



Our Plans

for the period 2014-15 to 2015-16

2 April 2014

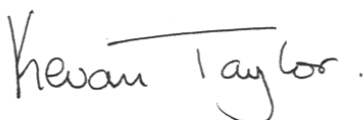
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The Trust's Plan was approved by the Board of Directors in April 2014.



Professor Alan Walker
Chairman



Kevan Taylor
Chief Executive

Executive summary

We provide mental health, learning disability, substance misuse, community rehabilitation and primary care services to the people of Sheffield. We also provide some of our specialist services to the wider region. We are a provider of integrated services that meet people's mental, physical, psychological and social care needs.

We are a public benefit corporation accountable to our members through a Council of Governors. We actively engage with our 12,000 members, who have a key role in promoting understanding of the needs of people who use our services. Our Council of Governors includes people who use our services, their carers, staff and representatives of the public of Sheffield and partner organisations. The constructive challenge provided by the Council of Governors is welcomed by the Trust Board and ensures our services are influenced and informed by our stakeholders.

We consistently fare very well compared to other Organisations in service user surveys, staff attitude surveys and reports from our regulators. Many of our services have been visited and evaluated by the Care Quality Commission. We consistently receive feedback highlighting that the care they observed was person centred and dignified. When they have identified areas we need to address we have taken action immediately. We are a high performing organisation.

Overall we perform well in delivering the national standards asked of us across our services for primary care, learning disabilities, substance misuse and mental health. When we look at how we are doing against most of the ways we evaluate our services, we are providing a good standard of care, support and treatment. This is something we are rightly proud about. However we also recognise that we can do better, and need to do better. We have much to do to ensure the quality of what we provide is of a consistent high standard, every time, for every person in respect of safety, effectiveness and experience. Our Corporate Objectives ensure we continue to move forward focussed on improving our services. We have supported this programme by investing in new initiatives that will improve our understanding of the service user experience, and better support our front line teams and our support services to effect quality improvement locally.

We work in partnership with the organisations that commission our services: Sheffield Clinical Commissioning Group and Sheffield City Council. This allows us to understand the health and social care needs in the wider population, to influence the commissioning approach taken and to develop new services for the benefit of the system as a whole. There is a clear drive to change the way services are provided in Sheffield. The focus is on the delivery of community based care with the primary care team at the centre, delivering accessible and integrated care for people's health and social care needs. This is being driven by closer alignment of commissioning strategies with the intention of joint commissioning supported by initiatives such as the Better Care Fund.

Through our joint work with our commissioners we are well placed to identify new service models of service delivery which deliver improved outcomes for service users at reduced cost. Our joint service development approach ensures we have stability over the short term as we continue to develop plans for the longer term. We have a developing successful track record in delivering service improvements at reduced cost through service transformation. We will build on these approaches with commissioners.

Our operating environment over the next two years is relatively stable. We have a sound financial footing and a positive history of managing and reducing our costs. The commissioning intentions over the next two years are not considered to present risks to the Trust's income and operating stability. Some services are vulnerable to procurement changes and we have identified plans to mitigate against any adverse risks from this and we are confident about how we will move forward. We have a balanced approach to our cost improvement programme with a growing focus on transformative change as we move into the medium term, informed by our positive record to date.

Our financial position is summarised as follows:

	2014/2015 £m	2015/2016 £m
Turnover £m	127.51	118.40
I and E surplus £m	2.55	2.37
I&E Surplus Margin %	2.0%	2.0%
Continuity of Service Risk Rating Level	4	4

Continuity of Service Metric	2014/15 Plan	2015/16 Plan
Debt Service Cover	3.85	3.71
Liquidity Ratio	70.9	72.3
Risk Rating	4	4

When we became a foundation trust in 2008, we set a clear vision for the trust to provide services that meet the needs of a whole person – mental health, physical health and social care. We have succeeded in retaining and expanding our historic service provision in mental health, learning disability and substance misuse services and have expanded into primary care and integrated physical and psychological health services. We have built on our strength as a provider of integrated health and social care so that we are now positioned in the city as a provider of integrated services across a broader range of need, playing a key role in developing a sustainable health and social care system.

Our vision and strategy

Our Purpose

Our purpose is to improve people's health, wellbeing and social inclusion so they can live fulfilled lives in their community. We will achieve this by providing services aligned with primary care that meet people's health and social care needs, support recovery and improve health and wellbeing.

Our Approach

We are united by our dedication to meet the needs of people who use our services – those we are here to serve. We measure our success as an organisation by the extent to which we do that and we are committed to working with people who use our services and their carers to improve the quality of everything we do. We welcome checks and balances on what we are doing and take seriously our responsibility to account for how things are.

We can only deliver high standards and quality improvements if it involves all of us. We will only achieve what we are capable of if we work together in partnership, with everyone encouraged to think for themselves and share responsibility to bring about improvements in how we work.

We believe in people's ability to recover and that our role is to work alongside individuals to support them in that journey. We provide recovery oriented services, recognising people's potential and working with optimism and hope. We aim to intervene early to promote independence and self-reliance and prevent loss of independence and wellbeing. We provide services to people within the context of their families and communities, providing specialist interventions and connecting up with community resources.

People's physical, mental and social care needs are interrelated and we are committed to continuing and develop further our range of integrated services aligned with primary care along managed pathways.

We recognise the social determinants of ill health and therefore seek to address social inclusion in all that we do. We are committed to equal access and social justice and to tackling stigma and discrimination.

We recognise our shared humanity. The quality of our relationships and the way we treat each other matter, to both service users and to staff. We recognise the importance of maintaining a compassionate workforce and of treating our staff and each other with the same respect and support with which we expect our staff to treat service users and their families. This requires leadership and leaders who recognise, understand and take a stand for humanity in health care and are concerned with relationships as well as results.

The health and social care system is under considerable pressure, due to increased need and resource constraints. We will work in partnership with the people who use our services to improve quality and reduce inefficiencies by redesigning pathways of care and providing services as close to home as possible.

Our Vision

Our vision is for Sheffield Health and Social Care NHSFT to be recognised nationally as a leading provider of high quality health and social care services and recognised as world class in terms of co-production, safety, improved outcomes, experience and social inclusion. We will be the first choice for service users, their families and commissioners.

Our Values

The values of the trust form the guiding principles and behaviours for the way we do our work. These have been identified by the Trust Board and will be consulted on with service users, carers and staff.

- Respect
- Compassion
- Partnership
- Accountability
- Inclusion and Fairness
- Ambition

Our Strategic Aims

In order to deliver our purpose and vision we have identified five key Strategic Aims as follows:

1. To continually improve the quality and efficiency of our services in terms of safety, outcomes and service user experience
2. To retain, transform and develop services along care pathways, enabling early intervention and meeting people's needs closer to home
3. To recruit, develop, support and retain a skilled, committed and compassionate workforce with effective leadership at every level
4. To build and develop partnerships that deliver improvements in quality for the benefit of our communities
5. To continue to perform as a financially viable, effective and well governed organisation

There is a clear drive to change the way services are provided in Sheffield. There is a genuine shift to adopt city wide approaches to developing solutions to the future needs of the people of Sheffield. Broader commissioning strategy and policy both locally and nationally sees a continued focus in a shift from hospital to community models of care provision and a growing exploration of integration at the point of delivery across health and social care. Sheffield Clinical Commissioning Group and Sheffield City Council are committed to the delivery of integrated community care that reduces the need for hospital care, is primary care led and focussed on prevention and reablement. This provides a renewed interest in how best to deliver community based support as the main vehicle to improve the health and wellbeing of our local population.

This will impact on the stability of the Trust and how we provide services in the future. We have significant experience of shifting care from a hospital context to a community one, along with delivering successful integrated health and social care services across a range of partnership structures. We are in a good position to share this experience with stakeholders in Sheffield to inform how we move forward as a city wide health and social care economy.

The provision of social care will change. The financial environment within social care is driving significant and fundamental changes to the way social care is delivered. This will have an impact on the people who use our services. It will also mean changes to the services we provide to the Council under the current Section 75 Agreement. This will impact on the future responsibilities and profile of Trust services.

The financial environment is challenging. We will experience significant challenges delivering our services in the current financial environment. The Council is planning for 40-50% savings over 3 years and the NHS provides a headline inflation adjustment for non-tariff services of -1.8%.

Certain vulnerable groups are less resilient to the economic downturn. In particular, people with disabilities, ethnic minorities, the poor, some single mothers (and their children), young unemployed and older people will be affected more. The increased health and social care needs of these groups; the increased expectations for flexible and responsive health and social care delivery in the context of the reduction in NHS and Council spend all combine to pose a major challenge.

Competition will increase. Competition from other providers will increase. There may be increased efforts to stimulate the local market and introduce contestability for a range of services either to increase choice or reduce costs.

Currently competition within the local economy for the Trust's health services is stable and the Trust performs well in its service delivery. The Trust has performed well in reducing Commissioner expenditure with the private sector for hospital based care and growing its income base at the same time.

Some services within the Trust operate within a more competitive landscape. Our substance misuse services face competition from a range of national providers and we are committed to continuing to deliver high quality successful services in the future. As the way social care services are provided changes some of our services will face competition from third sector providers and our ability to compete in the general social care market without new partnerships will be limited. This will have a higher impact on some of our services for people with a learning disability.

Alongside the risks that competition may bring, there will also be a range of opportunities for us to develop new services that support the commissioning intentions. We will ensure our plans for growth in the future are responsive to the needs of the local health and social care economy, the commissioning direction and support the delivery of our vision and strategy.

The way we get paid will change. The development of Clustering and Payment by Results (PbR) for Mental Health services linked to care clusters sees the introduction of new contractual frameworks. Our development work over the last year has ensured we are prepared for this change. We need to continue to develop our approaches with our commissioner to introduce tariff models for our services and monitor the impact.

Some of the people who use our services will be given the money to make their own arrangements for support. Individual Budgets will support the choice and personalisation agenda, shifting purchasing and budgets for care to the individual. A proportion of the service income we currently receive will be effected by individual budgets and self-directed support. We need to ensure that the services we provide are flexible, individually focused and affordable. We have well established services, that benefit currently from positive feedback from the people who use them. We will continue to develop our services to ensure they remain viable in this changing environment.

Our local population is changing. The current population is just over 557,000 people. This represents an increase in population of 8.6% since 2001. The population is projected to rise by a further 5.2% to around 586,500 in the year 2020. The age profile will change and there will be more older people as a percentage of the population. The number of people aged 75 years and over will increase by around 17% by the year 2020 to approximately 29,000 people. The range of communities from black and minority ethnic groups is broad and will increase from 17% of the Sheffield population to 23% by 2020. There is an over representation of people from these communities living in the cities most deprived areas. We will need to ensure that the way we deliver our services are able to respond to this changing need.

Our development plans need to ensure we can progress our aims within our local environment. Our service models are increasingly focussed on delivering quick access to shorter-medium terms packages of recovery orientated support and treatment. The focus will be to enable more people to continue with their lives independently from secondary services, supported by a broader network of community resources.

The Trust has a range of supporting plans and strategies in place to reduce the potential for the identified issues to have an impact and to inform our ongoing plans. Alongside this a range of risk assessments and risk registers are in place relating to the Trust's day to day operations. The Boards Assurance Framework provides the overall framework for the key issues and a structure for the Board to re-assess levels of concern on a periodical basis.

Our plans

Our development plans and objectives are guided by our strategic aims. In finalising our plans we have considered the local commissioning intentions, the views of our Governors and our on-going assessment of the quality and effectiveness of the care we provide.

Commissioning priorities

Our plans have been informed by the needs of our key commissioners and their commissioning direction. We have formal structures in place that plan jointly for the future provision of services. The *Strategic Partnership Forum* with Sheffield Clinical Commissioning Group and a formal *Partnership Board* with Sheffield City Council ensure that commissioning strategy is informed by the views of the Trust and our future plans are aligned with the intentions of commissioners. Through our partnership working with our commissioners we aim to jointly agree plans that meet the clinical and financial strategies of both parties. This ensures we are delivering our services in the future in as stable an environment as possible, and allows us to plan for and reduce any risks identified from future plans.

The Clinical Commissioning Group commissioning intentions are focussed to deliver the following broad goals:

- Addressing ill health and early morbidity/ mortality for people with serious mental illnesses and learning disabilities. They plan to achieve this by developing preventative models across all health and social care services, and promoting early diagnosis and intervention.

Our current and future plans for service development will ensure we are responding positively to this agenda. We are developing plans with commissioners to develop our memory services within primary care, single points of access for our long term neurological conditions services and the integration and expansion of liaison services.

- Enhancing the stepped model of care in specialist services to support a shift to primary and community care delivery. A key focus will be to improve crisis services out of hours and deliver improved physical health outcomes for people with established severe mental illness and/ or learning disabilities.

Our strategies for our acute and rehabilitation services have a proven track record that will enable us to make further transformative shifts in the way we provide care in the future. We will work with commissioners to apply our successful approaches to our learning disability services. We will develop new pathways that will support people to return to Sheffield to live and receive on-going care that is of higher quality, local and socially inclusive. This will result in real improvements to the quality and effectiveness of Sheffield services, and enhance the range of care

provided in a community setting. As we move forward we are reviewing the way we provide 24 hour access to acute care and crisis services across all our services.

We will continue to learn from our successful extension of IAPT services. We are now providing improved access to people with long term physical health conditions and medically unexplained symptoms. Our approach has been effective, delivered real improvements in people's lives and offered value for money for the commissioners. We will develop plans with commissioners about how to best build on this success and deliver care and treatment within primary care in the future.

We are piloting new and innovative approaches to delivering our primary care services, in partnership with local voluntary sector partners, to inform our future strategy for the delivery of community services. We are focussed on supporting people's physical and psychological needs through an integrated approach, supported by self-help and proactive case management. We aim to support people with complex health needs so they can lead more independent lives, and be less dependent on hospital based services.

Sheffield City Council's priorities in respect of social care support for people with mental health problems are to develop better models of service delivery that focus more on self help, prevention and short term interventions. This is a key objective in order to deliver sustainable social care support to those who are most vulnerable.

With the Council we have developed and agreed a range of plans for service development that respond to this agenda and recognise the financial context of social care provision. Our existing service models deliver a strong focus on prevention and access to early help and support. We will build on this to redesign services in the future to deliver better value for money from the care that is purchased on an individual basis. Alongside this we will develop a joint housing strategy with the Council to ensure that needs are provided for in the best way in the future.

Our Governors views

We have worked with our Governors to understand their views about what will make the most difference to improve the experience of people who use our services. Our Governors surveyed the Trust's Membership about our developing priorities and we received responses from over 300 Members. Our Governors, informed by the feedback from the Members, have told us that they support the areas we are planning to prioritise. Through a workshop and surveys they have told us that we should focus on the following areas:

- To continue to support staff to have an appreciation and awareness of what it is like to receive care. This includes strengthening the culture of the organisation and our workforce, along with improving how we gather feedback about people's experiences. We have agreed objectives that will improve how we do this through monitoring service users experience, led by service users, alongside better workforce development that involve service users in the delivery of training to our staff.
- To continue to improve how quickly people can access support and care. This included waiting times generally, access to preventative support and support during

times of crisis. Feedback also highlighted that we should give attention to what happens when people get care and support from different teams and reduce the amount of repeated assessments that people receive. We have agreed a number of objectives that focus on reducing waiting times in key areas. We will review care pathways to simplify arrangements and reduce duplication for service users.

- Prioritise our initiatives that are about freeing up staff time so they can spend more time providing direct care and support. There was a concern that we should ensure we have the right numbers of staff working within teams, particularly within our inpatient services. We will review our staffing levels across services and report on what we believe they should be and then monitor our delivery against those standards. We will work with teams to support them to review how they work and report on how we have reduced unnecessary bureaucracy as a result of this.
- To improve the way we provide information to people about their own care and the care and services that are generally available. Alongside this we received feedback encouraging us to develop a better understanding about how we provide evidence based care and support, use outcome measures to understand how we are doing, and build our capacity to do more research in the future. We will improve the information available about our services, and ensure we use outcome measures across all our services to help us understand and report on how we are doing.

Our quality goals

We consistently fare very well compared to other Organisations in service user surveys, staff attitude surveys and reports from our regulators. Many of our services have been visited and evaluated by the Care Quality Commission. We consistently receive feedback highlighting that the care they observed was person centred and dignified. When they have identified areas we need to address we have taken action immediately. We report on our performance against local quality standards to our commissioners. We have agreed a range of local indicators to evaluate and monitor the quality of the services we provide. Our commissioners are assured about the quality of care we provide and have not raised any areas of undue concern that needs addressing outside of our general strategy.

During last year we undertook a review of culture and practice within our residential support services for people with a learning disability. The review highlighted that a number of areas of weakness were evident in the arrangements to support care. We have taken action to address the immediate areas of concern and to build improvements over the medium to longer term.

Overall we are a high performing organisation. We perform well in delivering the national standards asked of us across our services for primary care, learning disabilities, substance misuse and mental health. We experienced challenges during 2013/14 in maintaining standards for annual care reviews for people being care for under the Care Programme Approach. We implemented plans that have delivered the desired improvements and we are confident this standard will be maintained. We have not identified any undue risks that will impact on our ability to deliver the care quality standards expected of us.

As we plan for the next two years there are no areas of concern identified from our on-going engagement with our regulators, commissioners or our performance against the national standards required of us that indicate we need to prioritise improvement action.

Following the publication of the Francis report the Board of Directors undertook a review of our culture. Our review was done with our staff, our clinical leaders and benefited from input from external experts in the field of compassionate care.

The Board concluded that our culture is very different from those organisations reviewed in the national reports. But we are not complacent. We operate in the same context and are subject to the same external pressures that contributed to the failings in those organisations and these are difficult times. Delivering high quality health and social care is becoming more complex and more challenging. Demand for services is increasing and we are currently operating in an environment of reduced public sector spending. Delivering high quality care in this environment is a challenge we are determined to meet.

We have a culture in which, should poor care take place, it is recognised and reported and so we do know that we have instances when care is not at the standard we would wish for our friends or families. We are therefore keen to learn whatever lessons we can from such instances to improve the quality of what we do.

We have taken this opportunity to revitalise our commitment that the people who use our services are at the heart of everything we do. We will ensure the successful delivery of our commitments to

- Express more clearly and make real our commitment and expectations that service users are at the heart of all that we do.
- Strengthen service users feedback and engagement.
- Increase our openness and transparency
- Strengthen staff engagement
- Continue to develop engaging leadership at all levels
- Enhance our governance processes
- Develop the role of our Governors
- Work in partnership with our commissioners

When we look at how we are doing against most of the ways we evaluate our services, we are providing a good standard of care, support and treatment. This is something we are rightly proud about. However we also recognise that we can do better, and need to do better. We have much to do to ensure the quality of what we provide is of a consistent high standard, every time, for every person in respect of safety, effectiveness and experience.

During last year we have prioritised two major development programmes that will help us to continue to improve quality in the future:

- Making resources available to support frontline clinical teams and our support services to effect quality improvement locally using evidence based methods
- Improving how we involve people who use our services and better understand their experiences, so we can make better choices about what we want to improve

Our quality objectives for the next two years

We have reviewed the progress we have made over the last two years. This is reported in detail in our *Quality Account*. We have made good progress in reducing falls that result in harm, and in improving the experience for service users and staff in relation to violent incidents and the use of seclusion. Practice and standards of care have improved. On-going development work will ensure the improvements are sustained and further gains are made. As we look to the next two years we plan to focus our priorities for improvement in the following three areas

1. **Responsiveness:** We will improve access to our services so that people are seen quickly

Why have we identified this?

- When we met with our Governors this was a key area of concern for them. They wanted us to ensure that people got seen quickly when they needed to.
- Improving access is an area prioritised by our Commissioners and they are supportive of improvement and service reconfigurations to help us achieve this.
- We have already identified areas we wish to improve, and reduce the time people are having to wait. We have made some progress, but not as much as we would want to.
- We have identified IAPT, our Community Mental health teams and our Memory Services as key areas to deliver improvements in.

2. **Safety:** We will improve the physical health care provided to our service users

Why have we identified this?

- As we have developed our plans our Clinicians have told us this was a key area they wished to focus on to deliver improvements.
- It is a key priority across the health economy in Sheffield, to help deliver improved outcomes and achieve a reduction in the gap in life expectancy for people with serious mental health illnesses and people with a learning disability
- We know from reviewing progress against our Physical Health strategy and national audits that we have further improvements still to make.

3. **Experience:** We will establish the Service User Experience Monitoring Unit to drive improvements in service user experience across the Trust

Why have we identified this?

- Understanding the experiences of the people who use Trust services is essential if we are to be successful in achieving quality improvement.
- During this year we held a successful stakeholder event with service users and our public governors to look at how we are involving service users – and make plans for how we want to do it better as we move forward.
- When we met with our Governors to look at priorities for next year they told us that we should continue to support staff to have an appreciation and awareness of what it is like to receive care and to improve how we gather feedback about people's experiences.

Quality assurance

Our governance arrangements and structures support us to focus our efforts on improving the quality and effectiveness of what we do, and deliver on the objectives we have set. The assurance processes the Board utilises is outlined in our Quality Account and can be summarised as follows:

Engage and Listen: Ensuring we understand the experience and views of those who use our services so we can make the right improvements

Deliver Best Practice: Ensuring the care and support we provide is guided by what we know works

Monitor and Assess: Ensuring we evaluate how we are doing

Workforce Development and Leadership: Supporting and developing our staff to deliver the best care

The above processes support the Board's assessment of the quality of its services. The Quality Assurance Committee provides assurance to the Board on the quality of care and treatment provided across the Trust by ensuring there are efficient and effective systems for quality assessment, improvement and assurance and that service user and carer perspectives are at the centre of the Trust's quality assurance framework. We have a range of development programmes in place to further strengthen our approaches.

The Board, through its Audit and Assurance Committee, commissioned an Internal Audit review of our assurance processes. The aim of the review was to assess the effectiveness of the Board's arrangements to gain assurance on progress against the following four themes:

- Engagement on quality;
- Gaining insight and foresight into quality;
- Accountability for quality; and
- Managing risks to quality.

The review identified no high risk issues, and recommended that we finalise arrangements for the following:

- to finalise the review and re-launch of our overarching Quality Strategy
- to satisfy itself that the Trust's arrangements for ensuring data quality provide appropriate assurance
- to review the availability of national and local benchmarking information has been adequately assessed and is used where appropriate
- to improve the effectiveness of its clinical audit function by implementing its improvement plan for audit.

Our Corporate Objectives

We have identified a number of Corporate Objectives to ensure we progress and achieve our five Strategic Aims.

Quality and Service Development objectives

1. **Responsive:** We will improve access to our services so that people are seen quickly.
2. **Safe:** We will improve the physical health care provided to our service users.
3. **Experience:** We will establish the Service User Experience Monitoring Unit to drive improvements in service user experience across the Trust
4. We will ensure care is safe through effective clinical risk assessment and care management.
5. We will ensure all services use pre and post treatment outcome measures.
6. We will build on mental health care clustering and identify the interventions and skills required for each care cluster.
7. We will align with commissioning intentions and redesign pathways of care to improve effectiveness and efficiency.

Enabling objectives

1. We will build improvement capability in the Trust and improve our ability to learn from complaints and serious incidents.
2. We will improve the efficiency and focus of mandatory training, including customer care.
3. We will strengthen staff engagement to improve the experience of staff to support and enable them to deliver compassionate care.
4. We will review and make changes to support worker training and development.
5. We will develop our recruitment processes to improve their efficiency and effectiveness and ensure values play a key part
6. We will develop partnerships with third sector and the housing department in order to deliver improved pathways of care.
7. We will deliver a plan to reduce our costs that is clear and achievable over the three year period.
8. We will deliver efficiencies, reduce bureaucracy and review our corporate services through our Optimising Value in Care Programme.
9. We will increase our investment in Information Management and Technology and establish a new approach for future development that includes staff involvement.

Governance objectives

1. We will implement the commitments we made in response to Hard Truths (Francis, Berwick, Clwyd and Winterbourne inquiries).
2. We will undertake a review of our governance processes.
3. We will ensure compliance with the standards and requirements of the Care Quality Commission and Monitor.

Development plans

The following table summarises how we will progress and deliver our Corporate Objectives

STRATEGIC AIMS	OBJECTIVES	DELIVERY PLANS
1. To continually improve the quality and efficiency of our services in terms of safety, outcomes and service user experience	<i>Quality & Service Development Objective 1:</i> We will improve access to our services so that people are seen quickly	Deliver an average waiting time of 4 weeks for our IAPT Services by the end of 2014/15. Increase the numbers of people who receive an assessment within 2 weeks and a care plan within 4 weeks within our community mental health team services. Increase capacity within primary care to support the delivery of our Memory Services, and ensure people receive an assessment within 6 weeks by the end of 2015/16. Review care pathway arrangements and improve the waiting times for our learning disability services. Introduce a single point of access for our long term neurological conditions services to provide better case management of peoples complex neurological health needs. Fully establish our new nuero-development services so that peoples needs in Sheffield are met.
	<i>Quality & Service Development Objective 2:</i> We will improve the physical health care provided to our service users	Revise and re-launch our strategy for physical health in April. Improve liaison and joint working within primary care. Increase the uptake of offers of cardio vascular screening within primary care to 90% by the end of 2015/16. Develop our skills and expertise to promote and increase access to smoking cessation. Introduce an enhanced primary care service to improve the physical health of those most at risk in the city. Review and improve the nutritional experience for people in our older adults residential services.

STRATEGIC AIMS	OBJECTIVES	DELIVERY PLANS
	<i>Quality & Service Development Objective 3: We will establish the Service User Experience Monitoring Unit to drive improvements in service user experience across the Trust</i>	Invest in service led monitoring and evaluation that supports all services to engage with and understand the experience of those receiving care Improve our methods and approaches to understanding the experience of the people who use our services Support all teams to be engaging with and benefitting from service user feedback Introduce the Friends and Family Test to provide quick, simple and accessible feedback to service user's opinions about their experience. Establish a development programme so that training that is co-designed and delivered with service users will become the norm.
	<i>Quality & Service Development Objective 4: We will ensure care is safe through effective clinical risk assessment and care management</i>	Improve our approach to collaborative care planning with the service users. Simplify our care processes to ensure they are flexible and responsive to the changing needs of the service user. Extend our service user led staff development programme to support changes in culture, practice and processes.
	<i>Quality & Service Development Objective 5: We will ensure all services use pre and post treatment outcome measures</i>	Confirm and introduce agreed outcome measures for all services by during 2014. Report in the use of outcome measures across our services by the end of 2014/15. Produce information regarding treatment outcomes during 2015/16.
	<i>Enabling Objective 1: We will build improvement capability in the Trust and improve our ability to learn from complaints and serious incidents</i>	Make resources available to enable and empower both frontline clinical teams and 'corporate' supporting teams to effect quality improvement locally using evidence based methodology. Establish a cohort of leaders across the Trust to undertake quality improvement training. Review our reporting and review processes to support better learning and identification of broader themes and opportunities for improvement

STRATEGIC AIMS	OBJECTIVES	DELIVERY PLANS
2. To retain, transform and develop services along care pathways, enabling early intervention and meeting people's needs closer to home	<i>Quality & Service Development</i> <i>Objective 6:</i> We will build on clustering and identify the interventions and skills required for each cluster	Work across services to link the newly developed care packages to care planning Implement a process of reviewing and developing the care packages to take account of best practice and the outcomes for service users Review workforce skills and development needs in order to deliver interventions under each care cluster
	<i>Quality & Service Development</i> <i>Objective 7:</i> We will align with commissioning intentions and redesign pathways of care to improve effectiveness and efficiency	Implement our strategies for rehabilitation and acute care services to improve experience, reduce the need for out of town care and deliver increased value for money and reduced costs. Apply the learning from our success within mental health services to meet the needs of people with learning disabilities who currently receive their care outside of Sheffield. Improve our Early Intervention services to ensure the right interventions are provided. Review, agree and implement a new model of social care support that delivers a sustainable approach to personalised care and support and ensure our provider services provide for this. Develop and agree plans to introduce a recovery college service. Introduce an enhanced primary care service to improve the physical health of those most at risk in the city. Evaluate the effectiveness of providing IAPT support to people with long term physical health conditions, and medically unexplained symptoms, and agree how treatment should be provided in the future. Deliver an integrated Liaison Service the provides support, advice and treatment across the age range. Agree how we will deliver on our commitment to provide equal access to consistent standards of care across the age range, so that people are not disadvantaged by the care they get due to age. Finalise our assessment of the needs of the local health and social care economy and agree future growth plans by August 2014.

STRATEGIC AIMS	OBJECTIVES	DELIVERY PLANS
3. To recruit, develop, support and retain a skilled, committed and compassionate workforce with effective leadership at every level	<i>Enabling Objective 2: We will improve the efficiency and focus of mandatory training, including customer care</i>	We will review our mandatory training programme to ensure it is delivering on the needs of services and departments. We will review and develop our training programmes focussing on person centred care and incorporate best practice from customer care training.
	<i>Enabling Objective 3: We will strengthen staff engagement to improve the experience of staff to support and enable them to deliver compassionate care</i>	We will develop our approach to sickness absence management to address underlying issues of staff engagement Review best practice for agreeing staffing levels and team skill mixes and clarify protocols to be followed when changes to staffing levels are being considered. Invest in our organisational psychology expertise in team working to design cultural assessment tools and processes to support the development of healthy teams. Complete a stocktake of our supervision processes and effectiveness and identify priorities for future investment, including a recovery model of supervision. We will explore the variations in staff engagement and identify steps to improve the connection between staff and the organisation as a whole by improved communication from the Board to staff.
	<i>Enabling Objective 4: We will review and make changes to support worker training and development</i>	We will review and strengthen if necessary our approach to the recruitment, training, performance management and development of support workers across all Trust services.
	<i>Enabling Objective 5: We will develop our recruitment processes to improve their efficiency and effectiveness and ensure values play a key part</i>	We will review our processes to ensure recruitment is efficient and effective. We will make clear our values and expected behaviours for all staff. We will review of staff management processes from recruitment to exit to determine whether values are adequately expressed, understood and developed. We will ensure the NHS constitution and values have a more prominent part in our corporate communication.

STRATEGIC AIMS	OBJECTIVES	DELIVERY PLANS
4. To build and develop partnerships that deliver improvements in quality for the benefit of our communities	<i>Enabling Objective 6:</i> We will develop partnerships with third sector and the housing department in order to deliver improved pathways of care	Develop, agree and implement a joint housing strategy with the Council to provide for the needs of our client group and support the delivery of care closer to home initiatives. Identify shared priorities with the third sector and explore how new partnerships will allow us to achieve our joint aims.
5. To continue to perform as a financially viable, effective and well governed organisation	<i>Enabling Objective 7:</i> We will deliver a plan to reduce our costs that is clear and achievable over the three year period	Ensure each service area has a sustainable plan for the delivery of service over the 3 year period.
	<i>Enabling Objective 8:</i> We will deliver efficiencies, reduce bureaucracy and review our corporate services through our Optimising Value in Care Programme	Establish a service improvement programme that will deliver efficiencies from reduced bureaucracy and a review of corporate services. We will explore, establish and develop ways of working to ensure that feedback is sought from staff about our systems, and that processes are designed in ways that support staff as well as meet regulatory requirements.
	<i>Enabling Objective 9:</i> We will increase our investment in Information Management and Technology and establish a new approach for future development that includes staff involvement.	Review and re-launch our IT Strategy by June 2014 that will outline clear outcomes regarding the expected impact on quality and efficiency supported by a clear investment plan Ensure that our future approach to the development of IT solutions are informed by the needs of our service users and our staff

STRATEGIC AIMS	OBJECTIVES	DELIVERY PLANS
	<i>Governance Objective 1: We will implement the commitments we made in response to Hard Truths (Francis, Berwick, Clwyd and Winterbourne inquiries)</i>	We will ensure the successful delivery of our commitments to • Express more clearly and make real our commitment and expectations that service users are at the heart of all that we do. • Strengthen service users feedback and engagement. • Increase our openness and transparency • Strengthen staff engagement • Continue to develop engaging leadership at all levels • Enhance our governance processes • Develop the role of our Governors • Work in partnership with our commissioners
	<i>Governance Objective 2: We will undertake a review of our governance processes</i>	Commission a review of our governance arrangements and report the findings to the Board and our Governors Agree an implementation plan to respond to the learning from the review
	<i>Governance Objective 3: We will ensure compliance with the standards and requirements of the Care Quality Commission and Monitor.</i>	Review and improve our existing monitoring processes to support delivery of high quality care

Operational requirements and capacity

Section 4

The following table provides a summary overview of the operational requirements and service capacity in place to ensure the Trust delivers on its service plans and obligations to commissioners.

Service	Capacity	Activity assumptions	
Mental Health Services (working age)			
Inpatient Services			
Acute, PICU, Secure, Rehabilitation	182 beds	65,628	bed days
Community Services			
Community mental health services	various teams	69,495	community contacts
IAPT	various teams	10,000	episodes
Community support services	various teams	338	support packages
Mental Health Services (older people)			
Inpatient Services			
Acute, Specialist dementia	63 beds	16,594	bed days
Nursing home services	100 beds	21,900	bed days
Respite and Community Resource Services	18 beds	nil	Not activity based
Community Services			
Community services	various teams	37,411	community contacts
Learning Disabilities			
Inpatient Services			
Intensive Support Service	8 beds	2,260	bed days
Community Services			
Community services	various teams	13,042	community contacts
Residential care services		nil	Not activity based
Community support services	various teams	various	Combination of block and individual packages
Specialist Services			
Specialist mental health	various teams	11,036	community contacts
Gender, relationship and sexual health	various teams	6,130	community contacts
Long Tern Neurological Condition services	various teams	2,302	episodes
Substance Misuse Services	various teams	nil	Not activity based
Primary Care Services	various teams	nil	Not activity based

Productivity and efficiency

Overview

The requirement for NHS Foundation Trusts to achieve cost efficiencies year on year is clear. Our forecast for the next two years is a 4% to 4.5% efficiency requirement, and our longer term plans assume that this will continue. We also have NHS primary care contracts which are not subject to the efficiency requirement but are in the process of being challenged on affordability by commissioners. The majority of Non NHS contracts are with Sheffield City Council which is subject to a different financial regime which requires a more aggressive cost reduction programme to ensure future sustainability.

This mix of commissioners and contracts is complex and requires flexibility, however, over the next 5 years we will deliver efficiencies across all service lines by adopting 2 principles:

1. Working in partnership with Commissioners to identify new models of service delivery which deliver improved outcomes for service users at a reduced cost through transformation of existing models
2. Improving the efficiency and productivity of internal processes and working practices

Working in partnership with Commissioners

Long term sustainability for the Trust will be secured by delivering efficient, high quality services which service users' value highly and commissioners want to buy. Working in partnership with commissioners and service users, understanding their needs and responding to their requirements will strengthen our position.

Commissioners of health and social care are all challenged to deliver improvements to services and reduce costs. We will work in partnership with commissioners to identify new models of delivery and redesign pathways to achieve this and, wherever possible, ensure that efficiencies generated benefit both us, as provider, and the commissioner.

Sheffield Clinical Commissioning Group

We will ensure we understand the Commissioning intentions of the Clinical Commissioning Group (CCG) and make service offerings which seek to achieve these and deliver cost savings. This will focus on managing whole care pathways and delivering care close to home.

An established Strategic Partnership Forum with the CCG will be a key means by which we will understand and respond to commissioning intentions. The Forum will agree work to be undertaken to deliver new models of care and reduce costs. This work has previously been commissioned through the Joint QIPP arrangements with the CCG. The principles established within the Joint QIPP work is that we will work in partnership with the CCG to

deliver cost savings which in full, or in part, are attributable to our efficiency requirements thus safeguarding existing service provision.

The Trust now successfully manages out of town mental health care and individual care packages which previously were the responsibility of Sheffield CCG. This has been delivered through a care pathway approach and work continues within the Rehabilitation Strategy and in Continuing Care to increase the scope of this work. The benefits of this approach have been to reduce the number of Sheffield service users cared for outside of the city and to reduce the cost of this by utilising existing resources and facilities. As more is done there will be a need to invest in an increase in local provision but this will still deliver a significant saving.

NHS England

NHS England commission primary care services and have reviewed the contract values of all primary care providers. This has resulted in a challenge to the contracts delivered through the Clover Group. We continue to work in partnership with NHS England and a review of the service offering, the service model and costs will inform the on-going development of this service over the next two years.

Sheffield City Council

Sheffield City Council has announced the intention of reducing expenditure within social care by 40% per year for the next 3 years. We have worked in partnership with the Council to identify specific changes to service provision and reductions in cost, and have agreed a strategy for development for the next 3 years with a strong service transformation agenda.

Improving internal efficiencies

The challenge for our Directorates is how to continue to deliver high quality services with reducing resources. Each year the efficiency target is allocated throughout our services and there has been year on year achievement of these targets. Directorates have re-structured and re-designed delivery of care in order to meet this requirement. In order to support on-going delivery there will be a structured approach to service improvement and productivity, reduced bureaucracy and specific reviews of back office functions.

Service Improvement

A structured approach using a consistent methodology will be introduced which all services will be required to undertake. The approach will be based upon the principles of staff engagement and removal of waste to increase the productivity of teams. This will be teams analysing their own working practices and making changes which will lead to increased patient facing time and the opportunity for reduced costs.

Reduced bureaucracy

Complementary to the service improvement work undertaken by teams will be a work stream which analyses the organisational and internal processes which clinical teams are required to undertake and add no value to service user outcome or experience. This work will be managed by the Optimising Value in Care Programme Board and will improve productivity and lead to increased patient facing time and the opportunity for reduced costs.

Review of corporate services and functions

A review of all non-clinical functions will be undertaken. The purpose of this is to ensure that all functions are fit for the purpose of supporting the delivery of front line services in the effective and efficient manner.

Cost improvement programme

The Trust's plans have been developed and produced by our clinical and managerial leadership teams from our service directorates (service lines). All plans relating to clinical services have been developed and approved by the appropriate clinical and service directors. To support the development of our plans as part of its on-going strategy implementation the Trust has key engagement forums that are designed to foster, encourage and facilitate innovation and cross organisational sharing and learning within the Trust and with our Commissioners. These forums bring together the Trust's Management Team, Service and Clinical Directors and other key roles from across Nursing, Psychology, Therapy and Pharmacy to continually develop our future priorities for re-design, quality improvement and service efficiency. The Trust's investment plans support the above approaches and priority areas. Additional investment capacity has been allocated to support

- Change management
- Project delivery and management
- System improvement reviews
- Information technology solutions, particularly to support mobile working.

Scheme	Scheme description including how scheme will reduce costs	Under-pinning IT / information or management systems	Total savings £m	Phasing over two-year period (£)		Has the scheme been subject to a quality impact assessment (Y/N)	Who is responsible for signing off on the quality impact assessment
				Yr. 1 2014/15	Yr. 2 2015/16		
Joint transformation programme with CCG Delivering transformational change in alignment with commissioning strategies based on new service models, pathway redesign	Acute Care Reconfiguration and Rehabilitation strategy	No major impact	£1.607m	£0.694m	£0.910m	Yes Business Case approval	Board of Directors as advised by the Trust Medical and Nursing Directors
	Improved care pathways, increased community care provision reducing dependency on inpatient care especially out of town Delivering efficiencies and savings to CCG through pathway redesign, care pathway management, efficiencies and shift to re-ablement, prevention and primary care	To be determined. Not expected.	£3.806m	£1.180m	£2.626m	As plans are approved	n/a

Community mental health services – working aged	General efficiencies through • pathway redesign, • efficiencies • shift to re-ablement, prevention and primary care delivery	No major impact	£0.545m	£0.528m	£0.018m	All Yr 1 schemes have been assessed	Board of Directors as advised by the Trust Medical and Nursing Directors
Specialist services	General efficiencies through • pathway redesign, • efficiencies and skill mix reviews • and shift to re-ablement, prevention and primary care delivery	No major impact	£1.205m	£0.738m	£0.467m	All Yr 1 schemes have been assessed	Board of Directors as advised by the Trust Medical and Nursing Directors
Learning Disability services	General efficiencies through • pathway redesign, • efficiencies and skill mix reviews.		£0.510m	£0.448m	£0.062m	All Yr 1 schemes have been assessed	Board of Directors as advised by the Trust Medical and Nursing Directors
Primary care services - Clover	General efficiencies through • efficiencies and skill mix reviews		£0.043m	£0.040m	£0.003	All Yr 1 schemes have been assessed	Board of Directors as advised by the Trust Medical and Nursing Directors
Corporate Services	Efficiencies and cost reductions delivered through • streamlined processes, • reduced bureaucracy • and improved use of technology	No major impact	£2.544m	£1.077m	£1.467m	No	Na
Plan total			£10.261m	£4.704m	£5.557m		

Overview

The Trust's financial strategy is shaped by the environment within which we are delivering our services and the direction of travel we have outlined for our service developments and quality improvement. The overarching principles and goals that shape the Trust's financial strategy are:

- To maintain a financial risk rating of 4 and to maintain a 2% income surplus margin to contribute towards planned future capital investment.
- To effectively and robustly manage our financial ratios over the medium term as we expect to diminish the liquidity ratio as we start to expend our cash holdings in support of our capital expenditure programme.
- Realistic assumptions underpin our strategy in respect of growth, adopting a measured approach to the future. This measured approach to what underpins the financial plan does not detract from our objective of maximising growth opportunities.
- Service improvements will be delivered through efficiency and change as opposed to additional investment to the Trust. Our CIP programme provides for an additional resource and funds to support internal investment plans and our capacity to develop and expand our business in response to developing commissioning strategies.
- Maintaining a sound awareness of our cost base across our service and business units as to support our understanding of the services and products we deliver and identify future improvement opportunities. The associated development programmes to progress the implementation of service line reporting and payment by results within mental health services will complement this approach.
- To undertake a thorough viability appraisal of all contracts as part of the optimising value in care programme to deliver cost improvements, ensuring the relative contribution of all service lines is transparent and that full cost recovery and surplus is achieved unless directed otherwise from the Board.

The Trust currently has a sound cash position with a balance at 31 March 2014 of £27.7m and is not expecting problems with its cash flow.

The key financial risks to achieving the financial strategy is the failure to deliver our future efficiency programme. The focus and approach to the development of our service strategy and efficiency programme is summarised in Section 5 of this plan. The alignment of our plan to our clinical strategy and the commissioning strategies and ambitions of our main commissioners provide assurance and confidence regarding delivery going forward in the medium to longer term. Failure or delays in the achievement of our financial plans have been mitigated by the Board through the use of CQUIN income as reserve allocations, in addition to additional contingencies allocated to reserves through our financial plan.

Summary of Financial Forecasts 2014/2015 Onwards

Introduction

The 2014/15 Financial Plan inevitably reflects the current NHS financial environment. In 2014/15 the NHS will receive minimal real terms growth and is expected to deliver unprecedented levels of efficiency savings to fund the expected growth in demand on services. This clearly impacts on Commissioner investment plans, in addition to the direct impact of efficiency targets levied on the Trust.

In these circumstances it is recognised that investments will be limited and that the major challenge will be to deliver further significant efficiency savings in order to keep the Trust in a sustainable financial position. The aim in producing the 2014/15 Financial Plan has been to produce a recurrently balanced position; to maintain the planned surplus at the level of previous years; to make judicious investments; and to make reasonable provision for potential risks.

Financial Challenges

The Trust's Financial Plan is designed to continue to make a surplus, in order to provide for future contingency planning time for the use of our accrued surplus to achieve the required changes which will deliver longer term recurrent savings. Whilst the economic climate will become increasingly more difficult, it will be necessary to ensure the Trust has sufficient funds in place to maintain quality services and deliver the very challenging efficiency savings and disinvestments required. These will be part of the joint savings targets agreed with commissioners.

As a result of the Trust's predominantly block contract income, the Trust plans to achieve these surpluses through its cost reduction programmes in order to achieve the required efficiency savings, with some minimal income generation through new contracts which will deliver a margin.

For 2014/15 the savings target is £7.94m (see table below). This will be achieved through the Cost Improvement Plan summarised in Section 5 above, which will deliver £4.7m, and Divestments of £3.24m (including carried forward from 2013/2014).

CIP / Divestment	2014/2015	2015/2016	Total
CIP carried forward	£1.39m	£1.73m	£1.39m (<i>Excl £1.7m NR</i>)
In Year CIP	£3.31m	£3.4m	£6.71m
Divestment	£2.90m	£0.6m	£3.50m
Divestment CF	£0.34m		£0.34m
Total	£7.94m	£5.73m	£11.94m (<i>Excl £1.7m NR</i>)

Of the £4.7m Cost Improvement Plan requirement £1.73m is not identified through detailed recurrent plans. The Trust has non-recurrent plans in place to meet £0.413m of this and joint work with commissioners continues to finalise plans for the remaining £1.239m. The Joint QIPP programme, governed under the Strategic Partnership Forum between the Trust and Sheffield CCG will progress and finalise detailed plans to achieve the recurrent savings for 2014/2015 and this will be built on to identify future years CIP requirements. The Trust

plans to achieve the £1.73m non-recurrently through fortuitous savings or contingency reserves during 2014/2015.

For years 2015/16 the targets remain very challenging. The planned approach is to develop a range of solutions through service redesign and transformation of services, Joint QIPP programmes with our commissioners and general Cost Improvement Plan schemes to achieve the £4.0m target.

Funding to achieve NHS Commissioning for Quality and Innovation (CQUIN) service quality improvements have been confirmed at 2.5% (£1.688m) from 2014/15. CQUIN funding will be held in reserve, with £0.100m set aside for contingency against achievement and £0.750m set aside for potential investment against plans to achieve the organisations strategic aims.

Income

The Trust's income is primarily based on block contract income and has c£5m cost per case or individualised budget funding which could be considered variable in its receipt. This is particularly helpful in financial planning. With 81.6% (2014/15 forecast) of the funds being staffing costs, combined with a large element relating to payment for asset depreciation, there are few significant monthly variations. Consequently the majority of expenditure and income can be profiled in twelfths. Where there are some details on historical monthly variances these have been taken into account in the financial profiles. Examples of this would be traditional holiday periods where staff overtime may increase or the seasonal fluctuations relating to monthly utilities usage.

The Trust is working with commissioners towards Mental Health Payment by Outcomes and this will operate in shadow form for 2014/2015. No assumptions have been made within the plan until such time as a local or national tariff is agreed and any implications are understood.

The Trust has no planned private patient income. While we do not expect a significant potential in this area, it remains an area Directors continue to monitor and explore for future opportunities. Should opportunities arise beyond peripheral income the Board would review the developing opportunities and consider the implications to inform and determine the way forward.

Contract negotiations / alignment with commissioner intentions

Clinical Commissioning Group (CCG) allocations have been confirmed with growth of 2.14% (14/15) and 1.7% (15/16) over the next two years for Sheffield CCG and our associate CCGs across South Yorkshire. Whilst these represent the minimum uplift nationally they are above forecast inflation for the period.

Contracts with Sheffield CCG and other associated CCG contracts have been agreed and signed. The NHS England Contracts for specialist commissioning and the APMS Clover contract have been agreed.

With respect to the Section 75 Partnership Agreement with the Local Authority, the plan has been formally agreed in respect of service developments and cost reduction requirements.

With respect to the Housing Association contracts and Supported Living contracts, discussions with the commissioners are on-going and formal notice on the South Yorkshire Housing Associations registered care services is expected. Whilst the timings and levels of divestment are uncertain, assumptions are incorporated into the financial plan for the next two years.

Overall this places the Trust in a sound and stable position in respect of commissioned and provided services over the next two year period. Areas of service re-design, efficiency and cost reductions have been agreed. We are aware of the procurement plans that will have a potential impact on some services and have been planning for this.

Risks

As noted, the main risks to the Trust are as follows

Issue	Management and mitigation
Delivery of Cost Improvement Plans	• Positive record of management of gap through non-recurrent means pending finalisation of full plans • Robust Joint QIPP planning approach and commitments in place with Commissioners to ensure joint progress is maintained • Clear set of programmes being progressed through Joint QIPP work that will deliver recurrent solutions during the year
Loss of business through procurement plans for some Trust services	• Clear plans and strategies in place to inform Trust direction • Positive experience and track record of management of existing service to inform development of response to future tenders • Plans in place to manage risks subject to outcomes of tendering exercises.

Inflation Uplift Assumptions

The indicative assumptions used in the financial plan are summarised below based on the tariff for non- acute hospital services and made up as follows:-

	2013/2014 %	2014/2018 %
NHS Contracts		
• Income	2.2	2.9
• CIP's	(4.0)	(4.5)
• CQuIN	2.5	2.5
• Pay (Including NI & Increments)	1.2	1.9
• Non Pay	1.1	1.1

Pay inflation requirements have now been confirmed. The previous anticipated 1% pay award has only been awarded to those staff on A4C contracts who will not receive an increment drift increase. The pay costs (Inflation and incremental drift) have only been funded to the extent it is required rather than the amount included in tariff inflation.

Non pay inflation requirements over and above the 1.1% general allocation have been funded from the balance of inflation.

Cost Improvement Plans for other operating income are derived through a bottom up cost centre analysis and vary depending on contractual negotiations and cost make up.

The national tariff efficiency requirement for 1516 is 4.5%; the increase is to largely offset a planned increase to pension contributions. Until specific details are disclosed the Service development elements of tariff will be assumed to be cost neutral.

Investments in quality and transformation

To support the delivery of the Trust's aims and objectives a range of development and investment priorities have been identified. The financial plan allocates an investment of £1,227,000 to support improvement priorities across the following:

- Change management and project delivery.
- Quality improvement capacity and system improvement reviews, governance, business information.
- Information technology solutions, particularly to support mobile working.
- Improvements to ward environments

Capital Expenditure

The Trust is presently not seeking to obtain loans to fund capital projects during 2014/15 and will utilise in year depreciation and Capital slippage from previous years to fund the requirement for 2014/15 and 2015/16.

The current 4 year capital plan to 2017/18 reforecast was submitted to Monitor and the Department of Health in January, details of the planned CAPEX are below.

Capital Expenditure	2014/15 Plan £m	2015/16 Plan £m	2016/17 Plan £m	2017/18 Plan £m	Total Plan £m
New Build	2.468	5.547	5.668	6.407	21.070
Equipment	0.100	0.105	0.110	0.116	0.673
Information Technology	0.300	0.350	0.400	0.420	1.758
Other	0.064	0.070	0.074	0.078	0.311
Total	2.932	6.072	6.252	7.021	23.812

As part of the Acute Care Reconfiguration programme work on the new Psychiatric Intensive Care Unit is scheduled to commence in September 2014 and is due to be completed in September 2016 with expenditure of £5.7m over the period (subject to

completion of tender process). Further work on the Acute Care Reconfiguration Frail ward of £2.4 is planned to start in 15/16.

The Plan incorporates the spending plans identified for IM&T projects, vehicles and equipment of £0.364m for 2014/15 and £0.525m for 2015/16.

Key Forecast Summary Financials

	2014/2015 £m	2015/2016 £m
Turnover £m	127.85	118.40
I and E surplus £m	2.55	2.37
I&E Surplus Margin %	2.0%	2.0%
Continuity of Service Risk Rating Level	4	4

Continuity of Service Metric	2014/15 Plan	2015/16 Plan
Debt Service Cover	3.85	3.71
Liquidity Ratio	70.9	72.3
Risk Rating	4	4

Liquidity

The Trust currently has a sound cash position with a balance of £27.7m at 31st March 2014 and a forecast of £28m at 31st March 2016. The Trust is not expecting problems with its cash flow and cash holdings will be maintained and maximised going forward.

The Continuity of Service Risk Ratings are on a scale of 1-4, 4 represents the highest rating and signifies sufficient financial headroom and liquidity.