

Tees, Esk and Wear Valleys 
NHS Foundation Trust

Strategic Plan 2014-2019 Summary

Tees, Esk and Wear Valleys NHS Foundation Trust

1. Executive Summary

As a Trust we are committed to being a recognised centre of excellence with high quality staff providing high quality services that exceed people's expectations. This strategy sets out how we will continue to achieve this in light of the following challenges in our Local Health Economies:

- The changing demographic population and the impact that this will have on the demand for mental health and learning disability services;
- The increased focus on delivery of high quality services;
- The need for high quality urgent and emergency care;
- The implementation of wider primary care services provided at scale;
- The implementation of models of integrated care;
- The increased expectations of the public, commissioners and regulators;
- The constraints on public finances, together with the increasing cost of providing care.

In responding to the above we believe that our long term financial and clinical viability is best promoted through continuing to focus on further improving our quality and hence the value that we provide to service users, their carers, GPs and the commissioners of mental health and learning disability services. We believe that a focus on quality and value will safeguard our market position in the short to medium term and provide opportunities for expansion in the longer term.

Our strategic plan therefore sets out the initiatives / plans that we have identified to provide that focus on improving the quality and value of the services we deliver. This document summarises our plans, which are aligned to the plans of our commissioners and the local Health and Wellbeing Strategies.

The Board declares that, the Trust will be sustainable according to current regulatory standards in one, three and five years time.

Signed:



**Lesley Bessant
Chairman**



**Martin Barkley
Chief Executive**

2 Overview of the Trust

Tees, Esk and Wear Valleys NHS Foundation Trust (TEWV) was established on 1st July 2008. Our mission is: **To improve people's lives by minimising the impact of mental ill-health or a learning disability.**

The Trust provides a range of mental health, learning disability and substance misuse services for 1.67 million people across a wide geographical area of approximately 3,600 square miles as shown in the map below. The Trust also provides learning disability services to the population in Craven and a wide range of regional specialist services (e.g. specialist eating disorder services, forensic low and medium secure services and Children and Young People's Tier 4 inpatient services) to the whole North East and Cumbria region.

We primarily serve 8 Clinical Commissioning Groups (CCGs) across Durham, Darlington, Teesside and North Yorkshire. These are:

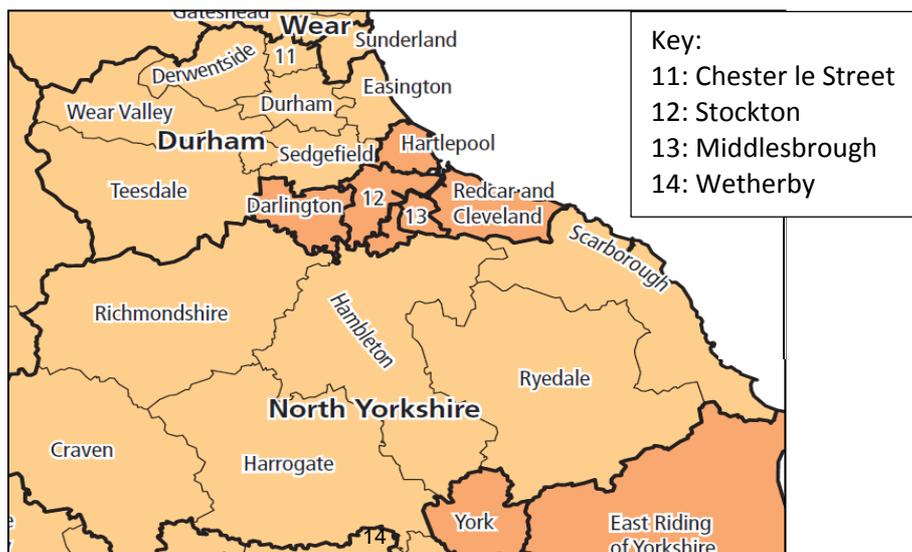
- Darlington CCG
- Durham Dales, Easington and Sedgefield CCG
- Hambleton, Richmondshire and Whitby CCG
- Harrogate and Rural District CCG
- Hartlepool and Stockton CCG
- North Durham CCG
- Scarborough and Ryedale CCG
- South Tees CCG

We work with 7 Local Authorities and their Health and Well Being Boards. These are:

- Darlington Borough Council
- Durham County Council
- Hartlepool Borough Council
- Middlesbrough Borough Council
- North Yorkshire County Council
- Redcar and Cleveland Borough Council
- Stockton Borough Council

Figure 1 shows the area we serve (this includes the Wetherby town area which is covered by Leeds North CCG and which is within Leeds Local Authority, and Craven district, where we deliver community Learning Disability services which is covered by Airedale, Wharfedale and Craven CCG).

Figure 1: Map of Area Served



In 2013/14:

- Our annual income was **£286** million.
- The Trust employed **6,052** staff or **5,415** whole time equivalents (WTE), of which **4,518** staff or **4,127** WTE were clinical staff.
- These staff delivered treatment and care for **47,540** people over the year.
- **5,889** service users received inpatient care from **12** locations across the Trust.
- In the community our staff provided over **1.4** million face-to-face or telephone contacts with service users.

3. Environmental Analysis

3.1 Introduction

In preparing the Strategic Plan the Trust has undertaken a robust analysis of the current and future environment within which it operates. The analysis has identified 4 key areas that have significant impact on the Trust:

- Anticipated Demographic Change (and the impact on demand for services);
- Financial Context;
- National Policy drivers;
- Local commissioner and stakeholder priorities;

3.2 Demographic Change

Population Size

The Trust currently serves a population of 1.67 million people. The forecast by the Office for National Statistics (ONS) predicts that there will be an increase in the population in the areas we serve with a significant increase in the over 65s population (and particularly in the number of people 85 years or older). Table 1 summarises the projected population changes.

Table 1 – Projected Population % Change 2014 to 2018 by Age-band and Locality

	0-17	18-64	65+	All	65-74	75-84	85+
Durham and Darlington	2.79%	0.21%	8.18%	2.33%	7.22%	6.82%	16.33%
North Yorkshire ¹	0.76%	-0.66%	7.83%	1.53%	6.10%	7.22%	15.90%
Teesside	2.53%	-0.03%	7.02%	1.79%	6.95%	2.34%	20.33%
Whole Trust Area	2.25%	-0.11%	7.71%	1.92%	6.77%	5.55%	17.34%

Prevalence

Studies such as the 2007 adult psychiatry morbidity survey² found that the proportion of the English population aged between 16 and 64 meeting the criteria for one common mental disorder increased from 15.5% in 1993 to 17.6% in 2007. If these increases continue then we would expect this figure to rise to 19.25% by 2018. The increased prevalence rate is influenced by changes in society, such as fragmentation of communities and families; changed working roles and reduced work security and therefore it is reasonable to expect prevalence to have increased since 2007 given the changes we have seen.

Other factors which are likely to increase referrals into mental health services are:

- GP / CCG focus on reducing underdiagnoses of conditions such as dementia and Children and Young People’s mental disorder;
- Increased cultural acceptance of mental illness as “normal” and less concealment, as campaigns such as Time to Change have reduced stigma.

The demand for Learning Disability (LD) services is affected by a slow growth in prevalence of between 0.5% and 1.0% per year arising from a higher number of children born with learning disabilities, and reduced mortality of adults with LD.³

Using previous year’s data together with the anticipated change in populations and prevalence we have estimated the potential impact on referrals to our services and caseloads. Whilst it is difficult to be completely accurate in forecasting future demand as it is difficult to predict the impact of any changes within commissioning, primary care provision or the development of different models of care it is anticipated that referrals and caseload will increase for older people’s, children and young people’s and learning disability services. We expect less change in the demand for adult services and forensic services.

3.3 Financial Context

It is well documented that the financial context within which the Trust operates is one of limited growth in terms of NHS funding and is extremely challenging to both commissioners and providers. This is further compounded by the

¹ “North Yorkshire” in this chapter refers to the area covered by TEWV, which is the local government district council areas of Richmondshire, Hambleton, Scarborough (including Whitby), Ryedale, Harrogate and the town of Wetherby. It does not include Craven or Selby districts.

² NHS Information Centre (2009), Adult Psychiatric Morbidity in England, 2007. [the 2014 survey is currently at the fieldwork stage]

³ Centre for Disability Research (2008), People with Learning Disabilities in England, pp4-5.

significant reductions in Local Authority funding which are already in place and are expected to continue over the lifetime of this plan.

The introduction of the Better Care Fund (BCF) will see resources transferred from CCGs to Local Authorities to help move care out of hospital and into the community. The BCF has the potential to improve mental health services as some areas are using it to support psychiatric liaison services. However there is a risk that CCGs' budgets are reduced but demand for acute services increases, creating additional financial pressures in the system.

Some of the CCGs that commission our services spend more than the English median on mental health services and LD, but others spend less. There are also differences between CCGs in the proportion of their mental health and LD spending that is placed with TEWV rather than other providers.

3.4 National Policy Drivers

In analysing the various national policies published over recent years we have identified a number of key drivers which will impact on the Trust over the lifetime of this plan and these are discussed below.

- **Quality:** There has been significant attention in national policy over recent years on the need to improve the quality of services provided to patients, linked to the Mid Staffs (Francis) and Winterbourne View inquiries.
- **Development of Primary Care Services at Scale:** National guidance states that over the next few years, those patients with a moderate mental or physical long-term condition (about 20 per cent of the population) will increasingly need to secure access to all the support and care they need from wider primary care, provided at scale. This will mean access to a broader range of services in primary care, in their own homes and in their communities, centred on a much more pivotal and expanded role for general practice to co-ordinate and deliver comprehensive care in collaboration with community services and expert clinicians.
- **Integration of Services:** Nationally and locally it has been recognised that maintaining the health and independence of people in the community results in better health outcomes and patient experience. This means that services, be they physical health, mental health or social care, are increasingly being aligned into integrated teams (usually around GP practices) to improve outcomes and reduce fragmentation across services.
- **Parity of Esteem:** An important element of recent government policy has been “parity of esteem” between physical and mental health. This is about ensuring that the delivery of services for people with mental health issues is seen as equally important as those with physical health issues, and that the poorer physical health of people with mental health conditions is addressed.
- **Payment by Results (Pricing and Currency):** This is the introduction of a method of reimbursing providers for the level of services and outcomes

delivered (previously known as “payment by results” and now increasingly as “pricing and currency”) which it anticipates will replace the use of traditional block contracts for most mental health providers across the country.

3.5 Local commissioner and stakeholder priorities

The Trust holds its main contracts with 8 CCGs and NHS England, and serves an area covered by 7 Local Authorities and Health and Wellbeing Boards. We work closely with these stakeholders to ensure that we have a robust understanding of their priorities in order that we can ensure we play our part in improving the health and wellbeing of the populations which we all serve.

All our CCG commissioners have recognised the need to invest further in developing mental health services and Table 3 outlines their identified priorities:

Table 3: Summary of CCG Plans and commissioning intentions

Local Health Economy	Themes for action or investment						
	MH in Primary Care	MH patients' physical health	MH Liaison	MHSOP/ dementia	CYP Tier 2/3	LD (Winterbourne)	Criminal Justice liaison
Durham	x	x	x	x	X	x	
Darlington			x	x	X	x	
Hartlepool and Stockton	x		x	x	X	x	
South Tees			x	x	X	x	x
Hambleton, Richmondshire & Whitby	x	x	x	x	X	x	x
Scarborough and Ryedale	x	x	x	x	X	x	x
Harrogate and Rural District	x	x	x	x		x	x

NHS England is also an important commissioner of our services and it has identified a number of priorities that are relevant to TEWV. These include:

- Extension of the IAPT approach to long term physical conditions, MUPS⁴, Personality Disorder, and further piloting of outcome based payment;
- Publication of service specifications for Tier 2 and Tier 3 CAMHS, and transitions to adult teams (by Dec 2014);
- Development of commissioning guidance for post diagnosis dementia care by March 2015;
- Development of “fully costed waiting times options for mental health services”;
- Continuation of work to deliver the Winterbourne View commitments (LD);
- Further roll out of Liaison and Diversion services at police custody suites and criminal courts, with 100% coverage achieved by April 2016;
- Strategic Plan for Health and Criminal Justice services published by Sept 2014;
- Common service specification developed and implemented for Armed Forces veterans mental health services by Dec 2014;
- Specialised Services Strategy published (Sept 2014) with systematic market review and a procurement work plan developed by March 2015;
- Balancing the specialist services commissioning budget by March 2015;

⁴ MUPS – Medically Unexplained Physical Symptoms

- Review of Tier 4 CAMHS provision with possible procurement.

4. Our Strategy

4.1 Our Strategic Direction

The previous chapter outlined the key environmental context within which the Trust will operate over the next 5 years. The Board, supported by senior clinical and operational directors, reviews this context on an annual basis and identifies if the Strategic Direction of the Trust remains appropriate or requires amendment.

At its last review the Board acknowledged that the environment was increasingly challenging due particularly to the changing demographics, financial context and potential changing commissioning and provision landscape. However having considered this the Board's assessment is that our core vision, mission and strategic goals remain appropriate. Therefore, our mission remains:

To improve people's lives by minimising the impact of mental ill-health or a learning disability

and our Vision is:

To be a recognised centre of excellence with high quality staff providing high quality services that exceed people's expectations

Our strategic goals are:

- *To provide excellent services, working with the individual users of our services and their carers to promote recovery and wellbeing.*
- *To continuously improve the quality and value of our work.*
- *To recruit, develop and retain a skilled, compassionate and motivated workforce.*
- *To have effective partnerships with local, national and international organisations for the benefit of the communities we serve.*
- *To be recognised as an excellent and well governed Foundation Trust that makes best use of its resources for the benefit of the communities we serve.*

4.2 Our Business Development Strategy

Our current Business Development Strategy (BDS), identifies that the Trust's long term clinical and financial viability is best promoted through continuing to focus on further improving the quality and hence the value that we provide to service users, their carers, GPs and the commissioners of mental health and learning disability services.

4.3 Key Enablers

The following chapter provides the strategic option for each service provided by the Trust and the plans that have been identified to deliver that strategic option.

However there are a number of key enablers, be they supporting strategies, projects or systems that are critical to the successful delivery of these plans and our strategy, and these are described below.

Our Quality Strategy

Our ambition is to: *ensure safe, patient centred and effective high quality care and treatment, delivered by valued individuals and teams.* This ambition will be delivered through the achievement of the following quality goals:

- Everyone who uses our services has a positive experience and feeds back that they were listened to, engaged in their care and treated with compassion, respect and dignity;
- We reduce to a minimum the harm that people who use our services suffer;
- We will deliver excellent outcomes as reported by patients and clinicians;
- Our staff feel positively engaged with the Trust.

Each goal has a number of priorities which will be driven forward by the Trust.

Our Recovery Strategy

The Recovery Strategy commits the Trust to embedding a recovery focussed approach. In delivering this strategy we will:

- Build on current recovery focussed practice in order to embed a recovery culture and approach across all Trust services;
- Continue to develop and deliver services that foster hope and hope inspiring relationships;
- Consolidate and enhance services with the aim of enabling an increased number of service users, carers and friends to take control back over their lives;
- Continue to work in partnership with service users, carers and partner organisations to facilitate access to roles, relationships and activities that are important to the individual.

Our Quality Improvement System

The TEWV Quality Improvement System (QIS) is not just a set of tools, rather it is the way we do things at TEWV to eliminate waste and improve quality. More specifically it:

- Focuses relentlessly on what patients and their carers want and need to move as swiftly as possible from the first onset of symptoms to recovery;
- Is based on the belief that staff can be trained to identify waste in current processes, and to remove waste for the benefit of patients and carers;
- Identifies that the job of managers at all levels is to support staff to use the improvement tools to improve the quality of services and remove waste;
- Leads to improved safety by identifying error prone situations and putting processes in place to increase safety;

- Leads to improved delivery with better work being delivered sooner;
- Promotes effective team working by ensuring teams have clear goals and roles, and leaders know how to support teams to do their work in the best way possible.

Model Lines Project

As part of our drive to improve the quality and value we deliver, the Trust has established a project to develop 'model lines' for each service. A Model Line looks at the entire pathway through the patient's perspective and ensures that each step adds value to the patient experience and outcome and therefore ensures that every patient receives high quality services every time. This will be achieved by:

- Having clear evidence based standards;
- Having clear and standardised ways of delivering evidence based practice;
- Having effective team processes to enable delivery of evidence based services.

The implementation of model lines is a key enabler to the delivery of our strategy as it will ensure the services we deliver are:

- Effective i.e. we are doing the right things;
- Efficient i.e. we are doing things right and not doing things that do not add value;
- Improving i.e. we are doing things better.

Care Programme Approach (CPA) Project

This is an improvement programme covering all aspects of the Trust's care standards, encompassing CPA and Standard Care.

The benefits of this work will be to:

- Ensure a person centred, recovery approach to care and support;
- Improve the involvement of the service user's support network including carers, family and friends;
- Improve safety and wellbeing, focussing on the individual's strengths and resilience;
- Increase staff capacity to provide more direct face to face contact with service users by removing duplication and unnecessary administrative work;
- Improve the availability of information.

Our Workforce Strategy

The Trust's Workforce Strategy has at its heart a commitment to enhanced employee engagement because we know that the more engaged the workforce is then the better our staff will perform which in turn will mean better experiences and outcomes for our patients. By delivering the Workforce Strategy we will:

- Enable our staff to be more involved in decision making to improve the way that they carry out their work for the benefit of patients;
- Develop and support Trust leaders and managers to help staff find ways to improve their work and deliver the best possible services;
- Align and meet the development needs of individual staff and teams with the needs of the services that they provide;
- Base staff and team roles upon the model lines of service delivery and care pathways that identify what is to be done, when and by whom;
- Provide a focus upon the wellbeing of our staff through a combination of sound sickness absence management practice and activities that help to both prevent ill health and promote good health.

Each of these aims is underpinned by a range of priorities and actions.

[Our Information Strategy](#)

This will deliver information technology improvements in the following key areas:

- Digital record keeping;
- Communication and information;
- Accessibility of information;
- Efficient ways of working.

5. Service Line Strategies and Plans

5.1 Our Planning Process

TEWV has a long established planning process which involves the Board, senior clinicians and senior managers. In considering the strategic options available for each service, the organisation recognised that future income levels are likely to reduce due to the tariff adjustor (i.e. we will be paid less each year for doing the same level of work), and so it would be unrealistic to expect the growth in income we have seen in recent years to be repeated.

This plan is based on our “base case” position. This means that we have only included service developments where we have Trust resources in place to progress them, or where commissioners have given a commitment that enables TEWV to take an initiative forward.

5.2 Adult Mental Health Services (AMH)

For AMH services, our strategy is to sustain our current market share. Table 4 shows our strategic initiatives that will support and deliver our strategy for AMH services. Please note that the initiatives set out in italics are also relevant to our MHSOP strategy

Table 4: AMH Services Strategic Initiatives' Plan (*items in italic also form part of MHSOP Plan*)

Service / Issue	Actions
<i>Respond to the implementation of 'Primary Care at Scale'</i>	<i>Work with GPs to develop and implement a revised model of community mental health provision.</i>
<i>Acute inpatient services</i>	<i>Agree and implement proposals to improve inpatient provision for patients from Harrogate, Hambleton and Richmondshire.</i>
Crisis Services	Embed the Durham and Darlington Crisis and Recovery House and determine future model for crisis provision across the Trust. Implement Section 136 Suite for Hambleton / Richmondshire and Harrogate as agreed with HRW and HaRD CCGs.
<i>Community productivity</i>	<i>Review and reconfigure community services throughout the Trust incorporating model lines work as appropriate.</i> <i>Further improvements to community bases within County Durham and North Yorkshire.</i>
<i>Improve the Physical Health of MH patients</i>	<i>Develop and agree with commissioners how we will further improve the physical healthcare and outcomes for people with mental health conditions – for example smoking cessation support.</i>
Rehabilitation Services	Continue to implement the recommendations of the review of rehabilitation beds in Durham and Darlington and Teesside, including establishment of community rehabilitation. Re-provide rehabilitation beds within North Yorkshire at The Orchards, Ripon.
Peri Natal community service	Develop, and implement a peri natal community service in response to Teesside CCGs' commissioning intentions.
Personality Disorder (PD)	Review of cases of former TEWV patients with Personality Disorder that have been placed in Private Sector services and put in place training opportunities and process improvements to ensure that a higher proportion of this patient group can remain in community treatment provided by TEWV.
IAPT/Primary Care Psychological Therapies	Transfer North Yorkshire IAPT service into TEWV (from the existing provider) and deliver the recovery plan for the service. Re-evaluate the latest evidence as to the most effective models for delivery of IAPT services and feed into subsequent tenders/service delivery. Retain our role as a provider of Primary Care Psychological Therapies services in Teesside, Durham and Darlington.
Inpatient Mental Health services for serving military personnel	Retain our role as a provider of inpatient services to service personnel when the MoD tenders this service.

5.3 Mental Health Services for Older People (MHSOP)

For MHSOP services, our strategy is to grow our market share. Table 5 shows our strategic initiatives that will support and deliver our strategy for MHSOP. Please also refer to the previous AMH Table 4 where contents in italics are also relevant to our MHSOP strategy.

Table 5: MHSOP Services Strategic Initiatives' Plan

Service / Issue	Actions
Mental Health Liaison	<p>Ensure that acute hospital and care home psychiatric liaison services evolve to support the integration agenda.</p> <p>Commence implementation of new Mental Health Liaison services in North Yorkshire in line with plans agreed with the three CCGs.</p>
MHSOP inpatients	Implement the recommendations of the review of MHSOP inpatient services in Durham and Darlington.
MHSOP Community Services	Support CCGs and Local Authorities to develop and implement a new model of integrated provision for the elderly population to include a model for how the mental health needs of the population are met within the agreed plans.

5.4 Children and Young People (CYP)

For CYP services, our strategy is to grow our current market share. Table 6 shows our strategic initiatives that will support and deliver our strategy for CYP.

Table 6: CYP Services Strategic Initiatives' Plan

Service / Issue	Actions
Acute inpatient services (Tier 4)	<p>Ensure West Lane Hospital is a preferred provider for adolescent low secure inpatient services (allowing for full utilisation of additional capacity).</p> <p>Complete the refurbishment of West Lane Hospital, including Assessment and Treatment and Eating Disorder wards.</p> <p>Work in partnership with Northumberland Tyne and Wear Foundation Trust and NHS England to develop and implement a clinical pathway to support step down from medium secure beds into low secure beds.</p>
Community productivity	<p>Review and reconfigure community services throughout the Trust incorporating model lines work as appropriate.</p> <p>Further improvements to community bases across the Trust's area.</p>
Community Services	<p>Implement the agreed workforce model across all teams in Durham and Darlington.</p> <p>Implement and evaluate the pilot crisis service in Durham and Darlington to demonstrate its value</p> <p>Review Tier 3 and Child LD services in North Yorkshire</p> <p>Continue to implement revised service model in response to new specification agreed with commissioner in Teesside.</p>
IAPT	Further embed the IAPT service model within all community teams including the use of Outcome Measures.
Eating disorder inpatient service	Retain our role as the regional specialist inpatient provider.

5.5 Adult Learning Disabilities (ALD)

For ALD our strategy is to shrink our market share. Table 7 shows our strategic initiatives that will support and deliver our strategy for ALD.

Table 7: Adult Learning Disability Services Strategic Initiatives' Plan

Service / Issue	Actions
Acute Inpatient Services	Reconfigure beds in Durham and Teesside in line with commissioning intentions and Winterbourne Concordat.
Epilepsy	Implement specialist assessment service using telemetry equipment.
Community Services	Agree and implement proposals for increased community ALD team capacity in order to ensure that the transfer of patients from inpatient assessment and treatment beds (in line with Winterbourne concordat) is successful and sustainable. Review and reconfigure community services throughout the Trust incorporating model lines work as appropriate.

5.6 Forensic Services

For Forensic services, our strategy is to sustain our current market share. Table 8 shows our strategic initiatives that will support and deliver our strategy for Forensic services.

Table 8: Forensic Services Strategic Initiatives' Plan

Service / Issue	Actions
Inpatient Services	Implement the reconfiguration of inpatient beds agreed with commissioners. Increase the number of non-forensic locked rehabilitation beds. Re-provide current Forensic Learning Disability Rehabilitation Beds (in Durham).
Community Services	Review and reconfigure community services in response to new service specification issues by commissioners and the outcomes of our model line work.
Pricing and Currency Development	Work with NHS England to facilitate the development and implementation of a pricing and currency methodology for Forensic Services.

5.7 Offender Health Services

For Offender Health Services, our strategy is to sustain our current market share. Table 9 shows our strategic initiatives that will support and deliver our strategy for Offender Health services.

Table 9: Offender Health Services Strategic Initiatives' Plan

Service / Issue	Actions
Liaison and Diversion	Complete evaluations of current pilots in order to demonstrate recurrent value to the health and criminal justice economy.
Prison Health	With the assistance of our partners, submit a tender to provide prison mental health care for the 7 prisons in the North East and implement the new service model when successful.

6. Financial Plan

6.1 Statement of Comprehensive Income

Table 10 shows the planned Statement of Comprehensive Income forecast. This is based on agreed commissioner contracts and other income assumptions and is reflective of the current economic position and inflationary pressures.

Table 10: Statement of Comprehensive Income

	2014/15	2015/16	2016/17	2017/18	2018/19
	£m	£m	£m	£m	£m
Clinical Income	268.7	264.0	259.5	258.0	256.5
Other income					
Education and Training	6.4	6.4	6.4	6.4	6.4
Other income	2.8	2.8	2.8	2.8	2.8
Total income	277.9	273.2	268.7	267.2	265.7
Pay Costs	-214.0	-210.6	-209.1	-205.4	-203.0
Other Costs	-42.7	-41.1	-39.2	-38.8	-38.8
Total costs	-256.7	-251.7	-248.3	-244.2	-241.8
EBITDA	21.2	21.5	20.4	23.0	23.9
Fixed Asset impairments	-3.0	-2.0	-1.0	-1.0	-3.0
Depreciation & Amortisation	-4.0	-4.1	-3.9	-3.8	-3.7
Interest	-5.3	-5.3	-5.4	-5.4	-5.4
PDC Dividend	-4.3	-4.4	-4.6	-4.6	-4.6
Net Surplus	4.6	5.7	5.5	8.2	7.2

Key points to note are:

- Pay costs fall in each of the five years in line with the Trust's cash releasing efficiency savings (CRES) programme and reduced non recurrent investment in the Information Strategy (IS) and strategic change enabling schemes.
- Non pay reduces in 2016/17 as a result of reduced investment in non-recurrent Strategic Change Fund (SCF) and IS and the anticipated savings from a Travel Reduction CRES scheme.
- The Trust anticipates an impairment of £3m in 2014/15 following the completion of The Orchards and phase 2 of West Lane Hospital, and £2m in 2015/16 following completion of phase 3 West Lane Hospital and other capital schemes. Estimates of £1m have been assumed in 2016/17 and 2017/18 linked to the completion of current outline schemes. In 2018/19 the Trust will undertake a revaluation exercise in line with current accounting policy and therefore a more prudent estimate of £3m is anticipated.
- Planned investment in the IS and SCF is £5.4m in 2014/15 and £4.2m in 2015/16 and projected to be £4m per annum on 16/17, 17/18 and 18/19.

6.2 Cash Releasing and Efficiency Savings

Given the current economic climate and in order to operate within the national and local financial frameworks the Trust is planning to deliver cash releasing

efficiency savings (CRES) of £40.1m over the next five years, with the expected profile indicated in Table 11.

Table 11 – CRES Plan

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Total £000
Target	7,576	8,244	8,244	8,123	7,982	40,104
Identified Schemes	8,243	7,692	4,803	0	0	20,948
CRES to identify (-) denotes ahead of target	-566	-15	3,426	8,123	7,982	19,156

6.3 Investment and Disposal Strategy

Table 12 summarises the Trust's capital expenditure plans.

Table 12 – Capital Expenditure Plan

Description of Scheme	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Total £000
Improving inpatient facilities	6,064	4,620	6,632	4,200		21,516
Improving community facilities	1,129	2,587				3,716
Estate rationalisation (including Service Improvement and Space Utilisation Strategy)	1,227	1,646	1,833	250	250	5,206
Life Cycle Maintenance (Trust wide)	1,201	1,117	1,178	1,240	1,548	6,284
Equipment (Inc. Business cases & IT)	100	100	100	100	100	500
Salaries	420	370	370	370	370	1,900
Total	10,141	10,440	10,113	6,160	2,268	39,122

The capital expenditure profile remains significant in the early years of the plan and as such will be regularly reviewed to ensure ongoing affordability in the short to medium term.

6.5 Statement of Financial Position

A summary of the Trust's Statement of Financial Position is shown in Table 13. The main movement in cash over the five years is as a result of investment in the capital programme; which is significant in the first three years of the plan.

Table 13: Statement of Financial Position

	2014/15	2015/16	2016/17	2017/18	2018/19
	£m	£m	£m	£m	£m
Property Plant and Equipment	237.2	241.6	246.7	248.0	243.6
Receivables Non-current	0.1	0.1	0	0	0
Current Assets	5.5	4.5	4.5	4.6	4.5
Cash at bank and in hand	26.5	24.5	19.9	23.9	33.1
Current Liabilities	-13.2	-15.8	-15.7	-15.4	-15.2
Non-Current Liabilities	-0.8	-0.6	-0.8	-0.8	-0.8
PFI Finance Lease	-82.1	-79.8	-77.2	-74.7	-72.3
Total assets employed	168.8	174.5	177.4	185.6	192.9
Taxpayers Equity	168.8	174.5	177.4	185.6	192.9

6.6 Finance Risk Rating

Table 14 summarises the planned continuity of services risk rating (CoSRR) for the Trust:

Table 14: CoSRR

Monitor Rating Guide	2014/15	2015/16	2016/17	2017/18	2018/19
Debt cover service	3	3	2	3	3
Liquidity (days)	4	4	4	4	4
CoSRR (maximum 4)	4	4	3	4	4

The five year plan demonstrates that the Trust Financial Risk Rating will not drop below a 3.

7. How we will implement the plan and monitor performance and how plans will be adapted and amended

7.1 Implementation

The initiatives set out in this plan will be delivered through either use of the Trust's Quality Improvement System (QIS) or Project Management Framework. Each year we will produce a two-year Business Plan which will provide further detail on the initiatives identified in this plan.

7.2 Monitoring

The delivery of this Strategic Plan and progress against the Trust's overall strategy will be monitored through a number of routes. These are the:

- Strategic Direction Scorecard submitted quarterly to the Board;
- Implementation of the Quality Strategy Scorecard, which will be monitored by the Quality and Assurance Committee quarterly with progress updated quarterly to the Board;

- Quarterly progress reports to the Board on progress in implementing the Business Plan;
- Quarterly progress reports on the key projects to the Board of Directors;
- Quarterly Business Development Strategy Scorecard received by the Board;
- Workforce report submitted quarterly to the Board
- Monthly finance report, which includes progress against CRES schemes.

7.3 Maintaining the Plan as a 'Live' Document

Clearly this Strategic Plan has been developed at a point in time. As and when new information, both nationally and locally becomes available we will review and amend our plans as appropriate. As a minimum, the Strategic (and Operational) Plan will be reviewed and updated on an annual basis via the Trust's existing Planning Framework.

8. Further Information

If you would like any further information please contact:

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