitigating actions. The Trust Executive Group review performance against target and challenge any deviation from plan	
Governance	Management of Clinical Activity	Robust operating plans - divisional and corporate in place following 2010/11 contract negotiations which will be kept under quarterly review by executives.	In-year monitoring of contract activity plans with commissioners.
		In year management and monitoring of service level agreements to ensure compliance with contract limiters, maintain emergency activity within 2008/09 levels, integrate Commissioner activity management plans into internal performance targets	In-year monitoring of contract activity plans with commissioners.
		Avoidance of Service Level Agreement fines	In-year monitoring of contract activity plans with commissioners.
		Prior approval system	In-year monitoring of contract activity plans with commissioners.
Financial	Delivery of financial plan for year.	Completion of Divisional operating and capacity plans for 2010/11.	Review by Executive Directors and sign off by Chief Executive.
		Monthly reporting and forecasting of income and expenditure position throughout year.	Monthly Divisional Reviews. Reported to Monthly Finance

Key regulatory risks	Nature of risk	Actions to rectify / mitigate and responsibilities	Measures 2010/11, 2011/12, 2012/13
			Committee. Programme of meetings by Finance Committee with Divisional Management in year.
		Delivery of Cash Releasing Efficiency Savings - Programme Implementation Committee established. Programme Manager appointed April 2010. Progress assessed at Monthly Divisional Reviews. Non recurring measures	Monthly reporting to Finance Committee and Trust Board.
		Non recurring measures will be taken to address any shortfall in year.	
	Funding of capital programme – Loan of £60m, Public Dividend Capital may not be available.	Early completion of processes to secure funding.	Reporting to Finance Committee and Trust Board.
		Review of schemes, content, costs and timing within programme to reprofile within available funding.	
	Maintain Trust Liquidity	Maintain Trust liquidity ratio at 25 days + throughout 2010/11. Annual cash forecasting plan prepared and monitoring of actuals against plan. Regular review by senior Finance staff and reporting to Trust Finance Committee. Maintain controls on stocks, capital programme and other expenditure.	Monthly reporting to Finance Committee.
		New Working Capital Facility to be in place from June 2010.	For approval by Trust Board
		Completion of systems process reviews to ensure debtors accounts raised promptly at all times. Follow up of aged debts in accordance with Trust's Treasury Management Policy. Payment of suppliers in accordance with Trust Payment Policy.	Operational management within Finance Dept. Exception reporting to Finance Committee In accordance with Treasury Management and Prompt Payment Policies.

Key regulatory risks	Nature of risk	Actions to rectify / mitigate and responsibilities	Measures 2010/11, 2011/12, 2012/13
Patient safety	Serious Untoward Incidents resulting in patient harm or poor quality care	Compliance achieved and maintained with the Care Quality Commission. Regular review of all Serious Untoward Incidents by Patient Safety Team. "Live" patient feedback being gathered and monitored; review of complaints and claims Histopathology Inquiry in progress and to report during 2010. Recommendations to be reviewed when available for urgent implementation.	Total number of Serious Untoward Incidents and complaints and claims