The Shrewsbury and Telford Hospital NHS Trust

Board of Directors' Meeting: 8 June 2023

Agenda item		068/23			
Report Title		Operating Plan 23/24 and Final Budget			
Executive Lead		Helen Troalen – Director of Finance			
Report Author		Helen Troalen – Director of Finance			
CQC Domain:		**Link to Strategic Goal:**		**Link to BAF / risk:**	
Safe	√	Our patients and community	√	BAF 1, BAF 2, BAF 4, BAF 5, BAF 9, BAF 10, BAF 12	
Effective	√	Our people	√		
Caring	√	Our service delivery	√	**Trust Risk Register id:**	
Responsive	√	Our governance	√	None	
Well Led	√	Our partners	√		
Consultation Communication		Finance and Performance Assurance Committee: 2023.05.30			
Executive summary:		This paper covers both the operating plan for 2023/24 and the final budget for the year. 1. The Board's attention is drawn to the refreshed organisational priorities and enablers in the executive summary of the operating plan and the detail of the Trust budgets outlined in section five of the budget setting and efficiency programme paper. 2. The operating plan is a high risk plan which requires significant out of hospital capacity to be in place to ensure that escalation capacity can be reduced and requires significant reduction in the reliance on expensive temporary workforce solutions.			
Recommendations for the Board:		The Board is asked to: **Adopt** the operating plan for 2023/24. **Approve** the final Trust budget for 2023/24.			
Appendices:		Appendix 1: Draft integrated operating plan 2023/24 Appendix 2: Budget setting and efficiency programme 2023/24			

The Shrewsbury and Telford Hospital NHS Trust

Appendix 1

DRAFT

2023/24 Integrated Plan

The Shrewsbury and Telford Hospital NHS

Trust April 2023

Partnering
Ambitious
Caring
Trusted

Our Vision
To provide excellent care to the communities we serve

Contents

Executive Summary

Shrewsbury and Telford Hospital NHS Trust (SaTH) is an organisation that strives to provide high quality, safe care for our patients in an environment which our staff are proud to work in.

Our vision is to provide excellent care for the communities we serve; SaTH is the main provider of district general hospital services for over half a million people in Shropshire, Telford & Wrekin and specific areas of Powys in mid Wales.

Our vision is underpinned by four key values; Partnering, Ambitious, Caring and Trusted. Our values collectively spell PACT which represents our joint commitment to embrace and live our values. Our values will guide us every day to ensure we provide the best possible care for our communities.

Our integrated plan includes our core priorities for 2023/24, which will support our ambition to deliver continuous improvement for patients.

The Board have identified five objectives with five enablers which sets out our ambitious priorities for 2023/24 to tackle our challenges and drive 2forward our key transformational programmes. These are:

Objectives (Patient Safety and Quality)		Enablers	
1	Deliver phase 3 of our Getting to Good Programme to continuously improve care for our patients and community	1	Value difference and live the NHS People Promise in our teams
2	Restore and sustain elective orthopaedics and other services	2	Progress our HTP plans to improve care for all
3	Achieve the 28 day faster cancer diagnosis standard for patients	3	Implement the replacement electronic patient record (EPR) system, laying the foundations for digital enhancements to improve patient care
4	Improve flow through our hospitals by delivering our Emergency Care Improvement Programme	4	Estates – develop an estates plan to optimise our current estate
5	Improve efficiency, deliver within our budget, demonstrating financial prudence and making every penny count	5	Information Governance – improve culture and practices across the Trust

1. Introduction

The purpose of this document is to set out the Trust's integrated plan for 2023/24. The plan reflects the national priorities that are set out in the national planning guidance issued in December 2022, these include:

- Recover our core services and productivity.
- Make progress in delivering the key ambitions in the long term plan (LTP).
- Continue to transform the NHS for the future.

To improve patient safety, outcomes and experiences it is imperative that we:

- Improve A&E waiting times.
- Reduce elective long waits and cancer backlogs, improve performance against the core diagnostic standards.

The plan ensures that our activity, performance, workforce and financial plans for 2023/24 are aligned to each other, and to the overall system plan submitted to NHS England.

SaTH is the main provider of district general hospital services for over half a million people in Shropshire, Telford & Wrekin and specific areas of Powys in mid Wales. Shropshire is a mostly rural and affluent county that masks pockets of deprivation, growing food poverty, health inequalities and rural isolation. Telford & Wrekin is predominantly urban with more than a quarter of its citizens living in some of the most deprived areas of England.

The Trust has 772 beds as at April 2023, across two hospital sites. The Trust will employ 6,620 full-time equivalents (FTE) around 84% of which are employed in direct clinical roles, in addition to the employed staff the Trust is supported by 353 active volunteers.

The Trust's clinical care is provided by four divisions; Surgery, Anaesthetics, Critical Care and Cancer, Medical & Emergency Care, Clinical Support Service and Women's and Children's.

This document sets out the Trust approach to delivering the critical priorities identified in the executive summary. We will measure our delivery using two approaches:

- Firstly, we will measure the delivery of the agreed milestones and outcomes of our major programmes of work. These will be through the Getting to Good (G2G) programme and will be reported to Board each month.
- Secondly, we will measure delivery of performance indicators. These indicators include levels of activity, quality standards, workforce metrics, performance metrics and financial metrics. These will be reported to the Board each month through the integrated performance report.

Appendices one and two contain summaries of the milestones, standards and metrics that will be monitored during 2023/24; to measure delivery against the activity, workforce and finance plans included in this plan and submitted alongside system partners for the system plan.

2. Trust Programmes

2.1 Getting to Good

The Getting to Good (G2G) programme is the key delivery programme for the organisation's priorities for this year. The G2G programme has demonstrated an improvement journey as we now progress to moving into an exciting new chapter of our transformational journey – Phase 3 of Getting to Good.

Getting to Good is our three-year improvement programme for 2021 to 2024, which aims to help us achieve our overarching vision to provide excellent care for the communities we serve. It will ensure that the changes and improvements being made fully address root causes, are sustainable and lay the foundations for future success.

Getting to Good year 1 focused on driving short to medium term transformational projects - such as developing and launching our Vision and Values, strengthening patient safety and quality accountability, and improving governance - which are already starting to deliver positive outcomes for our patients. Phase 2 builds on those successes by focusing on improvement delivery, to create ownership and deliver sustainable change – and are simplified to increase the pace of delivery.

There are eight key G2G programmes which are detailed in the table below and 32 underlying projects, each of which is led by an executive director.

-			
Maternity Transformation	Corporate Governance	Quality and Safety	Finance and Resources
Digital Transformation	Elective Recovery	Workforce Transformation	Urgent Care Improvement

The G2G eight programmes comprise of core and enabling programmes which include the following major schemes:

- **Non-Elective Pathway** – The key priority being to create an admissions model that improves quality, patient flow and the ambulance and emergency department performance.
- **Elective Pathway** – The key priority being to deliver significantly more elective care to tackle elective backlogs, reduce long waits and improve cancer performance.
- **Financial Recovery Plan** – The key priority being to deliver on the financial recovery plan to enable the development and delivery of the financial strategy and financial improvement framework as part of an integrated system strategy
- **Maternity Strategy** – The key priority is to provide excellent maternity care for the communities we serve.
- **Digital** – The key priority being to ensure SaTH's strategy is aligned to the Shropshire, Telford and Wrekin (STW) ICS digital priorities and ensuring that we are best placed as an ICS, to exploit funding and support opportunities that have been reviewed national. This will enable the Trust digital programme to be delivered.
- **Capital programme** – major schemes for delivery in 2023/24 include: elective hub, renal offsite and the community diagnostic hub.

In addition, the organisation will collaborate to deliver system sustainability. The key priority is to work in partnership with the ICS / ICB to deliver the 'Big Ticket' programme as defined by the ICS / ICB.

2.1.1 Getting to Good Key Deliverables

Getting to Good eight programmes encompasses key deliverables in 2023/24 which include:

- Lifting all Section 31s and providing evidence of 80% consistent compliance with the embedded changes.
- Meeting all our regulatory requirements delivering all CQC "Must" and "Should" Do actions and regulatory conditions.
- Completion of self-assessments for all core services as part of the regulatory compliance.
- Implementing the UEC care flow system.
- Achieve the level 2 future focus finance accreditation status.
- To deliver on the financial recovery plan
- To improve the culture, belonging, behaviours, communication and embed a shared vision throughout the Trust.

- To improve long term planning of workforce resulting in a sustainable supply of high quality staff, delivering safe staffing levels with a reduction in agency use and staff turnover.
- To continue to strengthen the Board of Directors oversight of risks to support the decision-making processes.

Each of the eight Getting to Good Programmes of work are also supported by colleagues from the programme management office (PMO), improvement hub, communications, performance and business intelligence team and NHS England (NHSE).

2.1.2 Getting to Good Quality Governance Framework

The accountability for improvement and embedding the change remains with the nominated executive director and each project is overseen through the Trusts quality governance framework. Oversight is provided through the weekly Operational Delivery Group (ODG) which is responsible for tracking and monitoring progress to ensure delivery and achievement of successive standards and to maintain an accurate understanding of how the project is advancing according to the initial project plan. This meeting is chaired by the SaTH programme director and updates from the ODG, report monthly into the chief executive directors meeting, which is chaired by the SaTH chief executive who intern reports on progress to the board of directors at each of its meetings progress is report to the system partners via the SaTH Overview and Assurance Group.

2.2 Urgent Care Improvement including Emergency Care Transformation Programme

Key Priorities

The key priority of the Urgent and Emergency Care transformation programme is to create an admissions model that improves quality, patient flow and the ambulance and emergency department performance. This will be delivered through the following actions:

- Targeted to focus on the acute admissions unit to manage the pathway and the demand from the acute medical take.
- Establish direct access emergency pathways.
- Establishing a sustainable workforce, by developing an understanding of the workforce requirement and implementing a retention and recruitment plan.
- Establishing improved working across organisational bodies within the local health system and the wider healthcare environment.
- Embedding the UEC measures.
- System partnership working.

2.3 Elective Recovery

Key Priorities

- To deliver significantly more elective care across all points of delivery to tackle elective backlogs, reduce long waits and improve cancer performance.
- Improve referral to treatment times and cancer performance by working across organisational boundaries and in collaboration with other providers.
- Optimisation of advice and guidance, patient initiated follow up (PIFU) and virtual outpatients to support access to the right person, in the right place at the right time.
- Improve digital technologies in challenged specialties working across the health economy.
- Eliminate waits over 78 weeks to reduce the cohort to zero in line with the trajectory with the exception of patient choice.
- Elective care waits of more than 65 weeks should be eliminated from March 2024.
- Develop plan to support overall reduction in 52 week waits in line with the aspiration to have none by March 2025.

2.4 Digital Transformation

Key Priorities

- The Electronic Patient Record programme - continuing to build upon the successes of Viewpoint and Vitals. The Patient Administration and Emergency Department modules will be implemented by autumn 2023.
- The Shared Care Record, One Health and Care, will be launched in a number of clinical areas across the Trust, commencing in ED in Quarter 2 of 2023/24.
- Progress the implementation of the new replacement network, building additional resilience and connectivity into the programme with our system partners where possible which is due for completion in 2024/25.
- Implement Office 365 for all users and begin to exploit the use of automated tools, along with completing the deployment of single sign on across clinical areas by quarter 3 2023/24.
- Continue to work with regional and national colleagues to assess opportunities for convergence and interoperability of clinical systems.

2.5 System Sustainability

- In 2023/24 the Trust will work in partnership with the ICS to deliver the following ‘Big-Ticket’ programmes:

1. MSK Transformation

To redesign orthopaedic services, taking advantage of the specialist Robert jones Hospital and DGH orthopaedic services at SATH. Continue the work to redesign the provision of community musculoskeletal services, rheumatology, orthopaedics, patient-initiated follow up outpatients, support to primary care provision of falls, fractures, osteoporosis, long term MSK conditions and self-management models to demonstrate whole system ownership of quality, operational and financial challenges.

2. Local Care Programme

To focus the shift to an integrated model of service delivery, with a radical transition from services that are reactive to illness, to models of care that focus on proactive prevention and early intervention.

To continue to focus on the community shift through a combination of avoiding admissions,

reducing the level of patients who have the right to reside in an acute setting and more people receiving care through a virtual ward in their own homes. The desired outcome being to provide services that are preventative with integrated interventions to reduce hospital admissions.

3. Workforce Transformation

Continued focus to grow a sustainable workforce to reduce the dependency on agency staff, through a continued focus on an improvement in procurement, intensive recruitment & retention programmes, the development of new ways of working and the development of primary care networks.

4. Outpatient Transformation

Continue to with conversations and education regarding advice and guidance across Primary Care through the GP leads. Further improvement to develop Patient-Initiated Follow-Up (PIFU), virtual consultations and direct to test pathways and review opportunities for cardiology, respiratory and parkinson's disease.

5. Hospital Transformation Programme

To gain approval for the outline business case for the Hospital Transformation Programme, on behalf of the STW Integrated Care System, and then secure approval of the full business case from national bodies later in 2023/24. We will continue work with our partners, communities, and wider stakeholders to finalise the detailed service plans and optimise pathway and architectural designs ahead of implementation by late 2026.

6. Place-Based Joint Commissioning

To transform the commissioning and contract management of continuing health care and complex care for adults and children, mental health and children and young people services and fast track out of borough placements for end of life and palliative care service.

3. Quality

In the quality strategy that was launched in 2021, the priorities that were proposed based on the known areas of risk, themes from the regulatory compliance work-stream and the NHS patient safety strategy.

For the last two years our quality priorities have been aligned to our quality strategy under the three domains of SAFE, EFFECTIVE and PATIENT EXPERIENCE.

The plan for 2023/24 continues to be based on these three domains and includes the following quality priorities:

3.1 Safe

Inpatient Falls

- Continue work to do on the principles of cohorting, this will be a main priority for 2023/24 alongside work to help prevent deconditioning.
- Review our enhanced patient safety policy and risk assessment and continue to recruit to our enhanced patient supervision team in 2023/24 with enhanced training and skills to care for our most vulnerable patients across the Trust who often have cognitive impairment and are at a higher risk of falls.
- Implement new Trust falls training which is two yearly across all nursing and allied health professionals and develop a bespoke training programme for our medical staff.

Learning from Events and Safety Culture

- Integrate learning from both positive and negative incidents, electronic communications, newsletters, staff briefs and forums, safety boards, quarterly learning and sharing forums and an annual Trust safety conference.
- Implementation of patient safety incident response framework, revise our processes for the investigation of pressure ulcers and falls resulting in harm across the Trust.

Deteriorating Patient

- Identify, escalate and timely intervention of deteriorating adults and children.
- Implement deteriorating patient training through the delivery of a new acute illness management course.
- Ensure all our staff are compliant with the basic life support and primary lateral sclerosis training.
- Ensure process in place for the appropriate escalation and escalation plans are in place for patients through the implementation of a treatment escalation plan.
- Improve patient fluid management through the ongoing work to improve fluid monitoring, and the delivery of robust education across the Trust.
- Ensure our staff have the skills and knowledge to care for our patients with diabetes through the delivery of diabetes training to all our nursing staff across the Trust.

3.2 Effective

Right care. Right place, right time, right place.

1. Ensure improved patient experience in our emergency departments, reducing waiting times, timely decision making and interventions.

    - Embed the new pathways through our acute floor and assessment units.
    - Monitor activity and performance data, our standard operating procedures to ensure timely escalation and prevention of patients remaining in the emergency department no longer than the national/local standards.
    - Ensure that lessons learnt are implemented where patients remain longer in the department than guidance.

2 Improve our admission and discharge processes through the Trust:

    - Increase the number of patients discharged earlier in the day i.e. before 10am and midday.
    - Work with our system partners to reduce the number of no criteria to reside patients in our hospital.
    - Improve in relation to the discharge planning process co-ordinating improvements to ensure patients are discharged safely and efficiently and all appropriate treatments, medication and clinical discharge information are in place before discharge.

3 Further develop weekend working to improve discharges including the roll out of Criteria Led Discharge.

4 Address and improve care for people with diabetes through close working with system partners.

    - Establishment of commissioning agreement for diabetic services with ICB.
    - Evidence of meetings of system clinical advisory group.
    - Reduction in hospital admissions with primary diagnosis of complications.
    - Reduction in amputations.
    - Development of OPAT services for suitable patients.
    - Evidence of MDT educational programme for secondary, community and primary care.

3.3 Patient Experience

Palliative and End of Life Care

- Improve our care after death through ongoing education, support and monitoring.
- Continue the roll out of the palliative and end of life care supportive ward visit programme across the clinical areas in the Trust.
- Undertake a review of our palliative and end of life care education provision, benchmarking against peers, to develop a revised education programme.

Learning from Experience

- Demonstrate that as a Trust we are learning and improving patient, carer and public experience through complaints, patient surveys, feedback and complements.
- Analyse, report and learn from patient surveys, complaints, concerns, and compliment.
- Review the existing processes, policy and operating procedures to ensure compliance is fully supported and we improve the timely response to complaints across the Trust. Improve the quality of these responses through the continued learning from our patient led patient complaints review panel.
- All wards to have a 'you said, we did' board.
- Improve our ratings in the national staff survey for the question "I would be happy for a member of my family to receive care in the Trust".
- Improve service user engagement at key Trust meetings.

Vulnerable Patients

- Improve the care of patients with a learning disability or Autism cared for in the Trust through embedding the principles outlined in out learning disabilities charter.
- Implement the Oliver McGowan on learning disability and autism training to all frontlines staff across the Trust.
- Develop ongoing monitoring and assessment processes to ensure high standards are maintained:

    1. During mealtimes services, and that appropriate assistance is given to our vulnerable patients.
    2. That all patients have a MUST assessment completed and appropriate individualised care in place to meet their nutritional needs and there is ongoing monitoring of nutritional intake. All nursing staff have received nutritional training.

Palliative and End of Life Care

- Continue with delivering the Trusts palliative and end of life care strategy with a focus on improving our care after death through ongoing education, support and monitoring.
- Review our palliative and end of life care education provision, benchmarking against peers, to develop a revised education programme.
- Delivery of strategy milestones.
- Compliance with care after death training.

4. Activity

The Trust continues to work with ICS partners to ensure that our patients are receiving the right care, in the right place and at the right time across our unscheduled, scheduled, and diagnostic services. This care continues to be provided by our skilled and motivated staff working effectively and efficiently within our available resources.

To support in delivering against these aims, our activity plans for 2023/24 have been developed in collaboration with specialties to ensure they are built fully based on the capacity in place to deliver the services. This has enabled us to fully understand the provision that can take place within our core resources and where additional interventions and resources are needed both sustainably and to address the backlogs that we are continuing to see with patients waiting past the referral to treatment time of 18 weeks and with past maximum waits cohorts.

4.1 Unscheduled Care

Despite the increases seen in 2022/23 for patients staying in hospital for longer, a reduction on previous years has been seen in 2022/23 for overall non-elective activity levels. As the predicted growth assumptions of returning to pre-pandemic levels did not take place, the plan for 2023/24 aims to continue the current trend with a 90% variance to 2019/20. Containing these activity levels will be dependent on System partnership working to support care closer to home and preventing unnecessary emergency care presentations.

POD	22/23 plan	22/23 actual	23/24 Plan	23/24 plan vs 19/20 baseline
Non-elective patients with zero length of stay	20,306	18,231	17,049	*88%*
Non-elective patients with a length of stay on one or more days	40,568	36,781	35,218	*89%*

The same approach has been applied for accident and emergency attendances whereby the activity levels seen in 2022/23 have been continued into 2023/24.

4.2 Scheduled Care

Recovery of elective activity to achieve planned levels has been affected considerably by emergency pressures in 2022/23, with patient flow out of the Trust severely impacting on the staffing and available beds to deliver elective recovery. To ensure the plans relating to elective care are reflective of the current position of the Trust when entering 2023/24, the activity capacity plans have been adjusted to take into account the risks relating to theatre and bed capacity to align with the 2022/23 forecast outturn.

Modelling has then taken place to plan for a phased recovery of elective activity through the reintroducing of theatre capacity at the RSH site from October 2023 and day surgery capacity at the PRH site. Recovery on this basis is reliant on the Lofthouse facility and the day surgery unit remaining as ringfenced capacity throughout 2023/24 and the additional theatre capacity being released as intended in October. Ensuring the System wide interventions improve flow across the Trust is essential in mitigating these risks.

The Elective Recovery Fund (ERF) will be essential in ensuring these activity plans for elective services are delivered, along with funding for the mobile Vanguard theatre remaining throughout the 2023/24 to provide the additional support for our core interventions. In addition, Phase 1 implementation of the Elective Hub at the PRH site is planned to commence in June, with Phase 2 operational in February 2024. This will provide an additional c.1,800 daycases annually, once fully operational.

4.3 Outpatients

As with the elective trajectories, the outpatient plans are based on capacity plans in place within specialties to deliver against their targets. Developing a great understanding of our capacity and the constraints that are in place will be the essential in maximizing the usage of ERF funding where available to provide WLI support across specialties such as urology, gynaecology and gastroenterology to ensure the backlog is addressed.

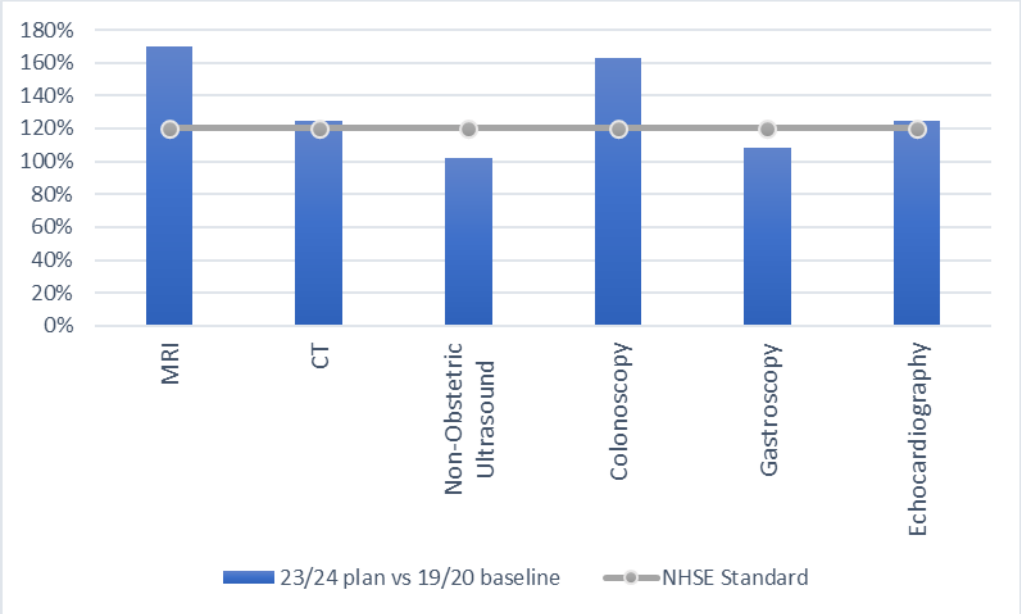
The Trust continues to work with the STW system on outpatient transformation across all specialties to support a reduction in face-to-face appointments. A large part of this transformation approach will be to continue to increase the levels of patient initiated follow up (PIFU) (target 5.1% by March 2024) and increase use of advice and guidance through this system working. Although it is recognised that achievement of these standards will be a challenge based on system pressures, positive work has taken place throughout 2022/23 with specialties that is expected to be built on in order to deliver against these trajectories.

Despite the planned increase in PIFU activity and supporting interventions, there remains a considerable issue relating to patients who have breached their past maximum wait standard and overall backlogs across certain specialties. In order to address this issue, the Trust is aiming to deliver a higher level of outpatient follow-up attendances (95.7%) than the recommended levels (75%) and while we will aim to continue to show improvements throughout the year on this position, at this stage we are committing to undertaking this activity as part of our overall recovery agenda.

4.4 Diagnostics

To continue to progress the care of patients in a timely fashion, we are continuing to put in place additional diagnostic capacity through continuing the use of the mobile MRI and CT units throughout 2023/24 and additional radiology pods across our sites providing further additional capacity. The implementation of the community diagnostic centre in 2022/23 has been delayed but is due to commence in September 2023, providing further capacity of 8,135 over the remainder of the year for ultrasound, CT, MRI, cardiorespiratory and phlebotomy services. All additional interventions and workforce issue mitigations will ensure that diagnostic services continue to address the backlogs currently in place and also deliver against the anticipated 8% growth in demand on these services.

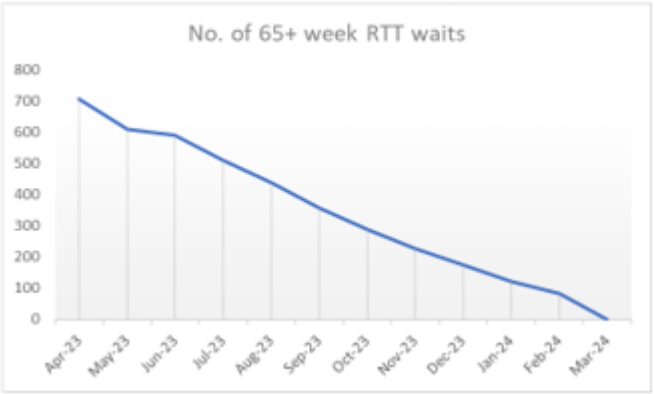
Planned Diagnostic activity against 2019-20 baseline:

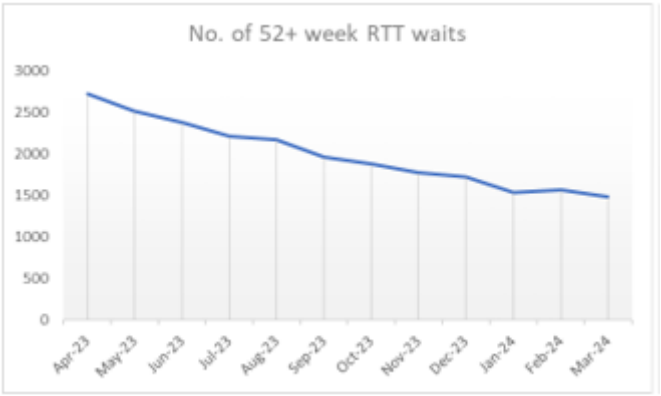


4.5 Referral to Treatment

Improvements continue to be made in addressing our backlog position and we will be ending May 2023 with zero patients waiting over 78 weeks. The focus will now be on addressing the patients waiting 65 weeks and over through specialty level trajectories for improvement, which will be monitored on a weekly basis.

Although patients waiting 65 weeks and over will be the leading performance metric for referral to treatment over the year, efforts will continue to be directed to ensuring that patients with the greatest need are treated with the priority their clinical condition warrants while we also work with system colleagues and independent sector providers where relevant to rebuild sustainable services for our population needs. Based on this approach, the following trajectories for the number of patients waiting over 65 and 52 weeks are being committed to:





4.6 2023/24 Bed Modelling

Through 2022/23 the delivery of activity and performance indicators has been constrained by the level of medically fit for discharges (MFFD) patients that have occupied the beds available within the Trust.
To address this position for 2023/24 the following actions / developments are included in the integrated plan.

- Creation of an ambulance receiving area at RSH that is co-staffed by WMAS and SaTH staff.
- An expansion to the acute medical assessment area and the development of the acute floor at RSH.
- Move of discharge lounge at RSH, identification of additional discharge lounge space at PRH and an increased utilisation of discharge lounge.
- Introduction of the ward processes work within medicine wards.
- Creation of assessments areas at RSH for oncology and T&O.

In addition to the above the following improvement activities have taken place to improve length of stay, patient flow and the A&E performance.

- Long length of stay reviews.
- Ward improvement work.
- Review of ward processes.
- Criteria led discharges.
- Effective use of direct admission pathways

While the above internal actions will reduce the patient length of stay we are working without system partners to develop a virtual ward and an increase in the use of the integrated discharge team to support timely discharges of care or other care provided by local authorities.

The impact of all the actions/developments described below have been overlaid against the modelled demand assumptions to provide the following bed model. This enables us to identify what our bed position will be each month after the above mentioned interventions and where additional provision may need to be sought:

	30/04/2023	31/05/2023	30/06/2023	31/07/2023	31/08/2023	30/09/2023	31/10/2023	30/11/2023	31/12/2023	31/01/2024	29/02/2024	31/03/2024
Core	671	671	671	671	671	671	671	671	671	671	671	671
Day	21	21	21	29	29	29	29	29	29	45	45	45
Escalation	44	44	44	41	41	41	41	41	0	0	0	0
Impact of modular wards									52	52	52	52
Childrens	36	36	36	36	36	36	36	36	36	36	36	36
Total	**772**	**772**	**772**	**777**	**777**	**777**	**777**	**777**	**788**	**804**	**804**	**804**
NEL core available - 92% occupancy	**590**	**590**	**590**	**590**	**590**	**590**	**590**	**590**	**590**	**590**	**590**	**590**
NEL demand	719	692	710	681	681	678	694	725	710	734	739	706
Unmet demand	9	0	6	13	12	15	27	34	43	36	42	40
Bed Position	**-138**	**-102**	**-127**	**-104**	**-103**	**-103**	**-131**	**-169**	**-164**	**-180**	**-191**	**-156**
Impact of internal interventions	17	19	20	31	35	40	45	47	46	47	51	49
Revised Bed Position	**-121**	**-83**	**-107**	**-73**	**-68**	**-63**	**-86**	**-122**	**-118**	**-134**	**-140**	**-107**
Impact of external interventions	23	22	29	40	46	53	73	75	76	92	99	92
Revised Bed Position	**-98**	**-61**	**-78**	**-33**	**-22**	**-10**	**-14**	**-47**	**-42**	**-41**	**-41**	**-15**
Escalation beds	44	44	44	41	41	41	41	41	0	0	0	0
Impact of modular wards									52	52	52	52
Revised Bed Position	**-54**	**-17**	**-34**	**8**	**19**	**31**	**27**	**-6**	**10**	**11**	**11**	**37**

4.7 Risks

Predominant risks to recovery are:

- The requirement to ensure the required workforce is in place particularly in areas such as theatres, radiology and the emergency department, to ensure the capacity to deliver the planned levels of activity.
- The delivery of the programme of work and changes to service provision in conjunction with our system partners, this includes the development of a virtual ward, the approval and implementation of mobile wards, the transformation of outpatient's services and a reduction in the levels of patients who are in the acute beds with no right to reside.
- The implementation of the approved elective hub and community diagnostic centre in line with the project plans.
- The delivery of the plans to reduce the pressure on beds that has been built into the 2023/24 bed model, including the continuation of a reduction in the number of patients presenting for emergency care.

5. Performance

The activity detailed above seeks to provide assurance of the Trust's forecast performance against national operational planning guidance. However, achievement of specific performance standards are recommended and our planned achievement against these are:

Operational Planning Standard		Mitigation
Improve A&E waiting times so that no less than 76% of patients are seen within 4 hours by March 2024 with further improvement in 2024/25		• Performance is planned to deliver against this standard by the end of March 2024. • Improvement to the current performance has been applied based on both internal and System wide interventions taking place and having the anticipated impact on emergency presentations. Achievement of this standard is reliant on these interventions delivering their individual trajectories.
Eliminate waits of over 65 weeks for elective care by March 2024 (except where patients choose to wait longer or in specific specialties)		• 78 week waits will be eliminated for all specialties from May 2023, which will have a positive impact on delivery against the patients waiting over 65 weeks. • The Trust continues to prioritise patients waiting for long periods of time and will continue to do so in order to mitigate any further growth in this area. • Delivery of this standard will be strongly dependent on a reduction seen in the current levels of patients who have the right to reside in an acute setting and improved patient flow in order to fully support the recovery agenda.
Continue to reduce the number of patients waiting over 62 days		• Performance of this standard is predicted to achieve the specified reduction. • A reduction of 49% is predicted to be seen at the end of March 2024 when compared to the start point in 2022/23, which will mean 212 patients waiting over 62 days at year end.
Meet the cancer faster diagnosis standard by March 2024 so that 75% of patients who have been urgently referred by their GP for suspected cancer are diagnosed or have cancer ruled out within 28 days		• Performance of this standard is expected to achieve the 75% standard by the end of March 2024

Increase the percentage of patients that receive a diagnostic test within six weeks in line with the March 2025 ambition of 95%		• Trajectories are planning for zero patients waiting over the 6 week standard for all radiology modalities by the end of March 2024. • Delivery of the 6 week standard is a risk for endoscopy.

6. Workforce

Our people are at the heart of everything that we do and are key to providing great care to our patients. We find attracting and retaining substantive staff intensely challenging. This results in a heavy reliance on temporary staffing and further impacts the quality of care provided.

Staff costs as a percentage of operating expenditure are higher than our peers, as is agency as a percentage of total staff costs. Our workforce plan for 2023/24 outlines ambitious targets to reduce agency reliance by 50% and reduce our vacancies for both clinical and non-clinical roles. Our people strategy will support this; however, we will need all divisions and professions to work together and deliver against defined plans and targets.

6.1 Our Strategy

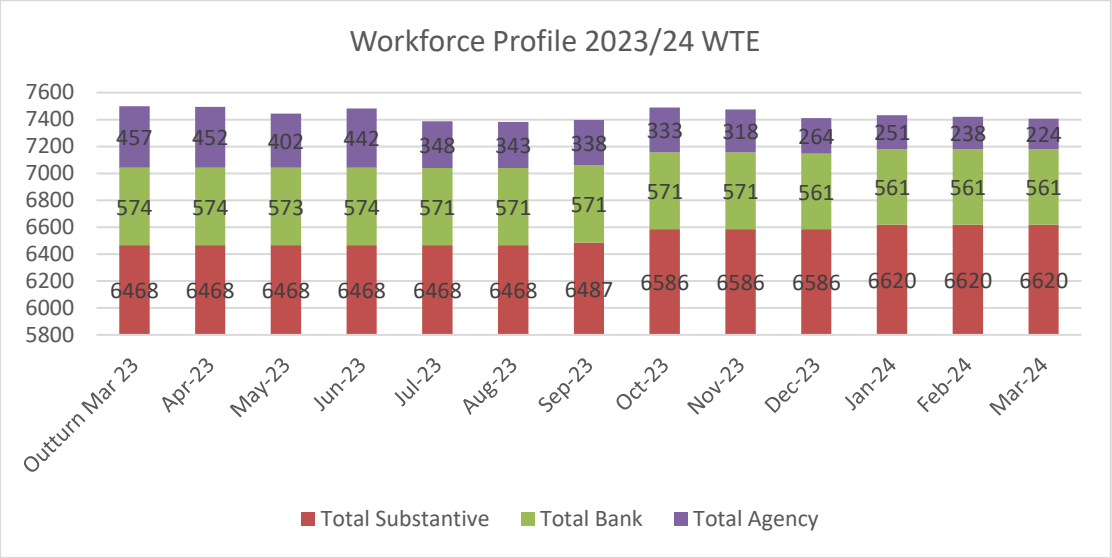
Our 3-year people strategy is intended to be an enabler for our achievements and innovations in creating a sustainable workforce. Every one of us needs to play our part in making SaTH a great place to work that delivers kindness, caring and safety for our patients.

6.2 Our Workforce Plan

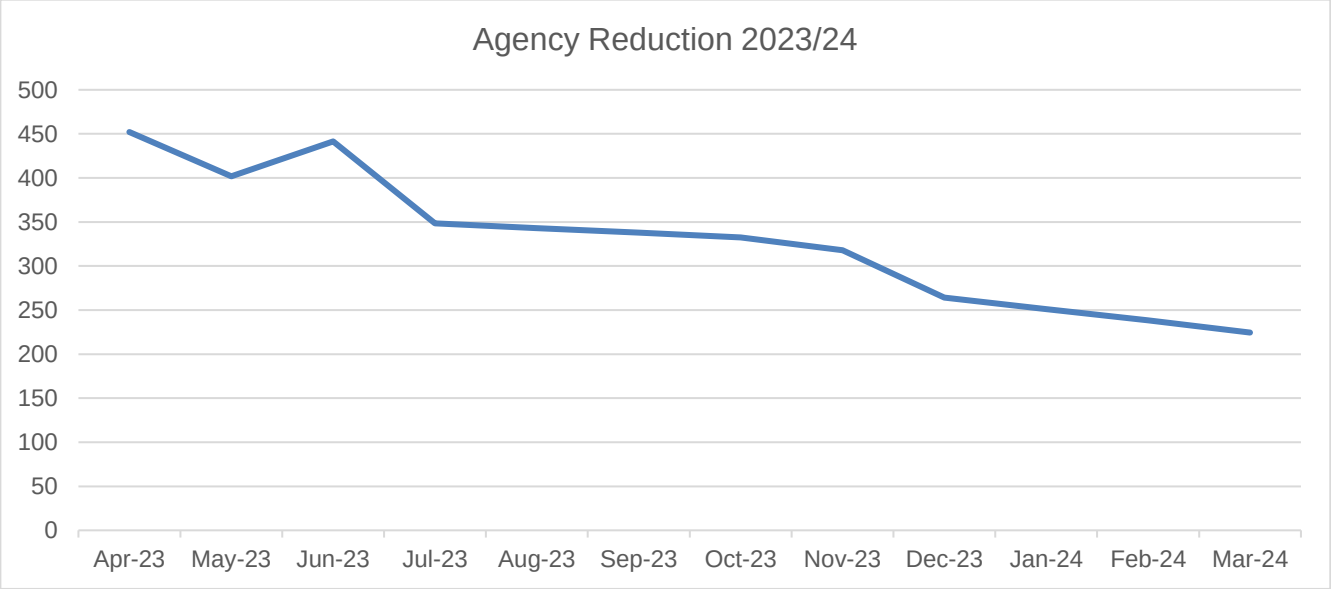
The SaTH operational plan sets out the workforce requirements over the next 12 months. The plan will consider the change in activity, the type of activity, the range of workforce risks. The following assumptions have been incorporated into the plan:

- Sickness is no more than 6% average across the year which is a reduction by 0.5% average this year.
- We recruit 193 additional nurses this year which qualify as band 5 RNs from August to March 24. Each nurse recruited reduces agency by 0.76 Whole Time Equivalents (WTE).
- We reduce our HCA agency by 80% compared to current levels.
- We assume 10 WTE to convert from nursing associates to registered nurses in September.
- We assume 26 trainee nursing associates to convert to nursing associates (14 from April and 12 from Sept)
- We improve turnover by 1% across the year for all staff groups compared to 22/23
- Escalation levels reduce in line with bed model which corresponded with a reduction in agency usage.
- The level of apprentices recruited / developed is broadly in line with 2022/23 levels.

The workforce plan has a 2% growth of substantive workforce. Key drivers of the growth are workforce requirements for elective hub, acute floor and community diagnostic centre. The workforce profile is outlined in the below chart.



Agency reduction is expected as per below which will be delivered via a range of actions and monitored through the tracking our key performance metrics as outlined in the table below.



Workforce Metrics

Metrics	Target 2022/23	Trust Current	Target 2023/24
Sickness 12 Month Average	4.0%	5.6%	5%
Turnover 12 Month Rate	14.1%	13.9%	13.1%
Flu Vaccination	70% - 90%	50%	70% - 90%
Mandatory Training YTD	90%	90.2%	90%
Appraisal YTD	90%	81%	90%
Roster Approval Completion (Weeks)	6	6.1	6
Roster Unavailability %	24%	32%	24%
NHS Levels of Attainment (Rostering and Deployment)	Level 1	Level 0	Level 1

6.3 Delivering our Plan

In order to achieve the growth in workforce set out in our plan, multi-disciplinary teams working across operational, clinical and corporate support functions to focus on the delivery of the following:

- Monitoring and controlling workforce using good governance practices, effective use of technology and making good decisions on our workforce using the available data.
- Innovation in how we recruit our workforce and looking for ways to collaborate with system partners to recruit to hard to fill roles.
- Taking action to keep our people within SaTH or the system making real improvements in our retention levels.

Within our vacancies there are a number of hard to fill roles which include key medical specialities such as urology, emergency medicine and critical care. There are also challenges across nursing roles, pharmacists and radiologists. We are continuing to look for new ways to recruit and new markets to recruit from. As we expand our international recruitment programme, we will see 193 additional nurses recruited this year.

A few of the key actions we will deliver to support delivery of our plan:

- We will set up clear recruitment plans aligned to each element of the 2023/34 plan with monthly trajectories of new recruits needed and key performance indicators to monitor timeliness of recruitment process set for each division and role type. This will then be monitored and discussed at monthly performance review meetings where actions will be agreed to address any risk and issues. Explore all opportunities for international recruitment partnering with system trusts where relevant.
- Work with system partners to recruit key roles into our system such as nursing, nursing associates, advanced hospital practitioner doctors, operating department practitioners (ODP's) and healthcare assistants.
- Explore the implementation of a referral scheme to encourage staff to refer other professionals to the Trust.

- Closer working between recruitment teams in the system to maximise candidate attraction and conversion.

6.4 Risks

The following risks have been considered as part of the workforce plan.

- The proportion of overseas nurses of our total substantive workforce has changed from 31% at September 2021, to 47% in March 2022 and then increase further to 54% by March 2023. This creates a risk due to a high proportion of workforce attached to a visa with work restrictions. For example there will be financial costs associated with covering the ongoing cost of certificate of sponsorship and limitations of additional hours that overseas nurses can work.
- Ability to support for trainee nurses and apprentices will be a risk in the next few years as we see significant increase in student nurses over next 3 years. We are planning our nurse apprenticeships carefully and ensuing we have sufficient senior nurses available to support these nurses through training.
- Currently, only 8% of the clinical workforce is over the age of 55, evidencing the fact that most staff do retire when they are eligible to do so. In five years' time another 10% of our clinical workforce will be over the age of 55 and therefore, 20% will be eligible to retire. Flexible working and support for employees at all stages of their career is key.
- Radiology - There is a risk of delayed diagnosis due to lack of capacity in radiology to meet the clinical demands. There will be continued reliance on overseas recruitment to support this.
- UEC workforce - The key risk is the ability to staff the department at times when there is high levels of sickness and vacancies. These includes vacancies and for our emergency department we have gaps of 17 band 6 nurses on each site, 23 band 5 and we have 8 consultant vacancies and 17 specialty doctor vacancies. Those vacancies are being mitigated daily by use of agency and our temporary workforce.
- Risk to patient care from lack of specialist pharmacist resources due to inability to recruit to specialist pharmacist for paediatrics and neonates and other specialist pharmacist posts.
- The reduction in the skills, knowledge, and expertise within theatre on both sites is having a short-term direct impact on the Trust's ability to meet the current demand of the admitted backlogs which has been compounded by the COVID 19 pandemic.
- There is currently a national shortage of operating department practitioners (ODPs). Feedback from a comprehensive survey (undertaken by GIRFT, published June 2022) of sites across England in November 2021 has shown that clinical staff availability can be a key barrier to hub development, with geography cited as one of the reasons why some providers face challenges to attract and retain the required skills force. There has been active ongoing recruitment taking on overseas nurses as well as open days. This has been successful; however, these new theatre staff require a supernumerary period of at least 6 months to gain the basic theatre skills.

6.5 System People Plan

There is a revised system people plan which will contribute to developing our workforce. The System People Plan covers 5 areas including growing for the future, belonging in STW, looking after our people, new ways of working and strategic workforce planning. The people plan will help grow the future workforce through partnerships with colleges and providers. It will help market STW as a place to work, with a single system approach to our people's wellbeing. It will include delivery of a system recruitment function providing recruitment services for all system employers and enabling provision of the single point of entry for STW for job opportunities.

6.6 Staff Survey 2022

Our internal scores compared year on year have improved for all 7 people promises and 2 themes compared from 2021 to 2022, with 6 elements being a statistically significant change.

Our level of participation has grown by 4% and 376 individual responses. This is the highest response rate ever attained in the Trust. We saw 361 more colleagues take part in the survey an increase of 12% year on year. Year on year we improved on 5 themes, stayed the same on; 'compassionate and inclusive' at 6.8, 'reward and recognition' at 5.5, 'We each have a voice that counts' at 6.2, and the theme 'engagement at 6.3'. Last year our lowest scores were 'we are always learning at 4.9 now 5.1', 'morale' at 5.3 now 5.4, 'safe and healthy' at 5.6 now 5.7 and 'working flexibly' at 5.6 now 5.8.

Divisional plans will be worked up to address key areas with delivery monitored via our divisional performance review meetings.

7. Finance

7.1 Income and Expenditure Plan

The financial plan for 2023/24 has been produced in conjunction with the STW system financial plan and triangulates with both this narrative plan and the activity and workforce returns. The 2023/24 financial plan for STW is set within the national context of:

- From 1st April 2023, the National Tariff Payment System (NTPS) will be replaced with the NHS Payment Scheme (NHSPS), to run for two financial years.
- The rules provide for four payment mechanisms:
    i. **Aligned payment and incentive (API)** (fixed element and variable element, paying 100% of NHSPS prices for elective activity) for the majority of activity
    ii. **Low volume activity (LVA)** block payments (nationally set values) for contracts worth less than £0.5m)
    iii. **Activity-based payments** (activity x unit prices) for contracts with non-NHS providers to deliver NHS care
    iv. **Local payment arrangements** (payment approach is locally determined)

- ICB allocations have been updated to reflect;
    i. **Baseline adjustments** to for in-year inflation and pay funding, removing the employer NI benefit, baseline resets and full-year impact of 22/23 funding adjustments
    ii. **Net growth** for 2023/24 uplifted to reflect an assessment of demographic and non-demographic activity requirements, inflationary pressures at 2.9% (see Appendix 1) and an efficiency requirement of 1.1% plus 0.5% convergency.
    iii. Separate **Covid** funding has been removed and included within baseline allocations at 0.6%, will be offset by further efficiency requirement at ICB level.

- The **Elective Recovery Fund (ERF)** has been separately identified in ICB allocations and has been distributed on a fair shares basis. NHS England will receive a proportionate share for specialised commissioning activity.

The STW System has also agreed to continue with an element of the Intelligent Fixed Payment (IFP) approach which was adopted in 2022/23, thus continuing to promote a system-wide approach to income allocations.

Within the Trust, specialty level activity, workforce and financial plans have been developed, extended to include cost pressures, service developments, and recovery and restoration plans. Due to funding constraints across the system, a large proportion service developments have not been agreed to be funded, and so will sit as risk within the financial plan.

The 2023/24 plan indicates that the Trust will be £45.462m away from delivering the required break-even position in 2023/24. This is agreed with NHSE and is shown in the below table:

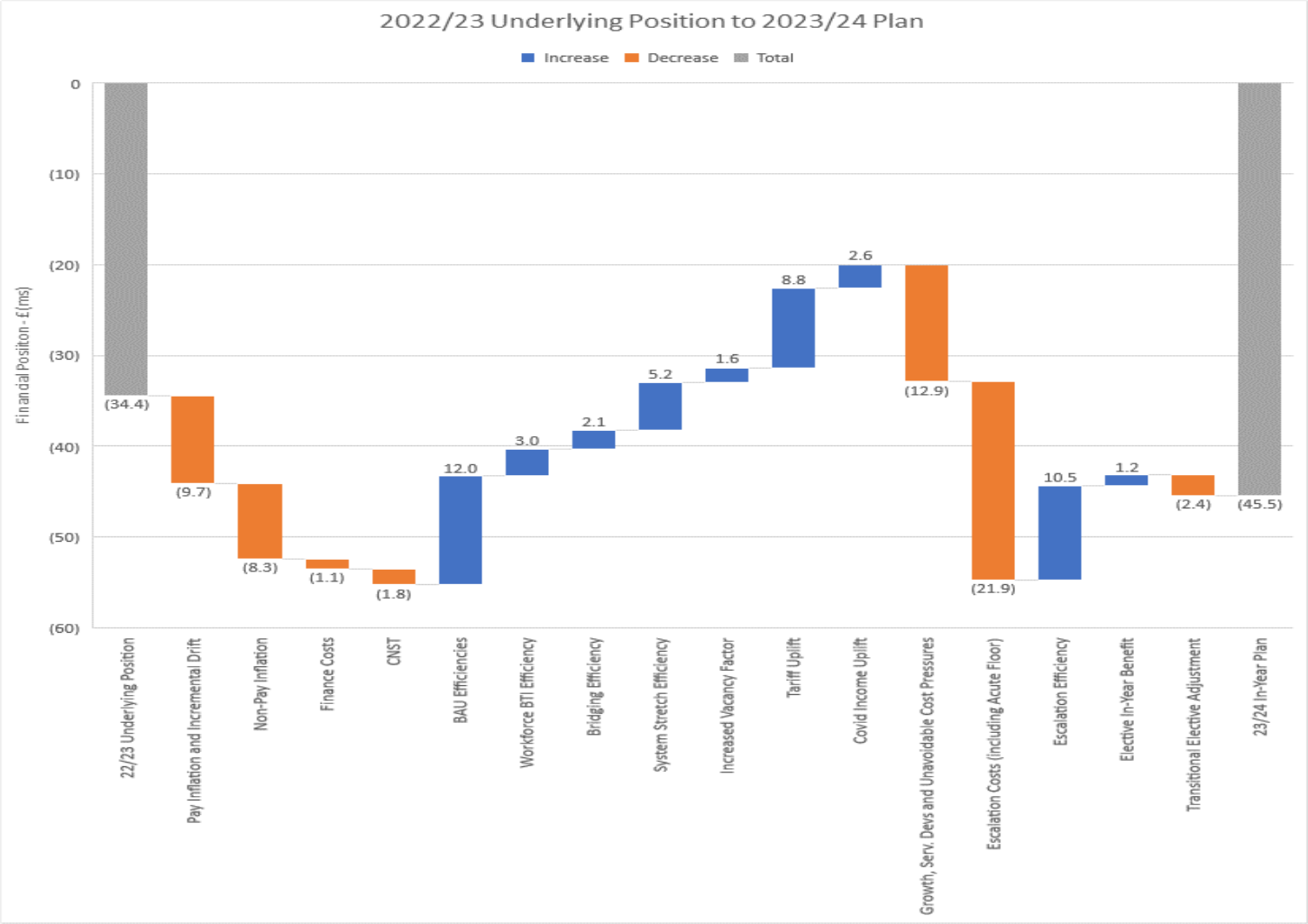
	Annual Plan £000s
Patient Care Activity Income	488,259
Other Operating Income	32,994
Total Income	**521,253**
Pay	(355,175)
Operating Expenses (excl. Depreciation)	(177,290)
EBITDA	**(11,212)**
Depreciation and Amortisation	(25,422)
Finance Costs	(8,828)
2023/24 Plan (deficit)/surplus	**(45,462)**

The bridge below bridges the Trust's recurrent income and expenditure position from 2022/23 to the
2023/24 plan.

Key elements of the plan are:

- Growth and inflation funding offset by costs of inflation.
- Total efficiency requirements of £30.2m, consisting of:
    - BAU efficiency - £11.979m
    - Escalation - £10.469m
    - Workforce Big Ticket Item (BTI) - £3.000m
    - Bridging Efficiency - £2.100m
    - Increased vacancy factor - £1.600m
    - Non-Recurrent - £1.055m

- £12.931m investment in growth, service developments and unavoidable cost pressures (net of assumed System income).
- Escalation costs of £11.414m (including acute floor) and net of efficiency.
- A benefit of in-year elective expenditure of £1.200m.
- In addition to the level of efficiency shown above the Trust has been asked to deliver an additional stretch target of £5,249m.



The Trust has also completed a significant piece of work in developing a 15-year long term financial model (LTFM), which will underpin longer-term financial planning, and aligns to system-wide assumptions.

7.2 Capital Plans

2023/24 is the second year of the three-year ICB-level capital funding envelopes from which an operational capital framework has been developed. The Trust has submitted a capital plan for 2023/24 of £42.127m. This includes £19.393m of operational capital, which although is more than the allocation, is within the permissible level of overcommitment within the planning guidance. This planning assumption allows for slippage in the capital programme due to unforeseen delays but ensures that the Trust makes best use of its capital funding.

The remaining £22.734m relates to national externally funded capital allocations which includes the creation and expansion of an elective hub at PRH, a 2 year scheme with completion in 2023/24; second phase of the community diagnostic centre; second year of the three-year digital funding to meet minimum digital foundation standards; year 2 of delivery of a laboratory information management system and funding for the completion of the outline business case for the Hospitals Transformation Programme HTP).

In addition, the Trust has applied for external funding in respect of additional sub-acute capacity. Also included within the plan are the forecast additions under the new leases accounting standard IFRS 16.

7.3 Cash

During 2022/23, due to the requirement to maintain a minimum cash balance, the Trust accessed revenue deficit support from the Department of Health and Social Care for a total amount of £32.919m. This challenge will continue in 2023/24, and therefore continued revenue deficit support has been factored into financial plans. The Trust will need to manage its cash balances carefully and will need to ensure people and organisations that owe monies to the Trust pay in a timely manner.

8. Governance Arrangements

The governance arrangements that are in place to monitor the delivery of this plan are described below, indicating the metrics that will be monitored and the committee that the performance against the metrics will be reported to;-

Section	Governance arrangement for reporting of progress made on the delivery of the plan at Board Committee level
Trust Programme	Quality & Safety Assurance Committee
Quality	Quality & Safety Assurance Committee
Activity	Finance & Performance Committee
Performance	Finance & Performance Committee
Workforce	People Committee
Finance	Finance & Performance Committee

Appendix One – Metrics for monitoring the Getting to Good Programme

Getting to Good Metrics	Performance Indicator / Metric	Target	Reporting to
Elective Recovery	Ratio of specialist advice requests per 100 first outpatient appointments (Advice and Guidance)	16/100	Divisional PRM
Elective Recovery	% of outpatient appointments delivered via video and telephone	25%	Divisional PRM
Elective Recovery	Increase outpatient attendances to PIFU pathways by March 2023	5%	Divisional PRM
Elective Recovery	Zero 104 weeks by July 2022	0%	Divisional PRM
Elective Recovery	Zero 78 weeks by March 2023	0%	Divisional PRM
Urgent Care Improvement including Emergency Care Transformation Programme	0 day length of stay performance	30%	Divisional PRM
Urgent Care Improvement including Emergency Care Transformation Programme	Complex discharges occur within 24 hours in line with national guidance	100%	Divisional PRM
Urgent Care Improvement including Emergency Care Transformation Programme	% of discharges are pre 12 each day to meet national requirements in line with agreed trajectory once developed	30%	Divisional PRM
Urgent Care Improvement including Emergency Care Transformation Programme	% discharges occur by 5pm in line with agreed trajectory once developed	80%	Divisional PRM
Urgent Care Improvement including Emergency Care Transformation Programme	Readmission rates of patients discharged through SDEC	less than 5%	Divisional PRM
Urgent Care Improvement including Emergency Care Transformation Programme	% Patients seen within 15 mins for initial assessment	85%	Divisional PRM
Urgent Care Improvement including	12 hours in ED Performance	5.30%	Divisional PRM

Getting to Good Metrics	Performance Indicator / Metric	Target	Reporting to
Emergency Care Transformation Programme			
Urgent Care Improvement including Emergency Care Transformation Programme	Mean time in ED admitted (mins)	199	Divisional PRM
Urgent Care Improvement including Emergency Care Transformation Programme	Mean time in ED non admitted (mins)	437	Divisional PRM
Quality & Safety	Reduction in out of hours bed moves	0	QSAC
Quality & Safety	Reduction in the number of falls	0	QSAC
Quality & Safety	Response to formal complaints within 30 days	85%	QSAC
Quality & Safety	Nursing Quality Assurance Audit	90%	QSAC
Quality & Safety	IPC Training	90%	QSAC
Quality & Safety	Safeguarding Training	90%	QSAC
Quality & Safety	MCA Dols and MH Training	90%	QSAC
Quality & Safety	Reduction in Pressure Ulcers	0	QSAC
Quality & Safety	No of MRSA	0	QSAC
Quality & Safety	No of CDIFF	0	QSAC
Quality & Safety	Reduction in complaints against 2021/22 baseline	0%	QSAC
Quality & Safety	Reduction in repeat incidents against 2021/22 baseline	0%	QSAC
Quality & Safety	Delivery of CQC actions	100%	QSAC
Quality & Safety	Removal of CQC Section 31's	0%	QSAC
Workforce Transformation	Retain students on new roles development programme	100%	Operational workforce group
Workforce Transformation	Increase in shifts covered on rota by international staff and reduce agency usage / spend	10%	Operational workforce group
Workforce Transformation	Reduce agency usage against trajectory	10%	Operational workforce group
Workforce Transformation	Reduce turnover	10%	Operational workforce group
Workforce Transformation	Level of staff accessing LMS	90%	Operational workforce group
Workforce Transformation	Level of engagement with the staff survey	45%	Operational workforce group

Workforce Transformation	Reduce workforce formal casework by	5%	Operational workforce group
Workforce Transformation	Team working programme implemented in teams	30%	Operational workforce group
Workforce Transformation	Increase access to health and well-being services by	10%	Operational workforce group
Workforce Transformation	Leadership Development Programme delivered to year one cohort	70%	Operational workforce group
Workforce Transformation	Management skills self-assessment completed by	90%	Operational workforce group
Workforce Transformation	Training Evaluation average positive	90%	Operational workforce group
Maternity Transformation	Number of direct Maternal Deaths	0%	MTAC
Maternity Transformation	Number of Stillbirths	0%	MTAC
Maternity Transformation	Delivery of Ockenden actions	100%	MTAC
Maternity Transformation	Delivery of RCOG actions	100%	MTAC
Maternity Transformation	Delivery of CNST actions	100%	MTAC
Digital Transformation	Reduction in average time for service desk call response	10%	
Digital Transformation	Increase in service desk first time fix	10%	
Corporate Governance	Reduction in number of operational risks scoring >15	10%	Risk Management Committee
Efficiency & Sustainability	Achieve efficiency Target	1.6%	FPAC

Appendix Two – Metrics included in the Integrated Performance Report (DRAFT) –

Metric	Scrutinising Committee
Mortality	
HSMR	QSAC
RAMI	QSAC
Infection	
HCAI - MSSA	QSAC
HCAI - MRSA	QSAC
HCAI - C.Difficile	QSAC
HCAI - E-Coli	QSAC
HCAI - Klebsiella	QSAC
HCAI - Pseudomonas Aeruginosa	QSAC
Patient Harm	
Pressure Ulcers - Category 2 and above	QSAC
Pressure Ulcers - Category 2 Per 1000 Bed Days	QSAC
VTE	QSAC
Falls - total	QSAC
Falls - per 1000 Bed Days	QSAC
Falls - with Harm per 1000 Bed Days	QSAC
Never Events	QSAC
Coroners Regulation 28s	QSAC
Serious Incidents	QSAC
Mixed Sex Breaches	QSAC
Patient Experience	
Complaints	QSAC
Complaints Responded within agreed time	QSAC
Complaints Acknowledged within agreed time	QSAC
Friends and Family Test	QSAC
Maternity	
Smoking rate at Delivery	QSAC
One to One Care In Labour	QSAC
Delivery Suite Acuity	QSAC

Workforce	
WTE Employed**Contracted	People
Total temporary staff -FTE	People
Staff turnover rate (excludes junior doctors)	People
Sickness absence rate Excluding Covid Related	People
Covid Related absence rate	People
Agency Expenditure	People
Appraisal Rate	People
Appraisal Rate (Medical Staff)	People
Vacancies	People
Statutory and Mandatory Training	People
Trust MCA – DOLS & MHA	People
Safeguarding Adults - level 2	People
Safeguarding Children – level 2	People
Elective Care	
RTT Waiting list -Total size	FPAC
RTT Waiting list -English	FPAC
RTT Waiting list -Welsh	FPAC
18 Week RTT % compliance -incomplete pathways	FPAC
26 Week RTT % compliance -incomplete pathways	FPAC
52+ Week breaches - Total	FPAC
52+ Week breaches - English	FPAC
52+Week breaches - Welsh	FPAC
‘65+ Week breaches - Total	FPAC
65+ Week breaches - English	FPAC
65+ Week breaches - Welsh	FPAC
78+ Week breaches - Total	FPAC
78+ Week breaches - English	FPAC
78+ Week breaches - Welsh	FPAC
104+ Week breaches - Total	FPAC
104+ Week breaches - English	FPAC
104+ Week breaches - Welsh	FPAC
Cancer	
Cancer 2 week wait	FPAC
Cancer 31 day standard	FPAC
Cancer 62 day compliance	FPAC
Cancer faster diagnosis	FPAC
Diagnostics	
Diagnostic % compliance 6 week waits	FPAC
DM01 Patients who have breached the standard	FPAC
Emergency Department	
ED - 4 Hour performance	FPAC
ED - Ambulance handover > 60mins	FPAC
ED 4 Hour Performance - Minors	FPAC

ED 4 Hour Performance - Majors	FPAC
ED time to initial assessment (mins)	FPAC
12 hour ED trolley waits	FPAC
Total Emergency Admissions from A&E	FPAC
% Patients seen within 15 minutes for initial assessment	FPAC
Mean Time in ED Non Admitted (mins)	FPAC
Mean Time in ED admitted (mins)	FPAC
No. Of Patients who spend more than 12 Hours in ED	FPAC
12 Hours in ED Performance %	FPAC
Hospital Occupancy and Activity	
Bed Occupancy -G&A	FPAC
ED activity (total excluding planned returns)	FPAC
ED activity (type 1&2)	FPAC
Total Non-Elective Activity	FPAC
Outpatients Elective Total activity	FPAC
Total Elective IPDC activity	FPAC
Diagnostic Activity Total	FPAC
Instance of COVID	FPAC
Finance	
Cash	FPAC
Efficiency	FPAC
Income and Expenditure	FPAC
Cumulative Capital Expenditure	FPAC

The Shrewsbury and Telford Hospital NHS Trust

Appendix 2

2023/24 Budget Setting and Efficiency Programme

1. Introduction

The purpose of this paper is to provide the Board of Directors with an update on the Trust's 2023/24 financial plan and budget setting process and to ask the Board of Directors to approve the budget for 2023/24 subject to final approval from NHSE.

A significant amount of work was undertaken by the Trust during 2022/23 to produce a medium-term financial plan and compare this to the recurrent baseline. This work identified a deterioration in the recurrent baseline of £1.9m associated with increased inflationary costs. However, the in-year 2022/23 deficit was £47.2m with the main deterioration relating to non-recurrent factors such as the impact of Covid-19, opening of escalation areas and increased use of off-framework nursing.

The medium-term financial plan was reviewed by FPAC and has been used as the baseline for setting the 2023/24 financial plan.

2. National Planning Guidance

The 2023/24 planning guidance sets out clear national objectives and key actions to support delivery of the national priorities, being:

- prioritise recovering our core services and productivity
    - Improve ambulance response and A&E waiting times.
    - Deliver the elective goals for reducing elective long waits, cancer backlogs and improved performance against the core diagnostic standard.
    - Make it easier to access primary care services, in particular general practice.
- getting back to delivering the key ambitions of the long-term plan
- continuing to transform the NHS for the future

Alongside delivery of these key priorities we must recover productivity and deliver a balanced financial position, continue to address health inequalities, and maintain quality and safety in our services.

Funding allocations will remain on a fixed payment basis, however for elective care an Aligned Payment and Incentive (API) contract will be introduced with activity paid for on a cost and volume basis at 100% of tariff.

As with 2022/23 separate funding will be available to support systems to tackle the elective backlog and deliver the NHS Long Term Plan. Additional revenue and capital funding will be provided to systems to support elective recovery.

3. 2023/24 Budget Setting Process

The Trust commenced the 2023/24 operational planning process early in Q3 2022/23 with activity meetings taking place at specialty level and finance work being undertaken in

relation to the costing of pay budgets and identification of cost pressures and service developments for 2023/24 resulting in specialty level activity, workforce and financial plans being developed.

The following key meetings have been held during the planning process to ensure effective engagement and ownership:

- An integrated planning programme led by the Director of Finance with senior responsible officers from each discipline.
- Specialty level activity, workforce and finance plans presented to Deputy Directors.
- Review between Senior Finance Officers and Deputy Director of Finance.
- Review of service investments at Innovation and Investment Committee.
- Challenge and confirm session with Director of Finance and Chief Operating Officer.

4. Activity

The Trust's 2023/24 activity plan has been underpinned by a specialty led modelling process outlining planned activity delivery levels relative to 2019/20. The activity plan is constructed based on a number of key planning assumptions, especially in respect to the availability of elective capacity.

Whilst the Trust's activity plan has been developed at specialty level and triangulates with the workforce and finance plan, there are a number of key activity related planning components, such as the elective recovery fund which will be reviewed on a regular basis throughout 2023/24 to ensure funding is directed to the highest priority areas.

Systems will be able to earn additional elective funding based on delivery against an equivalent value-based activity target of 103% of the 2019/20 baseline. The system is working through the impact of this and how it will be transacted on a regular basis.

5. 2023/24 Budget Setting Framework

Divisions and corporate functions will be allocated a funding "quantum' within which they can set their 2023/24 budgets which is based on the month ten recurrent budget. Budget uploads for 2023/24 will take place following submission of the revised plan, with budget holders asked to sign off their recurrent budgets by the 16th June 2023.

Where possible, financial budgets should reflect the expenditure required to deliver the agreed level of activity. Budgets are an essential component of planning, control, coordination, communication and performance evaluation and the Board of Directors are responsible for formulating the Trust's financial strategy and approving the annual financial plan.

5.1 2022/23 Financial Position

The Trust ended 2022/23 with a year-end deficit of £47.2m, which is £28.1m adverse to the planned deficit of £19.1m. The key drivers of this deficit to plan are:

- Escalation costs - £22.0m
- Continuation of Covid-19 costs - £5.6m
- Enhanced bank rates - £3.2m
- Supernumerary periods for overseas nurses and TNAs - £2.1m

- Inflation - £1.9m
- Partially offset by reduced elective activity – (£5.9m)

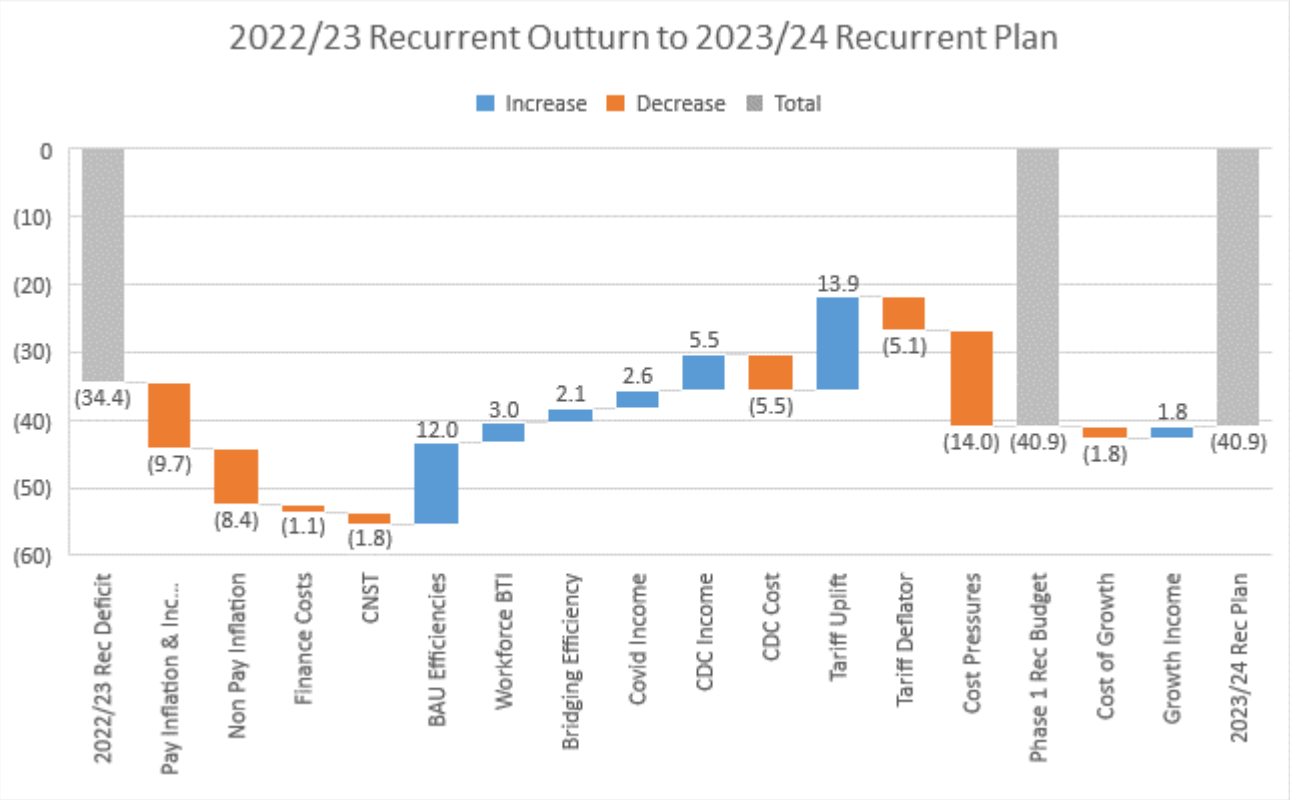
In setting the budget for 2023/24 the forecast outturn position has been reviewed to identify both the recurrent and non-recurrent pressures to ensure that budgets are set appropriately for 2023/24. Whilst escalation costs are non-recurrent there is an expectation that these will continue in to 2023/24 and should be planned for accordingly.

5.2 Recurrent Budget 2023/24

The recurrent outturn from 2022/23 is a deficit of £34.4m and moves to a recurrent planned deficit in 2023/24 of £40.9m. The key movements include:

- efficiency delivery (2.2% plus £3.0m workforce BTI) – (£15.0m)
- bridging efficiency – (£2.1m)
- tariff uplifts net of deflator – (£11.4m)
- investments - £0.1m
- cost pressures - £14.0m
- pay inflation - £9.7m
- non-pay inflation, finance costs and CNST - £11.2m

The following bridge demonstrates the movement from the recurrent outturn deficit position in 2022/23 of £34.4m to the recurrent budget upload deficit of £40.9m.



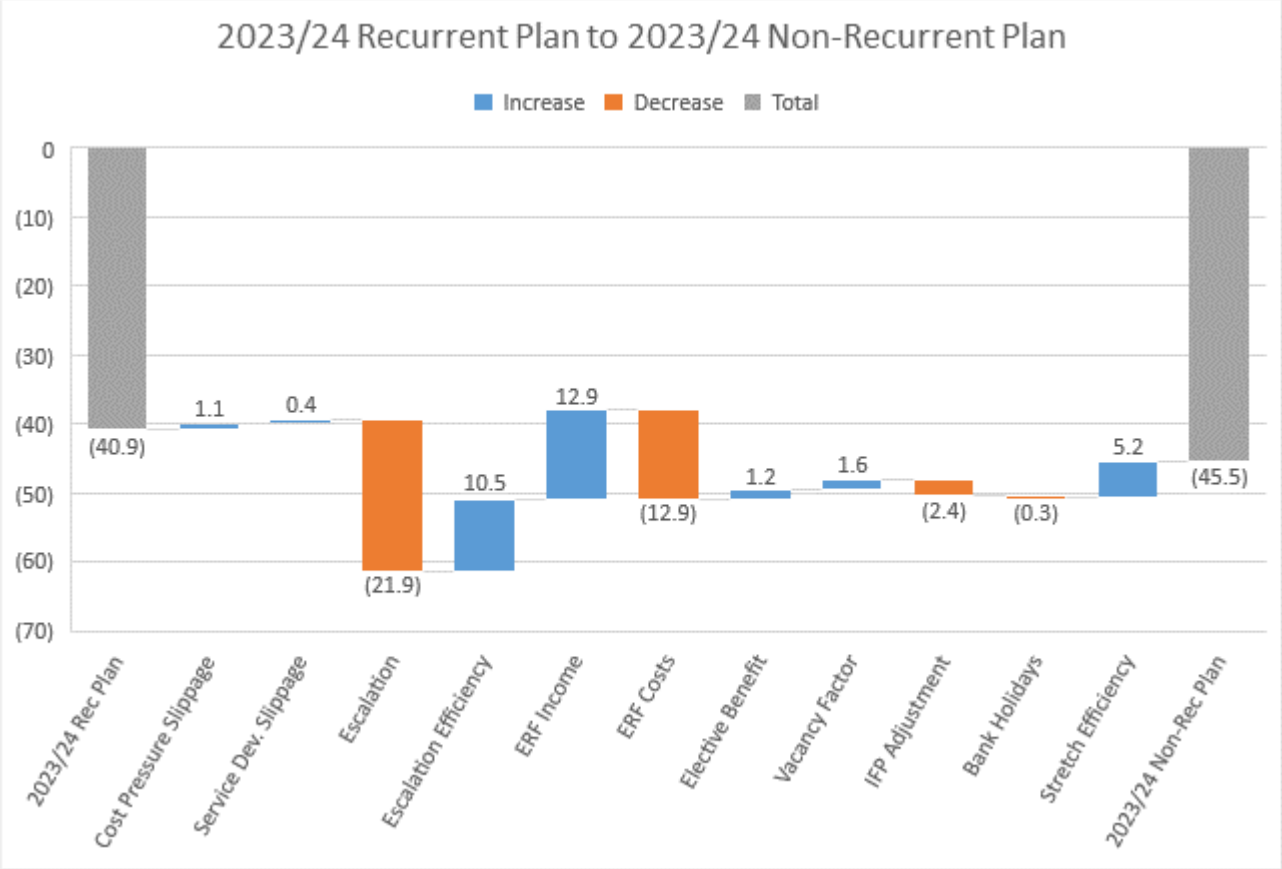
5.3 Non-Recurrent Budget 2023/24

The recurrent plan for 2023/24 is a deficit of £40.9m and moves to a non-recurrent planned deficit in 2023/24 of £45.5m. The key movements include:

- escalation costs – (£21.9m)
- IFP adjustment – (£2.4m)

- escalation efficiency - £10.5m
- stretch efficiency - £5.2m
- vacancy factor - £1.6m
- elective benefit - £1.2m
- cost pressure slippage - £1.0m

The following bridge demonstrates the movement from the recurrent plan position in 2023/24 to the non-recurrent 2023/24 deficit.



5.4 2023/24 Budget Split

Appendix 1 details the movement from the recurrent outturn deficit to planned deficit split by income, pay and non-pay.

Whilst some funding will remain within reserves until cost is incurred an element of the phase one budget will be allocated to divisions such as efficiency targets and some cost pressures. The divisional budgets are summarised as follows and are detailed within Appendix 2.

Division	2022/23 Recurrent Budget	Recurrent Movements	2023/24 Recurrent Budget	Non-Recurrent Movements	2023/24 Non-Recurrent Budget
Clinical Support Services	(52,883)	(4,261)	**(57,144)**	(7)	**(57,151)**
Corporate	(21,088)	701	**(20,387)**	(119)	**(20,506)**
Estates	(18,377)	(5,861)	**(24,238)**	(500)	**(24,738)**
Facilities	(12,796)	395	**(12,401)**	0	**(12,401)**
Finance	416,515	13,601	**430,116**	(620)	**429,496**
Medicine & Emergency Care	(108,576)	3,266	**(105,310)**	35	**(105,275)**
Reserves	(27,087)	(18,738)	**(45,825)**	(4,560)	**(50,385)**
Support Services - High Cost Drugs	(28,859)	0	**(28,859)**	0	**(28,859)**
Surgery Anaesthetics and Cancer	(131,641)	2,886	**(128,755)**	1,200	**(127,555)**
Womens & Childrens	(49,611)	1,522	**(48,089)**	0	**(48,089)**
Total	**(34,402)**	**(6,489)**	**(40,891)**	**(4,571)**	**(45,462)**

The key recurrent movements are:

- Clinical Support Services – CDC funding - £5,525k
- Estates – funding of energy cost pressure - £6,500k
- Finance – tariff uplifts (£11,365k) and CDC income (£5,525k)
- Reserves – pay and non-pay inflation funding (£18,004m) which will be allocated as and when costs are incurred

5.5 Budget Protocol

5.5.1 General Protocol

The following points are to be used by divisions in setting their budgets for 2023/24:

- All budgets to be fully reconciled as no recurrent adjustments will be made baselines after month 10.
- Individual annual budget lines must have a value of at least £600.
- All budgets to be phased in equal twelfths unless specified by the Deputy Directors of Finance for example winter capacity.
- All startpoint adjustments will be processed centrally to ensure control.
- Journals will be batched to ensure control, separating out:
    - CIP Targets
    - Cost Pressures
    - Service Developments
    - Inflation
    - Growth funding

5.5.2 Virements

There must not be material movements between pay, non-pay and income unless separately agreed in line with the Budget Virement Procedure.

5.5.3 Income

Income targets must be reviewed and adjusted where appropriate for 2023/24. Income targets must not remain where there is no identified income stream, with an offsetting adjustment to the expenditure budget reflecting the relevant cost reduction. SLAs must be reviewed and costed in line with the SLA policy and income and expenditure budgets adjusted accordingly.

5.5.4 Pay Modelling

Each Division has undertaken a detailed pay modelling exercise of their workforce using 2022/23 pay scales with a comparison to recurrent budget at Month 7, which will be updated following the freezing of recurrent budgets at Month 10. Key items to note are:

- Vacant posts included to balance to recurrent WTE.
- Vacancies have been costed at midpoint. Note this is a move from previous years and will be reviewed once the full gap analysis is complete.
- Junior doctor training posts costed at midpoint rather that staff member in post.
- Ward nursing posts costed as per agreed rosters.
- Pay inflation for 2023/24 will be costed centrally and released in to budgets once finalised.
- Pay budgets relating to SLAs will not receive inflationary uplifts as it is expected the charge will increase and budgets reflected accordingly.
- Incremental drift will not be funded.

5.5.5 Non-Pay

Non-pay budgets will be reviewed and realigned as required in preparation for 2023/24. Excluded drugs and devices (EDD) budgets will be reviewed alongside the Income and Contracting Team and in line with commissioner agreements. Any bids for differential inflation must be evidenced, these may include:

- CNST
- Contracts with contractually defined uplifts.
- National pricing agreements such as Blood products.

General non pay inflation will not be released, however consideration will be given to real cost of inflation where this can be evidenced through agreement with the procurement department.

Costs of increased activity growth will be funded at marginal rates where supported by corresponding growth in the agreed income and activity plans.

5.6 Cost Improvement Programme

The Trust has a combined efficiency programme for 2023/24 of £19.7m, of which £17.1m is recurrent and £2.6m is non-recurrent. There is also a plan to significantly reduce the costs of escalation (£10.5m) and a share of the system stretch is reflected in the SaTH plan. This target is comprised of:

- Recurrent
    - 2.2% in line with national planning guidance - £12.0m
    - BTI workforce efficiency - £3.0m
    - Bridging efficiency - £2.1m
- Non-Recurrent
    - Escalation - £10.5m
    - Stretch efficiency - £5.2m
    - Vacancy factor - £1.6m
    - Slippage - £1.1m

As with 2022/23 the efficiency programme will consist of both local division bottom-up schemes and Trustwide cross-cutting scheme.

CIP targets will be calculated centrally and issued to divisions based on recurrent budgets after allowing for a range of exclusions including tariff excluded drugs & devices and CNST premium.

CIP schemes will continue to be documented using the Trust's recognised CIP Tracker and following the recognised governance for PIDs QIAs and EQIAs. In order to support this a formal efficiency policy will be in place for 2023/24.

An overview of the 2023/24 efficiency programme is included at appendix 1.

5.7 Cost Pressures

Cost pressures have been identified by divisions. These have been reviewed through a confirm and challenge session between the Chief Operating Officer and the Director of Finance and put forward as part of the financial plan for 2023/24.

Appendix 4 details the recurrent cost pressures included within the recurrent budget.

5.8 Service Developments

Service developments have been identified by divisions. These have been reviewed through a confirm and challenge session between the Chief Operating Officer and the Director of Finance and put forward as part of the financial plan for 2023/24.

These submissions were further reviewed by the STW system and as such will not be funded until there is sign off from a system perspective through the investment process.

As part of the planning process each division has identified their key business cases for 2023/24 through the Innovation and Investment Committee. These are:

Division	Business Case	Funding Option Update
Medicine and Emergency Care	Respiratory Consultants and RIU	Case previously submitted to STW which is to be updated to reflect post-covid activity and service provision.
Medicine and Emergency Care	Diabetes 7-day service	STW wide review of Diabetes services underway.
Medicine and Emergency Care	Cardiology Service Strategy	To link in with STW wide review.
Clinical Support	Additional CT and MRI capacity	Potential funding through the Elective Recovery Fund (ERF)
Clinical Support	Additional Therapy, Pathology and Radiology Workforce	All cases are linked to growth in activity and have been put forward for approval by STW.
Women's and Children's	Final Ockenden Report Response	No current funding identified. Case currently being finalised by the division.
Surgery, Anaesthetics and Cancer	Theatres Workforce	Potential funding through the Elective Recovery Fund (ERF) on a non-recurrent basis. Case to be reviewed by STW Investment Committee.

Surgery, Anaesthetics and Cancer	Endoscopy Workforce	Potential funding through the Elective Recovery Fund (ERF) on a non-recurrent basis but linked to growth in the longer term.

Appendix 5 details the service developments put forward in planning but not agreed.

5.9 Growth Bids & Investments

Growth bids have been identified by divisions. These have been reviewed through a confirm and challenge session between the Chief Operating Officer and the Director of Finance and put forward as part of the financial plan for 2023/24.

These submissions were further reviewed by the STW system and prioritised. The following bids have been approved at a system level:

- Blood Sciences Staffing - £0.2m
- Plaster Room Staffing - £0.2m
- Pathology Growth - £0.7m

Appendix 6 details the growth bids and investments put forward in planning but not agreed.

5.10 Elective Recovery Programme

The Trust is to receive £12.9m of funding during 2023/24 to support elective recovery. Initial priority schemes have been identified and these will be reviewed on a regular basis to ensure activity is undertaken in the highest priority areas throughout the year.

5.11 Agency Costs

There is a planning expectation that agency costs will be 3.7% of the total pay bill in 2023/24. This constitutes a significant reduction compared to 2022/23 where agency costs are c11% of the total pay bill. The Trust recognises the need to meet the target, however this also needs to be realistic in how quickly costs can be reduced recognising operation pressures.

In setting the budget for 2023/24 it is proposed that agency budgets are held centrally and set on the basis of 2019/20 outturn, based on the recurrent position agreed with NHSE, plus pay inflation and then adjusted non-recurrently for the costs of escalation. This will result in an agency budget prior to efficiency in 2023/24 of £44.7m. Once efficiency has been taken in to account this reduces the agency budget to £27.9m, which consists of:

- BAU agency usage - £23.0m
- Escalation - £4.9m

This does not deliver the national target and modelling suggests that it will be a number of years and will require the implementation of HTP until the Trust is delivering against the national target.

5.12 Escalation Costs

Given continued operational pressures the Trust is planning to incur costs associated with escalation during 2023/24. Work has been undertaken with system partners to agree a level of medically fit for discharge (MFFD) patients as part of the operational plan and linked to the bed model.

System partners have also agreed to fund further out of hospital capacity with an increase in virtual ward and an investment in the integrated discharge team.

Following this agreement escalation costs of £11.4m have been included within the operational plan for 2023/24 with a phased plan to reduce escalation capacity across the year as the system schemes take effect.

6. Risks

As part of the planning process for 2023/24 five key risks have been identified, these being:

- No growth or service development funding.
- Funded escalation capacity not being sufficient with a particular risk on the availability of local authority capacity to support discharges.
- Elective recovery.
- Agency costs in terms of overall headcount and unit price.
- 2023/24 efficiency delivery which is more than double the programme achieved in 2022/23.

The Trust is working on mitigating actions to reduce these risks, all of which will be managed through Financial Governance Group during 2023/24. A summary of each risk is detail below.

6.1 Growth and Service Development Funding

Excluded within the plan for 2023/24 (right hand side items) are a number of bids relating to growth and service developments. Whilst these bids will be included within the 2023/24 business case submissions to the investment panel no agreement is in place to incur this expenditure. This will have an impact on the Trust's ability to further develop services and delivery quality improvements. If these are deemed to be a priority by the Trust then a reprioritisation exercise must take place to agree where the current service provision could be changed in order to fund the priority requirements.

6.2 Escalation Capacity

Included within the plan is £11.4m of costs associated with escalation, which consists of £21.9m of costs, partially offset by escalation efficiency of £10.5m. This is £10.6m less than the costs incurred during 2022/23. The efficiency is linked to both internal and system wide interventions such as the Integrated Discharge Teams and Virtual Ward, however failure to deliver these interventions and also to supress growth represents a risk to the financial position. Activity will be monitored on a regular basis across system partners to ensure schemes remain on track for delivery.

There is a further unquantified risk as local authorities also cut services due to a lack of financial resources.

In addition, the Trust and system partners have submitted a bid to NHSE for additional modular ward capacity to support emergency care flow across our hospital sites. If additional bedded capacity is put in place this will be run by Shropshire Community as step-down capacity, thus reducing the number of MFFD patients within our beds and ultimately supporting the reduction in escalation costs.

6.3 Elective Recovery

The planning assumption for 2023/24 is that elective activity, including ERF should be, as a minimum, 103% of 2019/20 outturn. There is a risk that if this is not the case then ERF funding, which constitutes £12.9m, could be lost.

In addition, elective activity in 2023/24 will be on a cost and volume contract through an Aligned Payment Incentive, thus if the elective activity plan is not delivered, for example as a result of capacity constraints, income under planned levels can be clawed back by commissioners.

On the basis that the funding has been allocated then the Trust will spend up to £12.9m as to not commit this funding would make the backlog position worse.

6.4 Agency Workforce

Agency expenditure remains a significant pressure for the Trust. Whilst an element of expenditure relates to escalation there remains agency costs associated with business as usual delivery across the Trust, including the use of off-framework agencies.

The workforce team have been focussing on agency nursing in recent months with a view to reducing the reliance on off-framework agencies. Work is underway to review recruitment and retention practices across with Trust in order to reduce turnover and increase the number of new starters joining to Trust. Plans include further international recruitment and the introduction of the bank incentive scheme.

6.5 2023/24 Efficiency Delivery

The Trust has an efficiency target totalling £19.7m. The efficiency programme schemes have executive sponsors, as well as workstream and clinical leads identified for each scheme.

In order to mitigate the risk of delivery a timetable has been set for all schemes to have a written up documentation by the middle of June 2023 in order to move to the delivery phase as soon as possible. In additional work is on-going to increase the level of support around the efficiency programme.

The delivery of efficiency is reviewed through the Efficiency and Sustainability Group (ESG) reporting in to Finance, Performance and Assurance Committee (FPAC).

7. Next Steps

The current draft plan whilst far from being compliant with the operating plan guidance for the system to produce a balanced financial plan, actively reflects the ongoing operational pressures within the Trust and continued requirement for quality improvement. However, there will be significant challenge to deliver the plan and we will continue to work with system partners and NHSE wherever possible to support delivery of the plan.

The following key next steps are in progress:

1. Continue discussions with STW system partners and NHSE around cost pressures and mitigation plans.
2. Develop business as usual efficiency programme and work with system transformation programmes to progress cost reduction programmes.

3. Regularly review the prioritisation and impact of elective recovery programme and assessment of performance metrics.
4. Agree key performance indicators to support delivery of reductions in escalation capacity.
5. Upload recurrent budgets to the general ledger by the end of May 2023 and budgets issued to budget holders for approval.
6. Efficiency targets will be devolved to divisions and corporate areas ahead of budgets being issued.

8. Conclusion

The Board of Directors is asked to note and approve the Trust's 2023/24 budget setting update as outlined in this paper and adopt the budget as recommended by the Director of Finance.

Appendix 1 – 2022/23 Outturn to 2023/24 Plan

Category	Recurrent															
	2022/23 Outturn	Pay Inflation & Inc. Drift	Non Pay Inflation	Finance Costs	CNST	BAU Efficiencies	Workforce BTI	Tariff Uplift & Deflator	Covid Income	CDC	Robot Funding	Cost Pressures	Bridging Efficiency	Growth	Service Developments	Recurrent
Income	489,241							8,783	2,582	5,525	1,056			1,095	700	**508,982**
Pay	(344,796)	(9,654)				7,000	3,000			(2,923)	575	(1,344)	2,100	(395)	(600)	**(347,037)**
Non-Pay	(151,813)		(8,350)		(1,764)	4,979				(1,637)	(1,687)	(11,184)		(700)	(100)	**(172,256)**
Finance & Other Costs	(27,034)			(1,081)						(965)		(1,500)				**(30,580)**
Total	**(34,402)**	**(9,654)**	**(8,350)**	**(1,081)**	**(1,764)**	**11,979**	**3,000**	**8,783**	**2,582**	**0**	**(56)**	**(14,028)**	**2,100**	**0**	**0**	**(40,891)**

Category	Non-Recurrent													
	Recurrent	Cost Pressure Slippage	CDC Slippage	Escalation	Escalation Efficiency	Elective Benefit	Vacancy Factor	ERF	IFP Adjustment	Bank Holiday	Stretch Efficiency	Modular Wards	Growth Slippage	Non-Recurrent
Income	508,982	1,330						12,949	(2,359)			750	(399)	**521,253**
Pay	(347,037)	(456)	409	(21,883)	12,951		1,600	(614)		(350)			49	**(355,331)**
Non-Pay	(172,256)	220			(2,482)	1,200		(12,335)			5,249	(750)	350	**(180,804)**
Finance & Other Costs	(30,580)													**(30,580)**
Total	**(40,891)**	**1,094**	**409**	**(21,883)**	**10,469**	**1,200**	**1,600**	**0**	**(2,359)**	**(350)**	**5,249**	**0**	**0**	**(45,462)**

Appendix 2 – Draft 2023/24 Budget by Division

Division	Recurrent													
	2022/23 Outturn	Pay Inflation & Inc. Drift	Non Pay Inflation	Finance Costs	CNST	BAU Efficiencies	Workforce BTI	Tariff Uplift & Deflator	Covid Income	CDC	Robot Funding	Cost Pressures	Bridging Efficiency	Recurrent Budget
Clinical Support Services	(52,883)					1,604				(5,525)		(340)		**(57,144)**
Corporate	(21,088)											(1,399)	2,100	**(20,387)**
Estates	(18,377)					1,070						(6,931)		**(24,238)**
Facilities	(12,796)					395								**(12,401)**
Finance	416,515			(1,081)	(1,764)			8,783	2,582	5,525	1,056	(1,500)		**430,116**
Medicine & Emergency Care	(108,576)					3,335						(69)		**(105,310)**
Reserves	(27,087)	(9,654)	(8,350)				3,000					(3,734)		**(45,825)**
Support Services - High Cost Drugs	(28,859)													**(28,859)**
Surgery Anaesthetics and Cancer	(131,641)					4,053					(1,112)	(55)		**(128,755)**
Womens & Childrens	(49,611)					1,522								**(48,089)**
Total	**(34,402)**	**(9,654)**	**(8,350)**	**(1,081)**	**(1,764)**	**11,979**	**3,000**	**8,783**	**2,582**	**0**	**(56)**	**(14,028)**	**2,100**	**(40,891)**

Division	Non-Recurrent										
	Recurrent Budget	Cost Pressure Slippage	CDC Slippage	Escalation	Escalation Efficiency	Elective Benefit	Vacancy Factor	IFP Adjustment	Bank Holiday	Stretch Efficiency	2023/24 Non-Recurrent Budget
Clinical Support Services	(57,144)	(7)									**(57,151)**
Corporate	(20,387)	(119)									**(20,506)**
Estates	(24,238)	(500)									**(24,738)**
Facilities	(12,401)										**(12,401)**
Finance	430,116	1,330	409					(2,359)			**429,496**
Medicine & Emergency Care	(105,310)	35									**(105,275)**
Reserves	(45,825)	355		(21,883)	10,469		1,600		(350)	5,249	**(50,385)**
Support Services - High Cost Drugs	(28,859)										**(28,859)**
Surgery Anaesthetics and Cancer	(128,755)					1,200					**(127,555)**
Womens & Childrens	(48,089)										**(48,089)**
Total	**(40,891)**	**1,094**	**409**	**(21,883)**	**10,469**	**1,200**	**1,600**	**(2,359)**	**(350)**	**5,249**	**(45,462)**

Appendix 3

NHS
The Shrewsbury and Telford Hospital
NHS Trust

2023/24 Efficiency Programme

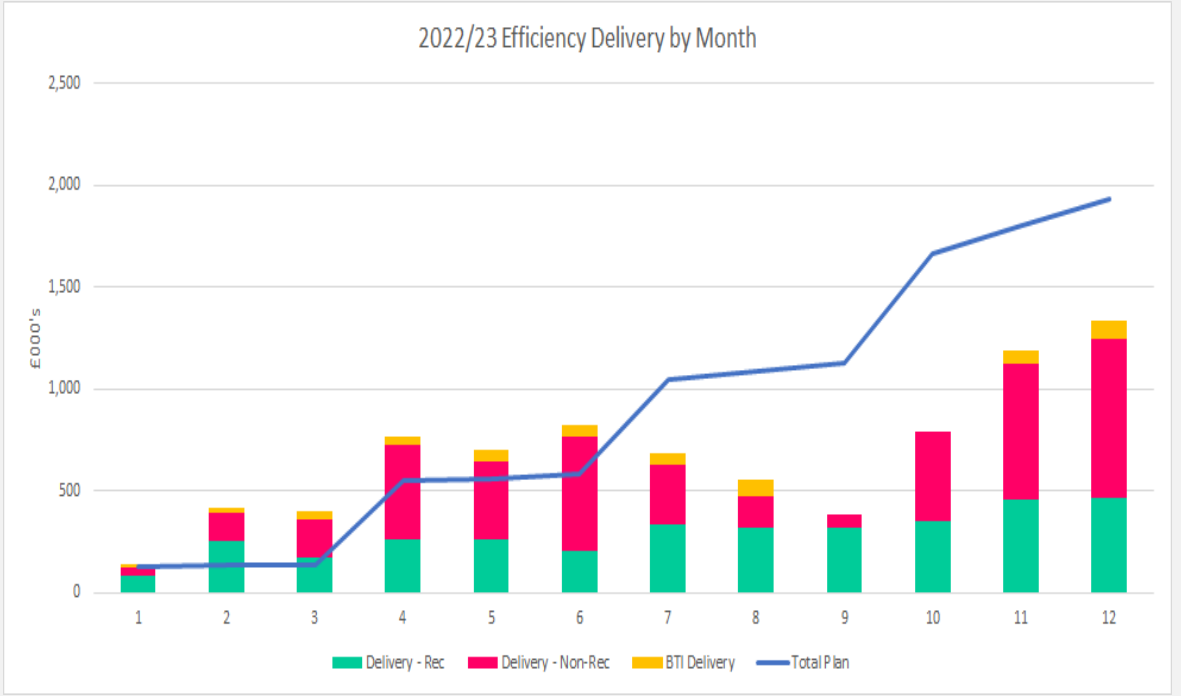
Efficiency programme – 2022/23 delivery

The Shrewsbury and Telford Hospital NHS Trust

Month 12 Summary

At Month 12 (March), year end delivery of the efficiency programme is £8.18m against a plan of £10.75m. Of the total delivery £7.66m relates to delivery against the Trust target of £7.66m and £0.52m against the BTI target of £3.14m. The total delivery is split £3.50m (46%) recurrent and £4.16m (54%) non-recurrent. Whilst non-recurrent delivery has supported the full delivery of the in-year efficiency ask, it will be met recurrently through the full year effects of recurrent schemes.

Plan / Actual / Variance	In Month - £000's	YTD – £000's
1.6% Plan	1,015	7,600
BTI Plan	914	3,147
Total Plan	**1,929**	**10,747**
1.6% Actual	1,247	7,661
BTI Actual	87	521
Actual – Total	**1,334**	**8,182**
1.6% Variance	232	61
BTI Variance	(827)	(2,626)
Total Variance	**(595)**	**(2,565)**



Efficiency programme – 2023/34 overview

The Shrewsbury and Telford Hospital NHS Trust

The Trust has an efficiency target of £35.5m for 2023/24 which is comprised of the following:

	£'m	£'m
Efficiency as per tariff	12.0	
Workforce	3.0	
Corporate efficiencies	2.1	
Sub-total recurrent target		**17.1**
Non-recurrent	1.0	
Increased vacancy factor	1.6	
Escalation reduction	10.5	
Sub-total non-recurrent target		**13.1**
Total Trust target		**30.2**
System stretch efficiency reflected in SaTH plan	5.3	
Total efficiency plan		**35.5**

RAG rating of workstreams within the tariff efficiency and workforce programme

The Shrewsbury and Telford Hospital NHS Trust

Delivery against the tariff efficiency of £12.0m will be met through a mixture of local divisional (£4.4m) and trustwide cross-cutting schemes (£7.6m). The targets for the cross- cutting schemes, whilst set at an individual scheme level have been apportioned across divisions to give a combined efficiency target for each division. As such divisions will be monitored against both their divisional scheme target and their apportionment of trustwide initiatives.

Workstreams	Exec Sponsor	IY Target (£'000)	Indic. IY Savings (£'000)	Plan RAG	CIP written	Narrative
Corporate – Estates	Helen Troalen	1,091	650	Green	Yes	Focus on three schemes: CHP savings (£350k); Waste Management (£100k) and reduction in external contracts to Trust staff undertaking tasks (£200k).
Corporate – Facilities	Hayley Flavell	395	36	Red	Yes	Six schemes identified. Majority of scheme ideas within procurement. Parking charges increase potential to mitigate gap. Synertec savings from October being explored.
Medicine & Emergency Care	Sara Biffen	3,335	550	Red	No	Seven schemes identified. Savings total likely to reduce as some identified savings within cross-cutting workstreams. Lack of capacity and support to progress schemes at pace.
Surgery, Anaesthetics & Cancer	Sara Biffen	1,604	198	Red	No	Number of complex schemes that may require longer lead-in time to map. Significant challenge to achieve target at present. Lack of capacity and support to progress schemes at pace.
Clinical Support Services	Sara Biffen	4,053	TBA	Amber	No	Six schemes identified. Risk to realise savings. Revised assessment to be presented next week. Lack of capacity and support to progress schemes at pace.
Women & Children	Sara Biffen	1,522	659	Amber	Yes	Maternity Standards Incentive scheme included. Review of WSA and BirthRigth Plus expected to deliver savings as well as fertility income gains.
Cross-cutting		**12,000**	**2,093**			
Workforce – Medical	Dr John Jones		TBA	Green	No	Clear scope of programmes under workstream. Mapping of recruitment near complete. Structured approach to rota reviews and roll-out of Medic-on-Duty. Grip and control of agency approval panel remains outstanding but should realise savings. Forecast value of savings to be reported to FGG next week.
HCA / ECS agency reduction	Hayley Flavell		1,375	Green	Yes	HCA agency reduction limited to surgery only (£80k IY from M5). Medicine savings assumed within escalation savings so double-count to £10.5m savings. Enhanced Care Supervisors main focus. Base-case savings of £640k IY savings or £800k best-case (see next slide). ECS recruitment needs significant energy to improve current trajectory.
Nurse Recruitment	Hayley Flavell		1,890	Green	Yes	Mapping of international and local recruitment completed. Reviewed by senior nursing team. Best-case scenario of £1.9m and base-case of c£1.6m given potential
Overtime	Rhia Boyode		300	Green	Yes	£1.7m forecast in overtime spend for 2022-23. Need to set targets and approval limits for each area as a proportional savings target. Achievement of target at 17% of total spend ambitious. Opportunity to off-set through other means to be considered. Need to establish monitoring and tracking against 22-23 spend.
Vacancy Controls	Rhia Boyode		500	Green	Yes	Plan drafted and requires socialising with divisions for agreement to proceed. Clear process of WTE reduction in place. Will require more aggressive approach to reduce current WTE levels.
Discretionary Spend	Helen Troalen		200	Green	No	Review of all discretionary spend underway. Opportunities evident to reduce spend through better controls. On track for plan to be written within 2 weeks with input from Finance.
Procurement	Helen Troalen		2,007	Green	Yes	£2m identified to date. Several schemes still outstanding to support mitigation. Will realise £1.7m target with potential for over-delivery.
Pharmacy	Dr John Jones		TBA	Red	No	Meetings to date have yielded minimal opportunity. List of opportunities from other Trust have been presented for review.
System-wide BTI	Nigel Lee	3,000	1,914	Amber	Yes	Schemes include Bank Incentive Scheme (£1.408m) and Direct Engagement (£492k). Some slippage to direct engagement but only a few weeks.
Total Efficiency (incl pipeline with indicative figures		**3,000**	**10,279**			
Written Schemes			***9,331***			

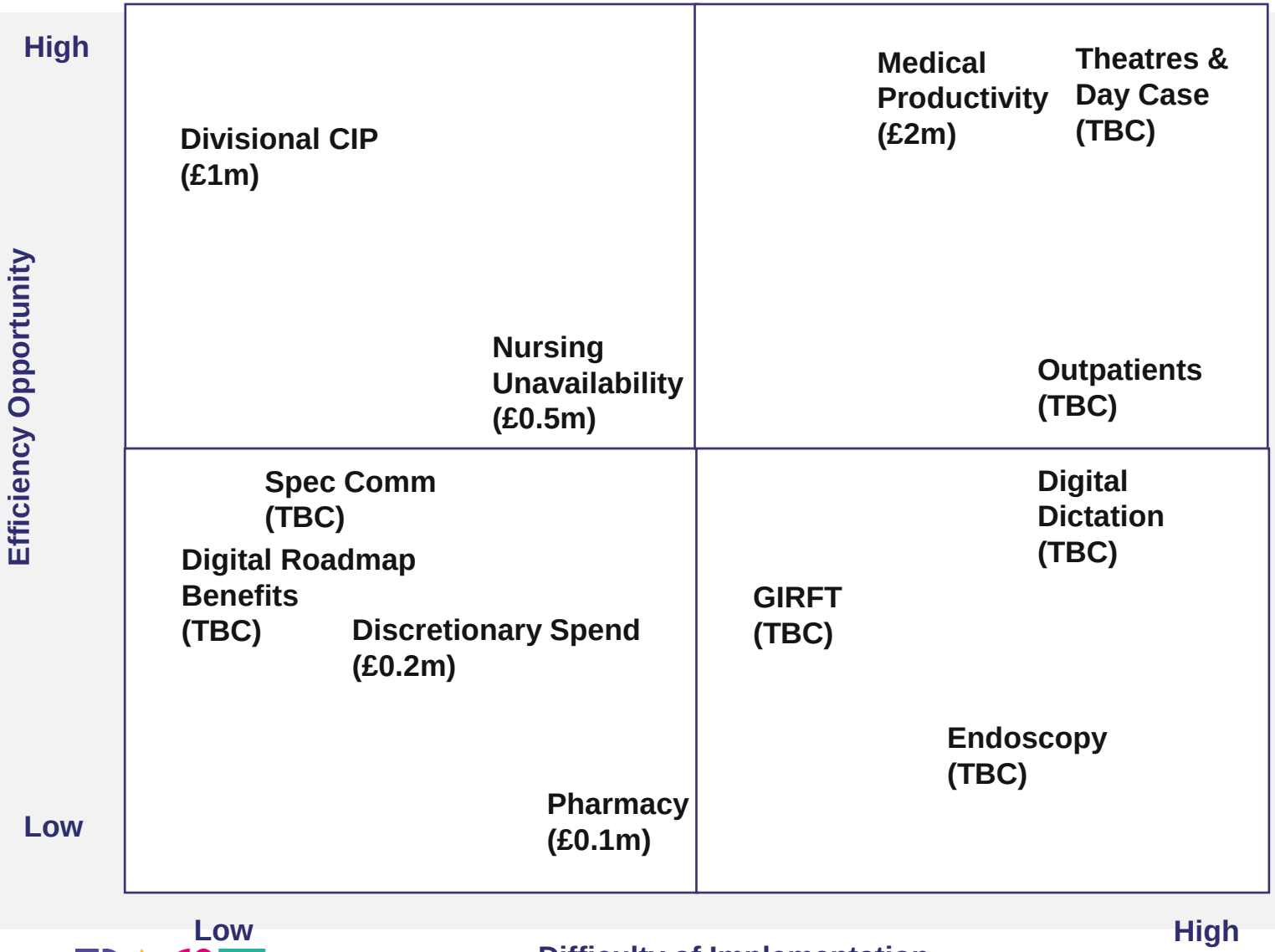
Phase 2 schemes to close the gap to £17.1m

The Shrewsbury and Telford Hospital NHS Trust

Workstream	Update and next steps
1. **Diagnostics Review**	Meeting held with Divisional Team on 15 May to agree scope of analytics Scoping document sent to divisions for 2-week rapid diagnostic to start next week Seeking CV's for post diagnostic implementation support
2. **18-Week Support**	Meeting scheduled with 18-week support and SaTH 23 May Focus on productivity improvement; PbR above 103% and tariff rate charges
3. **Outpatient process improvement**	3 CV's identified and #shared with Surgery Division Next step to interview and agree scope of work with Divisional triumvirate Focus on internal process efficiencies
4. **Nursing (Additional agency savings)**	Meetings scheduled in May and June with emergency and critical suppliers to reduce rates. In-year potential of c£200k (best-case). Additional efficiency opportunities presented in FGG pack
5. **Discretionary Spend (target of £200k)**	Initial review completed. Meeting with procurement to review opportunities In detail next week. Update presented in FGG pack.
6. **Close down of current divisional CIPs (c£1m)**	Long list of schemes in place. Discussion about support at ESG 23 May Recruitment to additional capacity to convert and identification of new ideas
7. **Medical Productivity Savings**	Full CIP and analysis opportunity presented in FGG pack
8. **Corporate Review (£2.1m)**	Work commenced to review budgets. Timetable and update to FGG in two weeks 26 May.

Other big win opportunities to close the gap

The Shrewsbury and Telford Hospital NHS Trust



1. Medical Productivity
2. Nursing Unavailability
3. Remaining Divisional CIP schemes
4. Discretionary Spend
5. Theatre Utilisation to 85% by March 2024
6. Outpatient booking & internal efficiency
7. Endoscopy Utilisation
8. Digital Dictation and voice recognition
9. Review of digital benefits
10. GiRFT & MH Review financial benefits
11. BADS Day Case Utilisation Rate
12. Pharmacy
13. Specialised Commissioning review (Neo-natal)

PACT Partnering · Ambitious Caring · Trusted

Appendix 4 – Recurrent Cost Pressures

Scheme	Divisional Allocation	Pay - £k	Non Pay - £k	Finance Costs - £k	Total - £k
Althea Equipment Charge	Reserves		(800)		**(800)**
Contract Renewal Increases	Reserves		(263)		**(263)**
ED Reception	Medicine and Emergency Care	(69)			**(69)**
Endoscopy Consumables	Surgery, Anaesthetics and Cancer		(27)		**(27)**
Energy	Estates		(6,500)		**(6,500)**
ERS Contract	Corporate		(105)		**(105)**
Finance Costs - Digital Programme	Finance			(1,500)	**(1,500)**
Inflation for Althea MES Contract	Surgery, Anaesthetics and Cancer		(28)		**(28)**
Inflationary Pressures - Specific	Reserves		(448)		**(448)**
MES	Estates		(85)		**(85)**
Modular Build	Estates		(346)		**(346)**
MSK Lead	Clinical Support Services	(40)			**(40)**
NeoMoDx	Reserves		(1,940)		**(1,940)**
Overseas - COS	Corporate		(342)		**(342)**
SAU Agreed Nursing Template	Reserves	(283)			**(283)**
Clinical Psychologist support (10.8 wte)	Corporate	(386)			**(386)**
PALS, Complaints and Patient services	Corporate	(301)			**(301)**
Learning from deaths	Corporate	(265)			**(265)**
Mortuary Capacity	Clinical Support Services				**0**
Roche Contract - Inflation element	Clinical Support Services		(300)		**(300)**
Total		**(3,344)**	**(12,684)**	**(1,500)**	**(14,028)**

Appendix 5 – Recurrent Service Developments Not Approved

Scheme	Division	Pay	Non Pay	Income	Total
Asthma service	Medicine and Emergency Care	(22)			**(22)**
Auto Contouring	Surgery, Anaesthetics and Cancer		(19)		**(19)**
Theatre Workforce	Surgery, Anaesthetics and Cancer	(1,325)			**(1,325)**
Orthopaedic Power Tools	Surgery, Anaesthetics and Cancer		(44)		**(44)**
CaptureStroke Database System	Medicine and Emergency Care		(20)		**(20)**
Cardiology service strategy	Medicine and Emergency Care	(600)	(11)		**(611)**
Clinical Navigator for Dermatology	Medicine and Emergency Care	(31)		15	**(15)**
ED Consultant expansion at weekends	Medicine and Emergency Care	(257)			**(257)**
ED Improvement Programme	Medicine and Emergency Care				**0**
ED Pharmacy Dispensing Unit	Medicine and Emergency Care		(7)		**(7)**
GPICS Non Nursing - Critical Care	Surgery, Anaesthetics and Cancer	(343)			**(343)**
In Service Specialist Training	Women's & Children's	(62)	(15)		**(77)**
Non Invasive Ventilation (NIV) development (RSU)	Medicine and Emergency Care	(678)			**(678)**
Paediatric nurse conversion course	Women's & Children's	(124)	(15)		**(139)**
Patient Journey Facilitators	Medicine and Emergency Care	(284)			**(284)**
Respiratory Insourcing	Medicine and Emergency Care	(77)	(697)		**(774)**
Telemedicine for Dermatology	Medicine and Emergency Care	(263)		132	**(132)**
Thoracoscopy service	Medicine and Emergency Care	(74)	(7)	73	**(8)**
Final Ockenden Response	Women's & Children's	(1,556)	(61)		**(1,617)**
ED- CYPU at PRH	Medicine and Emergency Care	(549)			**(549)**
Total		**(6,245)**	**(896)**	**220**	**(6,922)**

Appendix 6 – Recurrent Growth Bids & Investments Not Approved

Growth / Investment	Scheme	Division	Pay	Non Pay	Income	Total
Growth	6th Oral Surgeon	Surgery, Anaesthetics and Cancer	(500)			**(500)**
	Radiology - Year 2 Workforce	Clinical Support Services	(1,790)			**(1,790)**
	Therapy Workforce	Clinical Support Services	(3,800)			**(3,800)**
	Endoscopy Workforce	Surgery, Anaesthetics and Cancer	(1,500)			**(1,500)**
Growth Total			**(7,590)**	**0**	**0**	**(7,590)**
Investments	Renal expansion at Telford from 20 to 26 stations	Medicine and Emergency Care	(600)	(100)	700	**0**
	Therapy support in Paeds & Neonates	Women's & Children's	(394)			**(394)**
	Chronic Fatigue Syndrome Patients	Medicine and Emergency Care	(16)			**(16)**
	Diabetes Nursing	Medicine and Emergency Care	(174)			**(174)**
	Diabetic Foot Service	Medicine and Emergency Care	(274)			**(274)**
	ED Redirection Tool	Medicine and Emergency Care	(270)			**(270)**
	Home NIV service	Medicine and Emergency Care	(307)	(108)		**(414)**
	Interstitial Lung Disease specialist nurse (IPF)	Medicine and Emergency Care	(106)	0		**(106)**
	Pulmonary vascular service	Medicine and Emergency Care	(210)			**(210)**
	Virtual Ward (SATH element only)	Medicine and Emergency Care	(275)	(13)	288	**(0)**
	Phlebotomy Business Case	Clinical Support Services	(77)			**(77)**
	Fracture Liaison	Surgery, Anaesthetics and Cancer	(138)			**(138)**
Investments Total			**(2,840)**	**(221)**	**988**	**(2,073)**
Total			**(10,430)**	**(221)**	**988**	**(9,663)**