



Forward Plan Strategy Document for

Sheffield Children's NHS Foundation Trust

Plan for y/e 31 March 2012 (and 2013, 2014)

Strategy Guidance - Annual Plan Review 2011

1. Overview Section 1: Strategy

The Trust's current position and vision are summarised as:

The purpose of the Trust is set out in the agreed mission statement for the organisation and is as follows:

'Our aim is to provide care and treatment of the highest standard to the children and young people of Sheffield, South Yorkshire and beyond, working closely with children and their families, other partners, and our staff to improve the health, wellbeing and life chances of the younger population.'

The Trust is one of the four specialist children's NHS trusts in England. Sheffield Children's NHS Foundation Trust is a successful organisation delivering more and better care for children in the north of England on a year on year basis. Following the successful transfer of community services for children from the PCT to the Trust in April 2011, the Trust provides an extremely comprehensive range of integrated services for children. Good progress continues to be made against key priorities in line with the Trust's strategy and a number of important planned developments have progressed over the last year. Along with other NHS providers, the Trust faces considerable challenges, however over the last year, the Trust has performed well against key performance, quality and financial targets.

Demand for the Trust's services continues to rise with a further 8% rise in referrals to the Trust during the last year, which follows a 12% rise over the previous two years. The increased demand reflects well on the quality and reputation of the Trust's services and is in keeping with the Trust's stated strategic intention to develop its specialist services. The growth in demand is mainly from outside Sheffield, and reflects the recognition that the safe treatment of children increasingly needs to be undertaken in specialist centres and not in local hospitals given the distribution of skilled staff. The Trust progressed well on two key specialist service developments in 2010/11, the first being the completion of the final phase of the Embrace critical care transport service so that the service now transports both neonates and children 24 hours each day, and the second being the completion of the capital scheme for the new specialist mental health service at the new Becton Centre.

The Trust delivered more care during 2010/11 than ever before, with an 7% rise in the number of elective admissions and 5% rise in outpatient attendances compared to the previous year. The challenge for the Trust is to meet rising demand within existing capacity constraints and within waiting times; delivering more activity on a year on year basis places pressure on the capacity of individual clinical specialities and on the Trust's infrastructure. Managing and responding effectively to the pace of growth and ensuring that capacity is in place at the right time to respond effectively to meet this growth in demand is a key priority for the Trust.

In addition to its role as a specialist provider of care for children, the Trust also has an important role as the provider of non-specialised general hospital and community services for children and families in Sheffield. With the exclusion of primary care, the Trust is now the sole provider of healthcare services for children in the City. Recognising the financial constraints facing our lead commissioner, the Trust will work in partnership with local GPs, the PCT and the Local Authority on the redesign of children's services. Demand for non-elective care has risen substantially in recent years and the Trust will work with NHS Sheffield and other partners to reconfigure non-elective services so that more children receive care outside of hospital. The plan will be to establish more community based support for children and redesign unscheduled care. By reducing non-elective admissions, capacity will be released to meet the growth in demand for specialist activity.

The financial context in which we operate over the next three years is a major challenge. Our plan includes the further growth in specialist activity and income, with care delivered as far as possible on a marginal cost basis. We will also expand our specialist pathology services and increase our income from that source. Our plan also assumes that the Trust will work on the reconfiguration of non-elective service in Sheffield, thereby reducing admissions to hospital, which will also reduce financial risk relating to the marginal tariff for non-elective work.

Key to our success over the next three years is our ability to reduce our costs and meet our cost improvement plan. We recognise that to successfully achieve cost reductions of 5% in each year we have to adopt a significantly different approach to the delivery of our services. A focused Trust-wide approach to cost reduction has been adopted, with a number of significant projects identified aimed at transforming the way we deliver services across the Trust.

The Trust's strategy over the next three years is to:

Over the last year the Trust has reviewed its future strategy in order to set clear long term priorities for the organisation and its clinical services. Whole day strategy events with clinical leaders and senior managers, the Trust Board of Directors and the Trust's Council of Governors have been held to consider the changing context in which the Trust operates, the key drivers for change, an assessment of the opportunities and threats facing the Trust and to review clinical services. As a result, the Trust has identified five primary strategic objectives as follows:

- 1.To provide healthcare to children of the highest standards available in the UK
- 2.To develop and expand our role as a provider of specialist services for children
- 3.To work in partnership with others to reshape healthcare for children in Sheffield
- 4.To expand the Trust's role as an expert provider of specialist pathology services
- 5.To be a national leader in research and education in children's healthcare

In addition, the Trust has underpinning strategies on Finance, Workforce development, Estates and equipment, and Organisational effectiveness. The rationale for our choice of priorities is outlined below.

The purpose of the organisation is to provide care and treatment of the highest standard for children and young people and to work with other organisations to help keep children healthy and safe. We are proud of the improvements we have made in services in recent years and aim to provide even better services in the future. We expect to further develop our role as a specialist provider over the next three years; given the range of specialism's and expertise we already provide, we are uniquely placed within the Region to develop these services further, particularly given that local hospitals are now less able to provide the range of services for children that they once could. We will also ensure that we meet nationally defined standards for specialised services, ensuring that we are able to meet designation requirements when assessed. A marketing strategy is being developed to support this strategy. The Trust would also expect to develop its private and overseas patient activity following the expected abolition of the private patient cap.

One of the Trust's main strategies over the next three years therefore is to expand its role as a specialist provider within the North of England. We will increase the proportion of our income derived from specialist work, and plan for a decrease in the proportion of income received for non-specialist activity.

In order to maximise the Trust's opportunities to develop further as a specialist provider it is critical that the focus on continually developing the quality of our services remains strong as this is key to our reputation as an expert provider of services. It is also critical to ensure that the Trust's role as a provider of high quality research and training continues to be enhanced.

We will continue to provide high quality non-specialist care to children and young people in Sheffield including general and community paediatric services, however, the emphasis will be providing as much care as possible outside hospital and at lower cost. We will work closely with NHS Sheffield, local GPs and the Local Authority to review options for the reconfiguration of services, and the delivery of QIPP plans.

Our plan includes the further growth in specialist activity and income. A key priority is to increase activity as far as possible on a marginal cost basis. Our plan also assumes that the Trust will work on the reconfiguration of non-elective service reconfiguration, thereby reducing admissions to hospital, which will also reduce financial risk relating to the marginal tariff payment for this activity. We also plan to increase income derived from our specialist pathology services, where we have seen significant growth over recent years.

Our ability to reduce our costs and meet the cost improvement plan is critical to meeting our strategic objectives. A cost reduction programme of 5% in each year is in place, with significant transformation expected in the way we deliver of our services, with a number of significant projects identified aimed at transforming the way we deliver services across the Trust.

We recognise the challenge of delivering our ambitious plans over the next three years; the financial context in which we operate will be extremely difficult, as at times, will be the delivery of our plans. However, we are confident in the strength of the organisation, our overall strategy and the reputation of our services, and we believe we have the means to deliver these plans.

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 strategy, with milestones of delivery of each over the period of the plan:

Key Priorities & Timescales	How this Priority underpins the strategy	Key milestones (2011-12)	Key milestones (2012-13)	Key milestones (2013-14)
Strategic Objective 1: Provide healthcare to children of the highest quality in the UK				
1. Provide healthcare to children of the highest quality in the UK	The Trust's reputation is built on our expertise in children's healthcare and on the high quality of our services. Being able to demonstrably prove that the quality of our care is of the highest found in the UK will support our planned expansion of specialist services. Improving the quality of our accommodation and parking will also assist us in this goal.	Deliver improvement in line with priorities for quality improvement described in clinical plan section of the APR.	Deliver improvement in line with priorities for quality improvement described in clinical plan section of the APR.	Deliver improvement in line with priorities for quality improvement described in clinical plan section of the APR.
		Complete Full Business Case for a new 60 bed ward block and plans for a Patient Hotel by end March 2012.	Undertake detailed planning and preparation for capital scheme for hospital development for completion in 2014/15	Undertake detailed planning and preparation for capital scheme for hospital development for completion in 2014/15
		Develop plans with Sheffield University for the development of a joint Car Park	Complete scheme for use by end 2012	
Strategic Objective 2: Develop and expand our role as a provider of specialist services for children				
2. Develop and expand our role as a provider of specialist services for children <i>a) Deliver higher levels of activity in 8 clinical priority areas:</i> <i>Neurosciences</i> <i>Gastroenterology & nutrition</i> <i>Growth & metabolic</i> <i>Respiratory & ENT</i> <i>Musculoskeletal & bone health</i> <i>Surgical specialities</i> <i>Cancer treatment</i> <i>CAMHS Tier 4</i>	The Trust has been successful in developing specialist services and has the opportunity to expand this activity further. This will bring reputational and financial advantage. Specialist activity attracts patients from a wide geographical area and funding from a range of commissioners. This is tactically beneficial as the Trust would not be putting all its eggs in one basket. Continuing to strengthen our existing specialist activity is also strategically important at a time when there is a national focus on reducing the number of specialist providers of specific services.	Deliver higher levels of activity as detailed in activity & income plans, by increasing clinical capacity specialities and ensure sufficient outpatient & diagnostic capacity available.	Deliver higher levels of activity as detailed in activity & income plans, by increasing clinical capacity in specialities.	Deliver higher levels of activity as detailed in activity & income plans, by increasing clinical capacity in specialities
		Increase physical capacity for expansion of specialist activity: Increase bed capacity in Acute Assessment Unit by December 2011 so main wards can increase specialist activity. Capital scheme for expansion of two new operating theatres to commence during Q3/4	Increase physical capacity for expansion of specialist activity: Capital scheme for expansion of theatres for completion during 2012/13.	Increase physical capacity for expansion of specialist activity:
		Ensure critical care facilities available to support elective specialist surgery: Increase post-operative high dependency/transitional care provision for complex elective surgery.		

<p>2. Develop and expand our role as a provider of specialist services for children –</p> <p><i>b) Further develop our Neurosciences service</i></p>	As above	<p>Appoint 4th Neurosurgeon & specialist nurse by September 2011.</p> <p>Expand Epilepsy surgery service.</p> <p>Assess development of Neuroradiology service</p>	<p>Expand epilepsy surgery.</p> <p>Include intraoperative MRI within capital scheme for operating theatres</p>	
<p>2. Develop and expand our role as a provider of specialist services for children –</p> <p><i>c) Seek designation as a Major Trauma Centre for children</i></p>	As above.	<p>Assess Trust's services against national standards for paediatric major trauma management & develop plan to address any gaps.</p>	<p>Achieve designation as a Major Trauma Centre for children</p>	
<p>2. Develop and expand our role as a provider of specialist services for children –</p> <p><i>d) Expand specialist musculoskeletal & bone health services</i></p>	As above.	<p>Appoint two paediatric Rheumatologists to provide an in-house service - by August 2011.</p> <p>Expand Metabolic Bone service in line with NSCAG designation as a new national service.</p>		
<p>2. Develop and expand our role as a provider of specialist services for children –</p> <p><i>e) Expand CAMHS Tier 4 service with provision of national beds</i></p>	As above	<p>Complete final phase of Becton Tier 4 CAMHS development with opening of Ruby Lodge specialist mental health in-patient assessment for Learning Disability children.</p> <p>Establish additional national beds for generic specialist mental health provision from April 2011.</p> <p>Establish national Dual Diagnosis national service from September 2011</p>	<p>Establish additional national bed provision for Dual Diagnosis service from April 2012.</p>	
<p>2. Develop and expand our role as a provider of specialist services for children –</p> <p><i>f) Develop private & overseas service</i></p>	As above	<p>Appoint Project Manager to scope private & overseas patient potential through market analysis from April 2011 and develop plans.</p>	<p>Implement plans for private & overseas patient activity following legislation to remove private patient cap.</p>	<p>Further expansion of private & overseas patient activity.</p>
<p>2. Develop and expand our role as a provider of specialist services for children –</p> <p><i>g). Marketing</i></p>	As above	<p>Undertake market analysis & develop marketing plan for further expansion of specialist activity – by October 2011</p>		

Strategic Objective 3: Work in partnership with others to reshape healthcare for children in Sheffield

<p>3. To work in partnership with others to reshape healthcare for children in Sheffield</p>	<p>Nationally there is a high degree of emphasis on treating more patients outside hospital, and this is mirrored locally, particularly given the financial challenges ahead. Local GPs want to work with the Trust to redesign paediatric services with a greater emphasis on prevention and care outside hospital, and this forms part of the agreed QIPP plan between the parties. The Trust will need to work with others to reshape services and develop innovative new solutions. This approach will release capacity to enable the trust to deliver more specialist activity.</p>	<p>Transfer community services under TCS from April 2011 & ensure services integrated fully alongside other services by March 2012.</p>	<p>Develop greater integration of services & implement new multi-agency models of locality based integrated service delivery.</p>	
		<p>Work with GPs & NHS Sheffield on the redesign of children's unscheduled care with a business case developed for a new model of care by July 2011, to be in place by April 2012 as part of the agreed QIPP plan. Increase Acute assessment bed provision by December 2011</p>	<p>Implementation of new model of unscheduled care, with outreach nursing service and single front door to urgent care.</p>	
		<p>Implement plans for redesign of specific care pathways and the management of patients between primary & secondary care – including dermatology and non-GP referrals</p>	<p>Work with GPs on increasing capacity in primary care for the management of common childhood conditions within primary care</p>	<p>Work with GPs on increasing capacity in primary care for the management of common childhood conditions within primary care</p>
		<p>In collaboration with PCT & others, redesign services for the care of children with complex problems, to increase community based provision & reduce hospital admissions.</p>	<p>Implement changes to services for children with complex needs.</p>	

Strategic Objective 4: Expand the Trust's role as an expert provider of specialist pathology services

<p>4. To expand the Trust's role as an expert provider of specialist pathology services</p>	<p>Nationally and regionally there are plans to reduce the number of centres providing specialist pathology services. The Trust has substantial expertise in this area, particularly in</p>	<p>Assess options for the future delivery of genetic & screening services & determine a strategy in partnership with commercial or other partners – plan by October 2011.</p>	<p>Implement plans as determined by strategic plans developed in 2011.</p>	<p>Implement plans as determined by strategic plans developed in 2011.</p>
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	specialist genetics and newborn screening. Services have expanded considerably over recent years with success in attracting work from new markets. The Trust is in a good position to become one of the national centres providing specialist pathology services in the future, however, it is unlikely to achieve this in isolation; commercial or other partnership are likely to be required. This area of work therefore needs a specific strategic focus.	To develop Biochemical genetics at the laboratory /clinical interface providing diagnostic services at a regional/national & international level – plan by October 2011.	Implement plans as determined by strategic plans developed in 2011.	Implement plans as determined by strategic plans developed in 2011.
		Ensure that equipment, staffing & marketing of all specialist pathology, genetic & screening services are appropriate for future development – plan by October 2011.	Implement plans as determined by strategic plans developed in 2011.	Implement plans as determined by strategic plans developed in 2011.

Strategic Objective 5: To be a national leader in research and education

5. To be a national leader in research and education in children's healthcare	Research and education are core to the Trust's role as a teaching hospital and to its reputation as a provider of specialist services. To be a leader in the field of children's healthcare - the Trust needs to have particular strength in these areas. This also supports the Trust in recruiting high calibre staff. The Trust's role in research should be strengthened to support the strategy of developing specialist services. Developing the Trust's role and reputation as a provider of education and training will also underpin the strategies of expanding specialist services and redesigning local children's services	To meet agreed growth targets and increase activity within the Clinical Research Facility in line with plan	To meet agreed growth targets and increase activity within the Clinical Research Facility in line with plan	To meet agreed growth targets and increase activity within the Clinical Research Facility in line with plan
		Comply with all MHRA requirements & ensure a safe & efficient quality led research environment is available	Comply with all MHRA requirements & ensure a safe & efficient quality led research environment is available	Comply with all MHRA requirements & ensure a safe & efficient quality led research environment is available
		Meet or exceed CLRN accrual target of 380 & maintain study turnaround times that meet or exceed regional targets set by CLRN.	Meet or exceed CLRN accrual target & maintain study turnaround times that meet or exceed regional targets set by CLRN.	Meet or exceed CLRN accrual target & maintain study turnaround times that meet or exceed regional targets set by CLRN.

Section 2: External environment

Key External Impact	Risk to/impact on the strategy	Mitigating actions and residual risk	Overall expected outcome	Measures of progress and accountability
<i>NHS financial context – particularly with slow down on economic recovery</i>	<p>Potential for further reductions to funding through deflation of national tariff, which would require higher levels of cost efficiencies</p> <p>Trust is planning on a further 1.5% tariff reduction in 2012/13 then 0% in 2013/14. The Monitor revised assumptions have been reviewed which suggest the Trust should plan on an additional downside risk of 1.3% this year and 0.4% next year over and above current plans. The Trust's QIPP plans in partnership with NHS Sheffield already address the additional acute sector risks identified by Monitor</p>	<p>Trust would plan increase in CIP requirements. However, this would increase the risk of non-delivery of cost savings</p> <p>The Trust will develop a contingency plan for the downside risk of 1.3% based on shared services but non-recurrent savings will be identified to cover the risk in 2011/12.</p>	Risks will be mitigated through remedial action	<p>Detailed monitoring of the efficiency programme through monthly directorate reviews.</p> <p><i>Chief Finance Officer</i></p>
<i>Reduction in paediatric top-ups on tariff.</i>	Risk to Trust of income reduction due to changes in top-up payments for paediatric activity.	Trust is working with other members of Paediatric Alliance and the DH on this issue – to seek a long term funding plan.	Expected that paediatric top-ups may change but that amendments which cause destabilisation will be avoided.	<p>Proposal for paediatric top-ups agreed for 2012/13 by September 2011.</p> <p><i>Chief Finance Officer</i></p>
<i>Delay to removal of Private Patient Cap expected within the Health and Social Care legislation</i>	Delay to removal of private patient cap could put at risk income to the Trust in 2012/13. (No additional income is assumed in advance of 2012/13 given current pause to legislation)	Trust plans to increase income from private and overseas sources have been postponed from 2011/12 to 2012/13 given the current delay to legislation	It is expected that the private patient cap will be removed following legislation – and the Trust would expect to increase income from these sources in future years.	<p>Awaiting outcome of legislation.</p> <p>Private and overseas income Project established in order to ensure Trust is able to progress with increasing income from these sources as early as possible after legislation.</p> <p><i>Chief Operating Officer</i></p>

Key External Impact	Risk to/impact on the strategy	Mitigating actions and residual risk	Overall expected outcome	Measures of progress and accountability
<i>National specialist service reviews - e.g. Paediatric Neurosurgery, Trauma Services</i>	Risks to the Trust of failing to achieve designation for the provision of any specialised services following completion of national reviews	Trust clinicians involved in national clinical groups to review standards. Trust undertaking gap analysis exercises in relation to defined standards Trust making investment & taking other action as required meeting gaps against standards.	Given that the Trust is taking action to ensure that standards for designation are met – the risk of losing services is mitigated, but not eliminated.	Achieving designation as a Paediatric Trauma Centre by March 2012. Achieving designation as a Paediatric Neurosurgical Centre by December 2012. <i>Chief Operating Officer</i>
<i>National systems change and changes to commissioning arrangements</i>	The reorganisation of the NHS and its commissioning arrangements is a risk to the Trust in planning and delivering its services. Changes to key personnel involved in commissioning and the loss of more localised specialist commissioning knowledge could be disadvantageous to the Trust.	The Trust will work with Paediatric Alliance Group members to seek to influence the approach taken nationally to specialised commissioning of children's services.	Commissioning arrangements will be more removed in future – however if mechanisms are put in place to ensure the effective involvement of specialist providers in the process, this would reduce the risk.	National commissioning arrangements ensure an effective focus for specialist children's services. <i>Chief Executive</i>
<i>NHS Sheffield - adverse financial position</i>	The Trust's lead commissioner faces significant financial challenges, which increases the risks facing the Trust financially.	The Trust has recognised a need to reduce reliance on the lead commissioner given this position. The Trust's strategic aim is to increase income from specialist activity – and from a wider range of PCTs thereby reducing reliance on the local PCT.	The Trust is working with the local PCT on a QIPP programme which will reduce activity undertaken in the hospital, and the income to the Trust from this PCT. This will increase capacity available to support the expansion of specialist activity.	QIPP programme delivered with reduction in income from NHS Sheffield to Trust. <i>Chief Finance Officer/Chief Operating Officer</i>
<i>Adverse financial position of Local Authority and other local organisations</i>	The Trust receives income from a number of sources, including the Local Authority and local schools for services provided	There is a risk that income from other sources may be reduced given the financial pressures facing other organisations.	The Trust is working closely with the Local Authority on planning service changes, some of which will reduce income. By working on joint plans, the Trust can plan to reduce costs in line with expected income reduction. The Trust ensured that the Business Transfer Agreement	

Key External Impact	Risk to/impact on the strategy	Mitigating actions and residual risk	Overall expected outcome	Measures of progress and accountability
			for TCS included clarity of requirement for PCT to meet non-recurrent costs associated with service reduction for Sure Starts.	<i>Chief Operating Officer</i>
<i>Change to educational levies through introduction of national tariffs for education.</i>	The Trust has for historical reasons received part of its service income as educational SIFT income. the Risk is £2m	The tariff change was postponed by one year and there could be further delay but the Trust will plan on a £400k reduction in each of the next 3 years.	The risks will be fully mitigated in planning assumptions from 2012/13 onwards	Working in conjunction with the SHA and deanery to monitor changes

Section 3: Trust plans

Financial plans: income

Income

Provisional agreement has been reached with NHS Sheffield on a contract settlement for 2011/12. This is subject to confirmation from commissioning associates and clarification of the specialist commissioning element of the overall contract with our specialist commissioning group.

The key points to note on clinical income are;

- PBR and non-PBR activity has been agreed with commissioners (subject to the confirmations above). The Trust projected activity on the basis of demographic growth of about 1.5% for Sheffield and historic growth of about 4% for non-Sheffield commissioners. The final agreement assumes slightly less activity than our projections reflecting commissioners' desire to purchase out-turn, However they have agreed to pay the Trust for patients who are treated in order to meet waiting time requirements.
- The paediatric PBR top up has been reduced from 78% to 60% but with wider coverage. The net effect is an income reduction of £600k
- Income is based on a like for like 1.5% reduction before funding of a small amount of growth, specific developments and the QIPP programme in 2011/12 and a further reduction of 1.5% and 0.5% for the following 2 years respectively
- The full year effect of the CAMHS tier 4 development is contained in the income assumption (£3.7m)
- An additional £13m of income relates to the transfer from NHS Sheffield of children's community services from 1st April 2011.
- The QIPP programme reduces CAMHS income from NHS Sheffield by £500k and a further £500k reduction in income is matched by a cost reduction in respect of reductions in consultant to consultant transfers and other savings on unscheduled care. However these latter reductions will be subject to a business case jointly produced by the Trust and NHS Sheffield which seeks to align cost reduction and income loss. It is likely that the full year effect of these changes could reduce income by a further £500k next year
- Our efficiency programme which includes the net effect of income generating activities but at marginal cost requires £2.8m of income to be achieved in 2011/12. Although this is a significant target, £341k relates to the provision of national CAMHS beds which is low risk and £1.1m relates to diagnostic income part of which was accounted for as over-performance last year and part relates to new international contracts. £1.2m relates to acute activity where capacity may be a constraining factor particularly in the winter. However the opening of additional short-stay beds will mitigate this risk.

No major changes are planned for research and development and education income although an incremental reduction in SIFT income of £400k has been factored into the year 2 and 3 projections. The Trust had expected this reduction to take place this year but the national review of educational tariffs has been delayed.

Key income risk	Amounts and timing 2011/12 2012/13 2013/14	Mitigating actions and delivery risk
Key income risk1 Income CIP mainly relating to the surgery directorate	£1.26m in 2011/12, Similar amounts in following two years	Market analysis is currently being undertaken and a capacity planning review is underway to support the delivery of increased activity. Conservative activity projections have been calculated for years two and three to avoid the risk of double counting routine commissioner and CIP income growth.
Key income risk 2 Reduction in income due to QIPP programme	£1.1m this year and a further £500k next year.	Joint working group established and changes to be part of a joint strategy to reduce the less specialised local referrals and non-elective activity by more specialised regional and national referrals. The contract will include a clause to reflect the need to provide transitional funding to support this strategic change. This transitional relief will not commence this year and further discussion is required before it can be factored into our income projections.
Key income risk 3 Reduction to the children's PBR top up to specialised children's hospitals	A further reduction could apply from next year. Amounts could be in excess of £1m but very difficult to assess.	The specialist children's alliance with the DH has commissioned KPMG to study the causes of the higher costs of specialist Childrens Trusts. Constructive dialogue has been established with senior DH staff and this is likely to ensure that the risks can be managed over time.

Financial plans: Service developments

Service development priorities	Contribution to the strategy	Key actions and delivery risk	Key resource requirements	Measures of progress 2011/12 2012/13 2013/14
Organic / innovation:				
Private Patient Income	Develop and expand our role as a provider of specialist services for children	Identify true cost of delivering private patient work so that profit margin can be maximised within the private patient cap. Marketing of Trust's specialised services.	Private patient Project Manager appointed for 12 months already commenced in post.	2011/12 Private patient income to the maximum level of circa £200k for the year with a profit margin of 9% after overheads. 2012/13 Future plans dependant on legislation to remove the private patient cap being passed.
Acquisition, etc.:				
CAMHS Tier 4 Full Year Effect	Develop and expand our role as a provider of specialist services for children	Recruitment of staff to open the additional beds, in particular with the Dual Diagnosis service, which has now been delayed until August instead of April opening.	Staffing as per the business case. Consultant and Psychologist appointment being particularly difficult causing delay in opening.	2011/12 Deliver Tier 4 Service capacity as per business case with a contribution to EBITDA of 6% minimum.
Osteogenesis Imperfecta (National Commissioning Bid)	Develop and expand our role as a provider of specialist services for children	Develop model of service delivery with other spoke sites, and mechanism of financial flow.	Staffing as per the business case.	2011/12 Deliver service capacity as per business case with a contribution to EBITDA of 6% minimum.
Expansion of Acute Assessment Unit	Develop and expand our role as a provider of specialist services for children	Identify capacity requirement to meet Trust activity and income plans for the year. Recruitment of staff to allow increased capacity to be in place ready for the winter pressures on beds.	Capital requirements to create additional bed space. Additional investment in staffing costs provided in year.	2011/12 Opening of 4/8 additional beds to meet the capacity demands for the Trust by December.

Investment in Neurosciences	Develop and expand our role as a provider of specialist services for children	Appoint 4 th neurosurgeon & specialist nurse by September 2011. Expand Epilepsy surgery service. Assess development of Neuroradiology service	Additional investment in staffing costs provided in year.	2012/13 Expand epilepsy surgery. Include interoperative MRI within capital scheme for operating theatres
Investment in Rheumatology	Develop and expand our role as a provider of specialist services for children	Appoint two paediatric rheumatologists to provide an in-house service - by August 2011.	Additional investment in staffing costs provided in year.	
Full Year Effect of Other Developments in 2010/12 Including EMBRACE, EDS, Ophthalmology and Eye Screening.	Develop and expand our role as a provider of specialist services for children	First full year of such developments.	Staffing as per the business case already in place.	
Transferred / discontinued activity:				

The transfer of Community Services from Sheffield PCT has not been treated as a development in the financial templates in 2011/12, as per Monitor guidance issued such transactions have been included as an adjustment to the opening position for the Trust.

However, in reality, the transfer of Community Services to the Trust is a significant development. Nationally there is a high degree of emphasis on treating more patients outside hospital, and this is mirrored locally, particularly given the financial challenges ahead. This approach will also release capacity to enable the trust to deliver more specialist activity. The long term aim is to develop greater integration of services and implement new multi-agency models of locality based service delivery.

Financial plans: activity and costs

Cost Improvement Plans (CIPs)

The main changes to the cost base relate to the impact of the cost improvement programme and service developments. These items are covered in separate sections.

The main underlying drivers of change to activity and cost are summarised below:

1. Recognition in our strategy that the more 'DGH type' referrals from Sheffield may reduce as community services become more integrated and that these referrals will be replaced by more specialist work. In response to this change the Trust is investing in additional medical staff in rheumatology and neurosurgery
2. This strategy will require the trust to improve access and provide ward accommodation which complies with single sex accommodation standards. The Trust also needs to provide overnight

accommodation for parents and in some cases for children who need regular treatment but need a 'home from home'

Whilst the full business case for the new ward block will not be completed until March 2012 and consequently the major investment will not be made until next year, important work will be undertaken this year:

- An additional 4 to 8 short stay beds will be created and staffed this winter to use long stay wards more appropriately
- Non-recurrent investment is being made in professional input to the full business case
- The Trust will work with The Sick Children's Society to finalise the patient 'hotel' scheme for completion next year
- The Trust hopes to finalise arrangements for the provision of the car-park by the University of Sheffield again for completion next year

The Trust recognises that these developments are dependent on the achievement of the cost improvement programme. As part of the full business case the Trust is considering options for the use of shared services as well the potential for joint working with the other specialist children's trust on procurement savings (working with Styria) and benchmarking.

Table A (Items included in the CIPs worksheet in the financial template:

Key operating efficiency programmes	Amounts and timing	Contribution to the overall strategy	Key actions and delivery risk	Key resource requirements	Milestones 2011/12 2012/13 2013/14
Specialist Out of Area Income (Surgery)	£1.26m (gross amount) commencing in Q2.	Develop and expand our role as a provider of specialist services for children.	Identification of inpatient and outpatient efficiencies to increase current capacity. Creation of additional theatre capacity to coincide with Surgeon availability.	Marginal cost of staffing in particular medical staff and theatre staff potentially at a premium.	2011/12 Gain maximum efficiency with current resources, achievement of CIP target for the year. 2012/13 Plans in place to develop additional theatre, outpatient and inpatient capacity 2013/14 Additional theatre capacity in operation.
Specialist Out of Area Income (CAMHS)	£340k commencing in Q1	Develop and expand our role as a provider of specialist services for children.	Recruitment of staff to open the additional beds, in particular with the Dual Diagnosis service.	Marginal cost of staffing.	2011/12 Establish additional national beds for generic specialist mental health provision from April. Establish national

					<p>Dual Diagnosis national service from September 2.</p> <p>2012/13 Establish additional national bed provision for Dual Diagnosis service from April 2012</p>
Specialist Pathology Services Income	£735k commencing in Q1	To expand the Trust's role as an expert provider of specialist pathology services.	<p>Deliver last year's out turn position. Fulfilment of new contract in year. Assess options for the future delivery of genetic & screening services & determine a strategy in partnership with commercial or other partners. Ensure equipment, staffing & marketing are appropriate for future development.</p> <p>Volatility of the market and the pace of technological change are significant risks.</p>	Investment in Technology and expansion of physical space to accommodate additional services.	<p>2011/12 Delivery of last year's outturn as minimum plus income from additional contracts already identified. Identified options for delivery of service in the future.</p> <p>2012/13 & 2013/14 Implementation of plan.</p>
Review of Workforce and Vacancies	£1.05m commencing in Q1		Review of service requirements by department managers; seek more cost effective ways of delivering the same quality of service.	Input from department managers, Finance and HR staff	Real reduction in pay costs and WTE over the next 3 years (excluding developments).
Review of Skill Mix	£450k commencing in Q1		<p>Review of service requirements by department managers; seek more cost effective ways of delivering the same quality of service.</p> <p>Benchmarking against other similar organisations.</p> <p>Review of A4C grading for consistency and outliers.</p>	Input from department managers, Finance and HR staff	Real reduction in average pay costs across the Trust.

Reduction in Drugs Expenditure	£150k commencing in Q1		Directorate based pharmacists to work with the clinicians, providing advice on the prescription of drugs		<p>2011/12 Limit outpatient prescription to reflect the contract. Seek recompense for emergency drug prescription. Ensure all drugs on the CPC schedule are being picked up and recharged to the PCT.</p> <p>2012/13 Transfer drugs budget management responsibility to directorates to increase accountability.</p>
Non Pay Procurement	£405k commencing in Q2		Review of non pay contracts in place with the assistance of external consultancy.	Supplies Manager and Department Manager.	<p>2011/12 Contracts in place covering 80% of all theatre non pay expenditure</p> <p>2012/13 Contracts covering other non -pay expenditure within the Trust to be reviewed.</p>
Reduction in Estates Costs	£80k commencing in Q3		<p>Secure sale of Shirle Hill at above Net Book Value.</p> <p>Extend energy saving initiatives including the introduction of voltage reduction schemes across the Trust.</p> <p>Review use of properties by Community Services.</p>	Capital investment into energy saving initiatives.	<p>2011/12 Sale of Shirle Hill Plan in place to rationalise use of properties by Community Services.</p> <p>2012/13 Implement plan to reduce estates costs associated with Community Services.</p>
Other Clinical Supplies and Services	£190k commencing in Q1		<p>Negotiation of service contract from other NHS providers.</p> <p>Provision of service in house at reduced costs including employment of own staff.</p>	Department Managers and Finance capacity to negotiate contracts.	<p>2011/12 Achievement of NHS LA Level 2 in October 2011. Renegotiate Neurophysiology Contract with STH. Develop in house tests to reduce number of sendaways.</p>

Table B (Other savings/efficiencies – not included in the CIPs worksheet in the financial template):

Other savings/efficiencies	Amounts and timing	Contribution to the overall strategy	Key actions and delivery risk	Key resource requirements	Milestones 2011/12 2012/13 2013/14
Other minor pay and non pay schemes	Circa £400k				
Schemes to be Identified	Circa £650k				

The Trust has a very challenging CIP target to meet in 2011/12 of £5.7m, within the plan the split of this target against income, pay and non pay are £2m, £2.7m and £1m. To date plans are in place for circa £5.1m with £600k being unidentified by directorates.

Directorates have been working on a number of “facing the future” workstreams over the past 9 months to support the delivery of efficiency targets over the next 3 years. The major focus has been around outpatients, theatres and day case capacity efficiency which will allow the delivery of the increased income CIPs in 2011/12 at marginal rates.

The workforce workstream has reviewed nursing skill mix levels of all wards within the Trust based on benchmarks against other Children’s Trusts and similar size organisations. The plans have been approved by the Trust Executive Group and a plan to move to this model will be implemented over a 3 year period through natural wastage. The next group of staff to be reviewed is admin and clerical.

The CIP target for 2010/11 was £3.9m. Achievement of this at the year end was 81%, of which 12% was delivered non-recurrently. Although plans were in place to deliver the full £3.9m, circa £400k was of a non recurrent nature and the directorate concerned will be incorporating this recurrent shortfall in the planning of 2011/12 CIP.

Financial plans: Workforce

Key workforce priorities	Contribution to the overall strategy	Key actions and delivery risk	Key resource requirements	Milestones 2011/12 2012/13 2013/14
Continue to implement the findings of the strategic workforce reviews.	Given the financial challenge facing the organisation, and the size of the pay bill relative to turnover, it is imperative that staff costs are assessed and reduced.	Continue to benchmark the Trust's staffing profile against appropriate comparators and implement findings. An example of this is the on-going re-profiling of the nursing workforce particularly at Band 5/6 to cost savings. This will not affect the total nursing complement in the Trust therefore is not a risk to service delivery or quality.	The key resource requirements are HR staff and managerial staff to undertake workforce analysis and implement findings of workforce reviews.	This work is continuing however initial analysis of the nursing workforce predicts savings of £350k. The current approach is to realise savings through natural turnover, profiled over 3 years, however this will be monitored on a regular basis to ensure savings are realised over the 3 year period.
Maintain strict workforce controls and review requirements for formal workforce reduction initiatives i.e. MARS and/or redundancy programmes.	As above, the workforce represents a significant proportion of trust turnover and also forms part of most directorate cost improvement plans. Planned workforce reductions will help to contain overall costs and support delivery of financial targets.	Maintenance of vacancy control arrangements and policy of fixed term appointments to allow flexibility in reducing workforce numbers.	Workforce and Finance staff to maintain tight controls around vacancies and establishment control	Each of the next 3 years will see a reduction in the total workforce of the Trust Monitoring of this will take place on a monthly basis at the Trust's executive group meeting and through regular workforce reports to the Board of Directors.

<p>Continued review of policies. Procedures and terms and conditions of service to support delivery of quality and financial targets.</p>	<p>One of the strategic strands of the Trust is to develop and expand clinical services, particularly specialist clinical services. This is underpinned by on-going strong financial management. To support this, and particularly in relation to delivery of CIP's, the Trust will need a flexible and responsive workforce.</p>	<p>The Trust will continue to review policies to ensure that they are fit for purpose. We will also look at any flexibilities in relation to Agenda for Change terms and conditions of service to support financial performance.</p>	<p>HR staff working with trade unions and management to review existing policies and implement any revisions or changes going forward.</p>	<p>Through JNCC, HR committee and the Board we will regularly review progress on policy development and revisions to terms and conditions of service.</p>
<p>Implementation of the Leadership and development strategies of the Trust.</p>	<p>To deliver the strategic aims and objectives of the Trust, it is imperative that we continue to invest in the on-going development of staff. This relates to all staff – clinical for the continued delivery of high quality patient care and non-clinical to ensure appropriate leadership during the next phase of the organisation's development.</p>	<p>We will continue to roll out the Trust's leadership strategy and continue the drive for increased levels of compliance with statutory and mandatory training, particularly appraisals and equality and diversity training</p>	<p>The continued commitment of Managers, staff and L&D professionals will be required to ensure delivery of the Leadership and Development of the Trust.</p>	<p>Regular monitoring of the uptake of training and reviews of the Leadership strategy will take place throughout the next 3 years with regular reports to the Trust Executive Committee, HR committee and the Board of Directors.</p>
<p>Recruit and retain key personnel to support the development of specialist services e.g. neurosurgery</p>	<p>In line with the strategic objective to develop our role as a provider of specialist services for children</p>	<p>Ensure timely recruitment to strategically important posts to sustain the development of specialist services</p>	<p>Managerial staff to identified strategic workforce requirements and HR staff to ensure timely recruitment</p>	<p>Regular review of recruitment and retention position through directorate review process and regular workforce reports</p>

Financial plans: Capital programmes (including estates strategy)

Key capital expenditure priorities	Amounts and timing (including financing schedules)	Contribution to the strategy (incl. service delivery)	Key actions and delivery risk (inc. finance risks)
Development:			
1. Re-development of ward block and associated enabling schemes	All details are set out in a detailed financial model which supported the outline approval by the Board in March 2011. The scheme has a cost of £40m and will be completed in 2015 subject to full business case approval by March 2012. The Trust is developing a revised long term financial model incorporating the scheme costs as part of the full business case. For this reason the scheme has not been included in the annual plan.	The primary objective of the scheme is to address ward congestion, single sex accommodation requirements and modern flexible single room facilities to attract regional/national referrals. The scheme assumes demographic income growth and private patient income increases but on a conservative basis.	Completion of full business case and impact on Trust's long term financial model by March 2012. Key finance risks are delivery of cost reduction programme, changes to the cost of capital borrowing and the impact of any reductions in the paediatric PBR top-up.
2. Expansion of acute admission beds	This will cost £675k and will be undertaken in 2011/12.	The purpose of this scheme is to provide more effective clinical management to reduce stays on the other wards so that capacity is released for more specialist referrals.	Business case will be completed by July 2011. The scheme needs to be completed in time for this winter to release capacity. The key risk is relocating the charity department to other accommodation. A project team has been set up to manage this risk.
3. Contingency	£969k, £1m and £1m has been set aside for years 1, 2 and 3 of the plan respectively to meet capacity priorities. Business cases are currently being developed for additional operating theatres and the refurbishment of the Emergency Department.	The Capital Investment Team will assess and then recommend priorities to the Trust Executive.	Production of business cases. Prioritisation against capacity requirements.
4. Patient hotel	This scheme is being funded by the Sick Childrens charity for completion by March 2013.	Important part of strategy to attract regional and national	Decision on purchase of property to relocate Clinical Genetics by

Key capital expenditure priorities	Amounts and timing (including financing schedules)	Contribution to the strategy (incl. service delivery)	Key actions and delivery risk (inc. finance risks)
	<p>Involves relocation of Clinical Genetics and purchase of accommodation by the charity that will fund its refurbishment.</p> <p>Agreement in principle and strong commitment by both parties.</p>	referrals.	<p>December 2011.</p> <p>Charity to draw up design and finalise costs for final go ahead by March 2012.</p>
Maintenance:			
5. Maintenance programme.	<p>The capex sheet identifies investment of £642k in year 1 and then £542k in year 2 and 3 for the cost of basic maintenance type projects covering estates staff, health and safety, medical wing drainage improvement and a ward deep clean/refurbishment programme.</p> <p>A further £1.1m in year 1 and then approx £0.4m in years 2 and 3 for equipment replacement.</p>	Essential to maintaining clinical services.	Procurement of equipment via the medical equipment management group. No significant risks.
6. Accommodation	£150k reserved for each of the 3 years to meet urgent accommodation issues prior to completion of the major development.	Our strategy recognises the need for short-term flexibility because of significant current capacity constraints.	No significant delivery risk
Other capital expenditure:			
7. IMT programme	<p>£400k for year 1 rising to £1m in year 3 to reflect the estimated phased cost of the PAS replacement. This scheme needs to complete by end 2013/14 although the project team needs to confirm this.</p> <p>Schemes include networking, theatre management system and urgent improvements to the server room.</p> <p>The budget is over-committed</p>	Important contribution to service improvement/ cost reduction programme.	The replacement PAS project team is being set up to enable a budget cost to be produced. The key risk is that the estimated cost is too low.

Key capital expenditure priorities	Amounts and timing (including financing schedules)	Contribution to the strategy (incl. service delivery)	Key actions and delivery risk (inc. finance risks)
	and further prioritising will take place to match to the business plan		
8. Gene sequencer	£500k investment in latest generation sequencer as part of collaboration with the University of Sheffield, and a medical charity. Completion in 2011/12	Key project as part of plans to generate additional income. The genetics department has a track record of success (see 2010/11 income performance).	Detailed income projections to be drawn up. Funding to be confirmed by 3 rd parties. Board approval of business case required.
Other estates strategy			
9. Sale of Shirle Hill site	This follows on from the relocation of the service to Becton.	This accommodation is surplus to requirements.	The property is being put on the market. The main risk is vandalism prior to sale. Security measures are in place.

Clinical plans

Quality issues and measures	Contribution to the strategy	Key actions and delivery risk	Performance in 2010/11	3 year targets / measures for 2011/12 2012/13 2013/14
Safety/Risk				
Safe Processes and Procedures	The Trust's reputation is built on our expertise in children's healthcare and on the high quality of our services. Being able to demonstrably prove that the quality of our care is of the highest found in the UK, will support our planned expansion of specialist services	Achievement of full NHSLA accreditation. Risk of concentration on performance and finance may increase incidents	NHSLA Level 1	2011/12 NHSLA Level 1 2012/13 NHSLA Level 2 2013/14 NHSLA Level 2 or 3 incorporating TCS assessment.
Relevant and High Quality Education for Clinical Staff	Research and education are core to the Trust's role as a teaching hospital and to its reputation as a provider of specialist services. To be a leader in the field of children's healthcare - the Trust needs to have particular strength in these areas. This also supports the Trust in recruiting high calibre staff. Developing the Trust's role and reputation as a provider of education and training will also underpin the strategies of expanding specialist services and redesigning local children's services	All staff have access to annual mandatory training and to clinical skills training. Risk of concentration on performance and finance may reduce compliance with training.	Clinical Skills Unit completed and full program of activities published. Clinical Departments maintenance schedules to coincide with staff training.	2011/12 Achieve compliance with mandatory training requirements in line with NHSLA level 2 standards 2012/13 Achieve compliance with mandatory training requirements in line with NHSLA level 2 standards 2013/14 Achieve compliance with mandatory training requirements in line with NHSLA level 2 standards

Quality issues and measures	Contribution to the strategy	Key actions and delivery risk	Performance in 2010/11	3 year targets / measures for 2011/12 2012/13 2013/14
Learning from Experience	In providing healthcare to children of the highest standards available in the UK, the Trust must show that where outcomes are sub optimal, there is learning and change.	<p>Full Root Cause Analysis (RCA) of all Serious Untoward Incidents and "Never Events" overseen by commissioners.</p> <p>Review of each child death through Independent Child Death Overview Panel (CDOP). Full implementation of recommendations.</p> <p>Production of Internal Management Reviews (IMR) - rated adequate or better - to contribute to Local Safeguarding Board Serious Case Reviews.</p> <p>Risk of concentration on performance and finance may reduce compliance with requirement to fully investigate adverse events.</p>	<p>RCA's reported quarterly and annually in Risk Management Reports.</p> <p>No "Never Events" found.</p> <p>Achieved through appointment of Designated Doctor for CDOP.</p> <p>Achieved through allocation of IMRs by Named Doctor and Nurse for Child Protection.</p>	<p>2011/12 Performance as good or better than previous year</p> <p>2012/13 Performance as good or better than previous year</p> <p>2013/14 Performance as good or better than previous year</p>
Clinical Effectiveness				
Performance audit against national standards for quality children's care	In providing healthcare to children of the highest standards available in the UK, the Trust must contribute to national audit databases and measure itself against best practice.	<p>To contribute to all relevant national clinical audit collections as set out in the National Audit List produced by the DH.</p> <p>Compliance with data submission and actions taken from findings to be reported in the Annual Quality</p>	<p>Submission of data to 75% of National Clinical Audits and 100% of NCEPOD Audits.</p> <p>Where gap identified, exception report of Trust position against each audit reported to the Clinical Governance Committee.</p>	<p>2011/12 100% submission</p> <p>2012/13 100% submission</p> <p>2013/14 100% submission</p>

Quality issues and measures	Contribution to the strategy	Key actions and delivery risk	Performance in 2010/11	3 year targets / measures for 2011/12 2012/13 2013/14
		Report.		
Control of Hospital Acquired Infection	In developing and expanding our role as a provider of specialist services for children, additional activity must not be at the expense of infection prevention and control.	<p>To monitor hospital acquired infection against nationally specified organisms such as MRSA and <i>c. difficile</i>. Carrying out root cause analysis on clusters of cases.</p> <p>To monitor hospital acquired infection against seasonally prevalent organisms such as RSV, Influenza virus, and childhood diarrhoeal viruses.</p> <p>Risk that continuing insistence from DH on reducing rate of infection is unsustainable when prevalence is so low.</p> <p>Risk of concentration on performance and finance may reduce compliance with requirement to prevent and control infection.</p>	<p>Achieved. No cases of MRSA septicaemia and 3 cases of <i>c. difficile</i>.</p> <p>As set out in the annual Infection Control Report. Performance varies according to incidence of particular organism in the community. Performance overseen by HPA and commissioners.</p>	<p>2011/12 Remain amongst best performing Trust in country.</p> <p>2012/13 Remain amongst best performing Trust in country.</p> <p>2013/14 Remain amongst best performing Trust in country.</p>
Community interventions that maintain health and safeguard children	In working in partnership with others to reshape healthcare for children in Sheffield, community services should be complimentary with secondary services and integrated with social and educational provision.	<p>Achievement of Health Child Program targets.</p> <p>Targets have not been universally achieved prior to transfer of services from PCT.</p>	As set out in NHS Sheffield Performance Report 2010-11.	<p>2011/12 Achievement of targets for Quarters 3 and 4.</p> <p>2012/13 Achievement of targets</p> <p>2013/14 Achievement of targets</p>

Quality issues and measures	Contribution to the strategy	Key actions and delivery risk	Performance in 2010/11	3 year targets / measures for 2011/12 2012/13 2013/14
Patient Experience				
Patient satisfaction with out-patient Services	To provide healthcare to children of the highest standards available in the UK, patient satisfaction should be regularly measured and improvements based upon the findings.	Annual satisfaction survey benchmarked against other specialist providers and historical performance. Risk that failure to achieve financial cost improvement programme will delay or prevent capital plan to improve facilities.	As set out on trust website and Quality Report. Main issues relate to parking access, way finding and facilities.	2011/12 Agreement on Full Business Case for Capital Plan. 2012/13 Agreement on plan for adjacent commercial car parking 2013/14 Completion of adjacent commercial car park and commencement of wider hospital redevelopment of out-patient department situation and facilities.
Patient satisfaction with in-patient services	To provide healthcare to children of the highest standards available in the UK, patient satisfaction should be regularly measured and improvements based upon the findings.	Annual satisfaction survey benchmarked against other specialist providers and historical performance. Risk in Trust failing to increase capacity to meet rising demand in a timely fashion to ensure waiting times are met. Risk that failure to achieve financial cost improvement programme will delay or prevent	As set out on trust website and Quality Report. Main issues relate to resident parent facilities, parking, and catering.	2011/12 Agreement on Full Business Case for Capital Plan. Agreement on plan for parent and patient hotel. 2012/13 Completion of parent and patient hotel. Agreement on plan for adjacent commercial car parking 2013/14 Completion of adjacent commercial car park and commencement of

Quality issues and measures	Contribution to the strategy	Key actions and delivery risk	Performance in 2010/11	3 year targets / measures for 2011/12 2012/13 2013/14
		capital plan to improve facilities.		wider hospital redevelopment of in-patient facilities leading to 70% single rooms
Patient satisfaction with emergency services	To provide healthcare to children of the highest standards available in the UK, patient satisfaction should be regularly measured and improvements based upon the findings.	<p>Continual satisfaction survey monitored quarterly.</p> <p>Risk that failure to achieve reduction in non elective admissions via A&E will lead to financial penalties that impact on quality of services.</p> <p>Risk that failure to reduce non-elective admissions may prevent the Trust from expanding capacity used for specialist activity, with a subsequent risk to Trust income position.</p> <p>Risk that failure to achieve reduction in non elective admissions via A&E will lead to delay or cancellation of capital programme for expansion of Acute Assessment Unit. This could risk delays in admissions from A&E and achievement of KPI on A&E waits.</p>	New in 2010-11 Operating Framework – enhanced performance and patient experience indicators	<p>2011/12</p> <p>Achievement of the enhanced performance and patient experience indicators.</p> <p>Completion of Phase 1 enlargement of Acute Assessment Unit.</p> <p>Plan agreed with PCT and GPs to remodel unscheduled care with increase in community based support.</p> <p>2012/13</p> <p>Achievement of the enhanced performance and patient experience indicators.</p> <p>Plan for revised model of unscheduled care agreed and implemented.</p> <p>2013/14</p> <p>Achievement of the enhanced performance and patient experience indicators.</p> <p>Completion of Phase 2 enlargement of Acute Assessment Unit.</p>

1. The Board receives quarterly updates in relation to a wide range of risk, clinical effectiveness and patient experience indicators. This includes access to external assessment of our processes e.g. NHSLA assessment, CQC Quality Risk Profile and overview of evidence against the CQC essential standards of quality and safety. The Assurance Framework is used to update the Board quarterly on risks to achievement of the Strategic Objectives and the Governors are fully involved in forming and commenting on the Annual Quality Report. The Board plans to carry out a structured RAG rating using the Quality Framework in 2011.
2. Key structures in ensuring quality and safety are the Board sub committees – all meet at least bi-monthly and are chaired by non executive directors of the Trust. These committees report to the Board of Directors and, where appropriate, issues are discussed in full Board meetings.

Issues relating to patient safety, clinical effectiveness and patient experience are addressed through the Clinical Governance and Risk Management Committees. The Clinical Governance Committee has a wide representation from clinicians, executives, managers, public governors and representatives from our PCT commissioners. The Committee regularly reviews performance in areas of clinical effectiveness such as child protection, infection control, clinical audit, blood transfusion, medicines management, patient involvement and equality compliance. It oversees that the Trust maintains registration with the Care Quality Commission. The Board receives a quarterly report on Clinical Governance from the Clinical Governance Manager and a quarterly report on Patient Experience from the Director of Nursing and Clinical Operations.

The Risk Management Committee oversees the risk register, reported incidents, patient complaints, litigation, health and safety, compliance with National Patient Safety Agency guidance, major incident response and NHS Litigation Authority standards. The Committee oversees corporate policy production and ensures these comply with the NHS Litigation Authority template. The Board receives a quarterly report on risk management from the Head of Risk Management.

Other Board sub committees are tasked with wider quality issues. The Information Governance Committee oversees data security, patient confidentiality, freedom of information and access to medical records. It produces relevant policy and supervises the necessary systems and outcomes.

3. The Board will have monthly reviews of performance against the Operating Framework Indicators, financial targets and be able to triangulate that against evidence from the reports from Clinical Governance and Risk Management.
4. Key factors over the next few years will be the potential for cost improvement targets and expansion of services at marginal cost to erode quality standards. The capital programme is largely devoted to improvement in patient facilities and therefore to quality improvement.

The incorporation of community services provides the opportunity to review how services are provided and improve continuity of care. It also has the potential to adversely affect our performance during the initial period of integration.

The Trust will work with its partners in health and local authorities to ensure that the specialist services we provide continue to be a key asset to Sheffield.

Section 4: Regulatory requirements

Key regulatory risks	Nature of risk	Actions to rectify / mitigate and responsibilities	Measures 2011/12 2012/13 2013/14
Service performance	<p>Risk to delivery of waiting times linked to continued rise in demand for specialised services. The Trust experienced some challenge in relation to waiting times in 2010/11 due to rising demand.</p> <p>In agreement with commissioners, the Trust cleared a large proportion of its admitted backlog in Q4 2010/11 which resulted in agreed low performance during the period but enabled the Trust to get back on track. The Trust met 95 percentile waiting times in April and expects to achieve these in May. However there remains some degree of risk due to the difficulties of flexing smaller specialist services when demand rises.</p>	<p>a) Internal plan and targets set for first outpatient appointments to reduce queue size and length.</p> <p>b) Revised accountability and escalation procedures in place for key departments.</p> <p>c) Training programme in place for key staff to improve data quality</p>	<p>2011/12</p> <p>95% of new appointments on an 18 week pathway in key specialties seen within 6 weeks by end Q2</p> <p>Sustained achievement in major specialties for admitted pathways by end of Q2.</p> <p>Key staff to have received refresh 18 week training by end of Q2.</p> <p>2012/13 and 2013/14 sustained delivery</p>
Service performance	<p>Risk to achievement of C. Difficile (CDAD) target.</p> <p>Following the Trust's excellent performance in 2010/11 of having just 3 cases of C. Difficile against a</p>	<p>The C. Difficile target is set at outturn. However, the unpredictable nature of CDAD in children and the lack of agreement amongst experts on the effectiveness of prevention strategies in the paediatric population it</p>	<p>2011/12</p> <p>The national Paediatric Microbiology Group, which is chaired by the Trust's Director of Infection Control is in discussion with the Department of Health</p>

	<p>target of 10 cases, the Trust has been set a C.Difficile target of just 3 cases for 2011/12. To date there has been one case confirmed, with one possible further case under investigation.</p> <p>Three cases is within the statistical margin for natural epidemiological variation. There is little the Trust can do to control the number of cases within these parameters.</p>	<p>is likely that the Trust could fail to meet the target for 2011/12.</p> <p>At the current time there is no de minimis limit within Monitor's Compliance Framework in relation to this indicator. However, given the small numbers involved – this may be appropriate.</p>	<p>about the appropriateness of this target for a paediatric population.</p>
<p>Delivery of CIP programme</p>	<p>Failure to deliver CIP plan would have an impact on the delivery of the financial plan and on the Trust's profitability.</p>	<p>Rigorous monitoring of CIP plan will be undertaken through:</p> <p>Monthly Performance meetings held with each Directorate with Chief Operating Officer and Chief Finance Officer.</p> <p>Monthly monitoring at the Trust Executive Group, chaired by Chief Executive</p> <p>Monthly monitoring by Trust Board</p>	<p>2011/12</p> <p>Achieve agreed CIP plan</p> <p>2012/13</p> <p>Achieve agreed CIP plan</p> <p>2013/14</p> <p>Achieve agreed CIP plan</p>
<p>NHS Constitution. The risk that the NHS constitution is not firmly embedded in the organisation</p>	<p>Rights and responsibilities of patients and staff as set out in the NHS Constitution may not be respected in the work we do.</p>	<p>Policy for the Development and Control of Trust procedural documents is due for review in February 2012 and will incorporate the need of policies to incorporate the rights and responsibilities of staff and patients as set out in the NHS Constitution. A similar clause will be included in all training programmes as and when they are revised.</p>	<p>February 2012 – revision of Policy</p> <p>Ongoing- revision of training material</p>

Section 5: Leadership and governance

Key leadership and governance priorities	Key risks (and gaps)	Actions to rectify / mitigate	Milestones 2011/12 2012/13 2013/14
Appointment of new Chief Executive – new postholder in post from 13 June 2011.	Need to ensure smooth handover and effective induction arrangements for new Chief Executive	<p>Transition arrangements in place to ensure effective transfer of responsibilities, with attendance by incoming Chief Executive at Trust prior to arrival and handover with retiring Chief Executive.</p> <p>Induction Programme being set up to ensure appropriate induction internally and within health economy</p>	<p>May 2011 - Handover/ attendance at Trust by new Chief Executive whilst existing Chief Executive remains in post.</p> <p>June/July – Induction Programme for new Chief Executive.</p>
Appointment of two new Non-Executive Directors in March 2012	<p>Unable to recruit new NEDs of the calibre required (Risk: Low)</p> <p>Unable to recruit a NED with accountancy background to Chair the Audit Committee (Risk: Low)</p>	Council of Governors met on 24 th May and approved proposal from Remuneration to proposal to appoint new NEDs in line with proposed timetable.	
Leadership and management capacity to lead organisation through significant change at a challenging time	That the leadership is unable to achieve the ambitious plan set out and therefore fails to achieve service, quality and financial goals	<p><i>New Chief Executive</i> in post with induction</p> <p><i>Hayes Leadership Programme</i> for senior team, including all Executive Directors and senior clinical and management staff, which will include a Diagnostic of the organisation, and with time allocated for key groups to plan action.</p>	<p>June 2011</p> <p>May – July 2011</p>

<p>Key Clinical Director appointments to be filled from October 2011 – as those completing three year terms of office stand down. Four Clinical Directors from total of seven are due for reappointment in October 2011 which may lead to change.</p>	<p>Risk that the loss of experienced Clinical Directors may reduce effectiveness of clinical leadership in the organisation and changes to key roles could lead to instability.</p>	<p>One Clinical Director has agreed to one year extension of role in order to lead development of Neurosciences services</p> <p>Three posts will be advertised and it is likely that at least one see continuation of existing postholder.</p> <p>Training plans to be agreed with new postholders</p>	<p>August 2011– advertise Clinical Director posts</p> <p>2011September – interviews</p> <p>October 2011– Clinical Directors in post and training plans for individuals agreed.</p>
<p>Leadership of Community Services and integration within the Trust</p>	<p>Risk that insufficient focus given to developing the new services leading to clinical and financial risks.</p> <p>Risk that services are not integrated effectively alongside other Trust services leading to clinical and financial risk and risk of not achieving changes to services</p>	<p>Clinical Director to be appointed.</p> <p>Establish new Directorate and ensure that Directorate operates in line with Trust policies and is connected to key management and clinical meetings, including the Trust Executive Group, Clinical Governance and Risk Management Committees</p>	<p>April 2011– Community Directorate established with General Manager in post.</p> <p>April/May 2011 – Staff Induction sessions for all transferred staff and Professional Nursing event</p> <p>April 2011– Service has representative members on all key Trust groups.</p> <p>May 2011- Directorate Board in place</p> <p>September 2011– Clinical Director in post.</p> <p>Q3/4 – Service presentations to Governors</p> <p>2012/13 onwards – service effectively integrated.</p>
<p>Effective Partnership working</p>	<p>Risk of ineffective partnership arrangements which would jeopardise the Trust achieving changes to services in line with three year plans.</p>	<p>Chief Executive and Director level involvement in key partnership boards</p> <p>Effective project management arrangements in place for the management of QIPP programme with PCT and Trust.</p>	<p>2011-14 – Continued involvement by Directors in multi-agency Partnership arrangements</p> <p>June 2011 - Project Board for Unscheduled Care & Project Board for Complex Care established</p>

The Trust's Council of Governors have worked with the Board of Directors on reviewing the strategic direction for the Trust. In October 2010, the Governors and the Directors spent a day reviewing the changing context in which the Trust is operating, the progress made by the Trust over recent years. Together the two groups considered the major challenges and opportunities facing the organisation and the main strategies for both clinical services and for the organisation. The Governors expressed considerable satisfaction with their involvement with the Board on the development of the Strategy. The Governors will be assisting the Board in consulting members and the public on the proposed revised strategy – the headlines of which are contained within this APR.

Detailed Financial Summary		2010-11	2011-12	2012-13	2013-14
£m		Actuals	Plan	Plan	Plan
Total operating income		125.4	144.6	144.9	146.5
Employee Expenses		(87.8)	(104.7)	(104.8)	(105.5)
Drugs expense		(4.8)	(4.7)	(4.9)	(5.1)
Supplies (clinical & non-clinical)		(22.9)	(27.4)	(27.2)	(27.5)
PFI expenses		0.0	0.0	0.0	0.0
Other Costs		(1.7)	(1.1)	(1.1)	(1.1)
Total operating expenses		(117.2)	(137.9)	(138.0)	(139.2)
EBITDA		8.3	6.8	6.9	7.3
Net Surplus / (Deficit)		1.4	1.2	0.8	0.8
EBITDA % Income	%	6.6%	4.7%	4.7%	5.0%
CIP% of Op.Exp. less PFI Exp.	%	2.4%	2.7%	2.4%	2.2%
Capital expenditure		(6.8)	(5.1)	(3.3)	(3.7)
Net cash inflow/outflow		(0.2)	4.8	1.6	1.3
Cash and cash equivalents		10.0	14.8	16.4	17.6
Liquidity days		18.7	25.4	28.2	30.5
Net current assets/(liabilities)		8.2	11.4	12.5	13.5
Planned borrowings		1.0	5.0	5.0	4.8

Service Developments Totals	Plan for Year ending 31-Mar-2012	Plan for Year ending 31-Mar-2013	Plan for Year ending 31-Mar-2014
Totals	Value £m	Value £m	Value £m
Revenue from Service Development	4.858	0.000	0.000
Expense of Service Development	(6.792)	0.000	0.000
1 Short Name or Description CAMHS Tier 4 (FYE including Dual Diagnosis)			
Total effect of this service development	<u>0.350</u>	<u>0.000</u>	<u>0.000</u>
2 Short Name or Description Osteogenesis Imperfecta			
Total effect of this service development	<u>0.150</u>	<u>0.000</u>	<u>0.000</u>
3 Short Name or Description Full Year Effect of 2010/11 Developments			
Total effect of this service development	<u>(1.876)</u>	<u>0.000</u>	<u>0.000</u>
4 Short Name or Description Acute Assessment Unit Expansion (Income within Activity Assumptions)			
Total effect of this service development	<u>(0.330)</u>	<u>0.000</u>	<u>0.000</u>
5 Short Name or Description Private Patients			
Total effect of this service development	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
6 Short Name or Description Neurosciences (Income within Activity Assumptions)			
Total effect of this service development	<u>(0.108)</u>	<u>0.000</u>	<u>0.000</u>
7 Short Name or Description Rheumatology Consultant (Income within Activity Assumptions)			
Total effect of this service development	<u>(0.120)</u>	<u>0.000</u>	<u>0.000</u>

Cost Improvement Plans (CIPs) Totals		Actual for Year ending 31-Mar-11	Plan for Year ending 31-Mar-2012	Plan for Year ending 31-Mar-2013	Plan for Year ending 31-Mar-2014
Totals			Value £m	Value £m	Value £m
Analysis of Revenue Generation and Expense CIPs					
Recurring CIPs + revenue generation schemes		2.503	4.200	2.882	2.460
Non-recurring CIPs + revenue generation schemes		0.368	1.583	2.018	2.440
Total (agrees to above)		2.871	5.783	4.900	4.900
1 Short Name or Description					
Specialised Surgical Income, Theatre Efficiency and CAMHs National Bed					
Total revenue generation scheme effect			0.815	1.000	1.248
2 Short Name or Description					
Sheffield Genetics Diagnostic Services , and Others					
Total revenue generation scheme effect			1.185	0.514	0.456
3 Short Name or Description					
Workforce Review			1.052	1.310	1.031
4 Short Name or Description					
Workforce Casemix Review			0.448	0.220	0.388
5 Short Name or Description					
Reduction in Drugs Expenditure			0.150	0.080	0.138
6 Short Name or Description					
Non Pay Procurement Savings			0.405	0.300	0.250
7 Short Name or Description					
Reduction in Estate Costs			0.080	0.050	0.050
8 Short Name or Description					
Other Clinical Services & Supplies Savings			0.190	0.120	0.090
9 Short Name or Description					
Others Pay Savings			0.400	0.770	1.026
10 Short Name or Description					
Other Non Pay Savings			0.175	0.536	0.223
11 Short Name or Description					
Community Services Pay CIPs			0.883	0.000	0.000

List of Directors, Governors and elections for Sheffield Children's NHS FT

Directors (at 31 May 2011 or date of submission, whichever is earlier)

Role	Job Title	Name of Director	Tenure	Date appointed
<i>example Finance Director</i>	<i>Director of Finance and Information</i>	<i>Ms Jane Doe</i>	<i>Acting</i>	<i>01/05/2010</i>
Chair	Chairman	Mr Nicholas Jeffrey	Permanent	01/09/2010
NED		Mr Peter Lambertson	Permanent	01/03/2005
NED		Mrs Sarah Jones	Permanent	01/08/2008
NED		Mr John Turner	Permanent	01/12/2002
NED		Mr Gareth Watkins	Permanent	25/09/2007
NED		Mr David Williams	Permanent	25/09/2007
Chief Executive	Chief Executive	Mr Chris Sharratt	Permanent	10/05/2002
Other Board Director	HR Director	Mr Steven Ned	Permanent	28/07/2008
Finance Director	Chief Finance Officer	Mr Jeremy Loeb	Permanent	19/11/2007
Other Board Director	Chief Operating Officer	Ms Isabel Hemmings	Permanent	01/12/2002
Nursing Director	Director of Clinical Operations and Nursing	Mr John Reid	Permanent	01/05/2005
Medical Director	Medical Director	Mr Derek Burke	Permanent	01/05/2002

Governors (at 31 May 2011 or date of submission, whichever is earlier)

Constituency Type	Full Name of Constituency	Name of Governor	Origin	Date appointed/elected
<i>example Public</i>	<i>North west outtown</i>	<i>Mr John Jones</i>	<i>Elected</i>	<i>01/05/2010</i>
Patient	Patient living in Sheffield	Holly-Rayne Bennett	Elected (Contested)	01/11/2008
Patient	Patient living in Sheffield	Olivia Mangle	Elected (Contested)	01/11/2008
Patient	Patient living outside Sheffield	Hira Khalid	Elected (Uncontested)	01/11/2008
Carer	Carer	Kate Quail	Elected (Contested)	01/10/2009
Public	Barnsley	Chris Leatherland	Elected (Uncontested)	01/08/2006
Public	N. Derbyshire/N. Nottinghamshire	Janet Chessell	Elected (Contested)	01/11/2008
Public	Rotherham	Hayley Ives	Elected	01/05/2011
Public	Doncaster	Alison Cross	Elected	01/05/2011
Public	Shiregreen/Burngreave	Linzey Scothern	Elected (Contested)	01/10/2009
Public	Arbourthorne/Manor/Damall	Karoline Mellors	Elected (Contested)	01/10/2009
Public	Mosborough/Handsworth	Pat Barker	Elected (Uncontested)	01/08/2006
Public	Mosborough/Handsworth	Stephanie Swain	Elected (Uncontested)	01/08/2006
Public	Rivelin to Sheaf	Sabine Vanacker	Elected (Contested)	01/08/2006
Public	Rivelin to Sheaf	Tom Butler	Elected (Contested)	01/10/2009
Public	Hillsborough & Upper Don	Richard Newton	Elected (Contested)	01/08/2006
Public	Hillsborough & Upper Don	Joanne Morton	Elected (Contested)	01/10/2009
Public	Parson Cross and Ecclesfield	Caroline Burgin-Razine	Elected (Uncontested)	01/04/2010
Public	Greenhill and Gleadless	Beth Dunne	Elected (Uncontested)	01/04/2010
Staff	Nursing	Deborah Salvin	Elected (Uncontested)	01/05/2011
Staff	Nursing	Gemma Parker	Elected (Contested)	01/10/2009
Staff	Other Clinical	Jane Buckham	Elected (Uncontested)	01/05/2011
Staff	Management	Sue Taylor	Elected (Contested)	01/08/2006
Staff	Management	Nigel Harrington	Elected (Uncontested)	01/08/2006
Staff	Medical/Dental	Mike Thomson	Elected (Contested)	01/11/2008
Partner	Sheffield City Council	Dawn Walton	Appointed	01/10/2009
Partner	NHS Sheffield	Sue Greig	Appointed	01/02/2010
Partner	Care Trusts (collective seat)	Bruce Laurence	Appointed	01/08/2006
Partner	University of Sheffield	Amaka Offiah	Appointed	01/10/2009
Partner	Sheffield Hallam University	Julia Hirst	Appointed	01/10/2009
Partner	0-19+ Partnership	Kerry Jones	Appointed	01/10/2009
Partner	Yorkshire Ambulance	Alan Baranowski	Appointed	01/06/2009

Elections Held (between 1 April 2010 and 31 March 2011)

Constituency Type	Full Name of Constituency	No. of candidates	No. of Votes cast	Turnout	No. of Eligible voters	Date of election
<i>example Public</i>	<i>North west outtown</i>	<i>4</i>	<i>1,345</i>	<i>16.3%</i>	<i>8,230</i>	<i>01/05/2010</i>
Public	Rotherham	2	65	13.9%	476	13/05/2011
Public	Doncaster	4	23	7.5%	305	13/05/2011
Staff	Nursing	1	uncontested			
Staff	Other Clinical	1	uncontested			

Membership return for Sheffield Children's NHS FT

Membership size and movements

Public constituency			2010/11	2011/12 (estimated)
	At year start (April 1)	+ve	5,619	6,225
	New members	+ve	655	300
	Members leaving	+ve	49	25
	At year end (31 March)		6,225	6,500
Staff constituency			2010/11	2011/12 (estimated)
	At year start (April 1)	+ve	2,081	2,140
	New members	+ve	153	600
	Members leaving	+ve	94	40
	At year end (31 March)		2,140	2,700
Patient constituency			2010/11	2011/12 (estimated)
	At year start (April 1)	+ve	2,165	2,184
	New members	+ve	30	30
	Members leaving	+ve	11	14
	At year end (31 March)		2,184	2,200

Analysis of membership at 31 March 2011

Public constituency	31 Mar 2011 Actual members	31 Mar 2011 Eligible membership
Age (years):		
0-16	158	68,385
17-21	1137	111,363
22+	4365	1,308,312
Unknown	565	
		1,488,060
Ethnicity		
White	4,692	1,732,380
Mixed	94	14683
Asian or Asian British	410	34,458
Black or Black British	219	11791
Other	60	7178
Unknown	750	-312,430
Socio-economic groupings*:		
ABC1	3,135	612,514
C2	234	245,354
D	1061	289,822
E	1275	269,872
Unknown	520	70,498
Gender:		
Male	1,698	719,812
Female	3,965	768,248
Unknown	562	0
Patient Constituency	31 Mar 2011 members	Eligible membership
Age (years):		
0-16	11	0
17-21	581	0
22+	1,592	0
Staff Constituency	31 Mar 2011 members	Eligible membership
Members	2,140	2257