



# Our Five Year Strategic Plan

2014-15 to 2019-20

JUNE 2014

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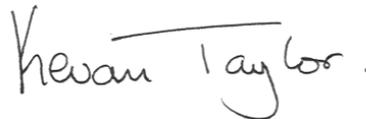
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The Trust's Plan was approved by the Board of Directors in June 2014.



Professor Alan Walker  
**Chairman**



Kevan Taylor  
**Chief Executive**

## Executive summary

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### The foundations for our plans

When we became a foundation trust in 2008, we set a clear vision for the trust to provide services that meet the needs of a whole person – mental health, physical health and social care. We have succeeded in growing our historic service provision in mental health, learning disability and substance misuse services and have expanded into primary care and integrated physical and psychological health services. We are firmly established as a provider of integrated health and social care services positioned to play an increasing role, in developing a sustainable health and social care system.

We begin this five year period in a strong position. We are a high performing Trust. We compare and perform well against most measures of performance for quality and standards of care. Surveys of service user and staff opinion of the services we provide, combined with feedback from our Commissioners and the Care Quality Commission, show that the standard of care we provide is good, person centred and dignified. We have a high cash balance and our recurrent achievement of our planned efficiency programme is strong.

We have a track record for innovation. Our purpose is to tackle and reduce health inequalities, improve social inclusion and deliver positive improvements in outcomes and experiences for the people of Sheffield. In achieving this we have provided new solutions focussed on delivering real change. We are delivering enhanced models of primary care in partnership with the third sector focussed on effective case management and improving health outcomes. We deliver our services in liaison and partnership with general practice, housing support services and other agencies. This has resulted in significant improvements in people seeking and benefiting from routine advice and support with drug or alcohol problems or for people with long term physical health problems who also experience common mental health problems. We are focussed on delivering effective community services and have transformed the way care is delivered locally. This has significantly reduced the need for people to be cared for away from Sheffield, and we plan to extend this strategy to deliver more benefits

We are in a strong position and we are ambitious. We plan to continue to transform the way services are provided and to continuously improve quality so that the experience of service users is positive and effective, every time.

### Our environment

We need to transform the delivery of health and social care services in Sheffield. The health and social care community in Sheffield have clear plans, through a partnership approach, to manage and deliver sustainable services that will provide improved outcomes and value for money.

The *Better Care Fund* programme will establish a strong single commissioning direction for Sheffield. This will be a significant and positive change that will support the delivery of effective service transformation and the genuine delivery of integrated health and social care services. Sheffield CCG and the Council will establish a pooled budget responsible for the commissioning of £278m of health and social care services creating a real opportunity for services to deliver the changes required for the future.

Within this context, the provision of effective and affordable social care support and services is a key challenge. We have significant experience of delivering social care support, and delivering integrated care that is recovery orientated and focussed on people's individual health and social care needs. As we look to the future we will be developing with the Council new models of social care support that will be based upon an integrated approach focusing particularly on pathway management and drawing services from various providers.

There are opportunities to transform the services delivered within primary care. This is a key objective if we are to genuinely tackle and address the health inequalities across Sheffield and deliver effective community care as part of the city wide sustainability plan. There are clear needs and opportunities to extend and enhance the role and purpose of primary care services, and success in this will be a critical factor in the delivery of the plans of the health and social care community.

We have positive relations with our Commissioners and have established joint plans for the development of the services we provide. These plans are informed by the successes we have already delivered and are focussed on delivering early access, liaison and partnerships with primary care, new models for social care support and increasing responsibilities for whole system management of care pathways. The intended results will be better outcomes for patients, more effective community services and improved accountability and reductions in expenditure on out of town private care and support.

While there is significant change planned across the health and social care community in Sheffield, our immediate environment for the services we are responsible for providing is relatively stable. This is influenced by our positive historical position, stable income forecasts informed by the plans of our commissioners, and a good alignment between the commissioning direction of our current services and our strategic plans and direction. While there is a challenging change agenda that needs to be delivered our assessment of the risks to our future sustainability shows that the risks are low. Our plans will ensure we move forward with confidence in delivering on our vision and making an effective and growing contribution to the city wide plans of the health and social care community.

## **Our strategic plans**

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

Our plans to deliver on our vision, supported by clear strategic aims and service plans are summarised in Sections 5 and 6. The focus of our plans, to ensure we deliver sustainable services as we go forward is summarised as:

- A quality improvement programme to ensure we continue to improve the quality and efficiency of our services in terms of safety, outcomes and experience
- A service transformation programme that will focus on early intervention, delivering services in liaison and partnership with primary care and see investment in new community services to reduce the need for hospital based care, particularly out of town care for people with learning disabilities or serious mental health needs.
- Enhancing our primary care services, exploring and developing new partnerships with other practices to deliver effective primary care and support that will result in reduced health inequalities over the longer term.
- Developing new models and partnerships to ensure the delivery of high quality and cost effective social care support for the people of Sheffield.

## Our financial plan

Our financial position is summarised as follows:

	2014/2015 £m	2015/2016 £m	2016/2017 £m	2017/2018 £m	2018/2019 £m
Turnover £m	127.51	118.40	115.93	115.29	114.85
Income and Expenditure surplus £m	2.55	2.37	2.32	2.31	2.30
I&E Surplus Margin %	2.0%	2.0%	2%	2%	2%
Continuity of Service Risk Rating Level	4	4	4	4	4

Continuity of Service Metric	2014/15 Plan	2015/16 Plan	2016/17 Plan	2017/18 Plan	2018/19 Plan
Debt Service Cover	3.85	3.71	3.81	3.68	3.56
Liquidity Ratio	70.9	72.3	70.1	64.2	58.4
Risk Rating	4	4	4	4	4

We have a sound cash position with a balance of £27.7m at 31<sup>st</sup> March 2014 and a forecast of £23.7m at 31<sup>st</sup> March 2019. We are not expecting problems with our cash flow and cash holdings will be maintained and maximised going forward.

We have no debt to service other than Public Dividend Capital, as a result of no external borrowings or PFIs schemes in place or anticipated within the next 5 years.

The Continuity of Service Risk Ratings are on a scale of 1-4, 4 represents the highest rating and signifies sufficient financial headroom and liquidity. We Trust anticipates maintaining this throughout the 5 year period on an annual basis.

## Delivering our plans

We have a clear direction of travel across our clinical services. Our plans define the changes we will make over the five year period to deliver improvements and maintain our financial stability. We will monitor progress against our plans and ensure we deliver in line our expectations.

Our service plans are supported by a range of enabling strategies, particularly focussing on developing and engaging our workforce, reducing our estate, enhancing the role of information technology to transform service provision and supporting leadership across the organisation.

We have a long history of working in partnership with our commissioners. We recognise that the on-going support of commissioners is key to our success and we have the necessary joint working forums in place to ensure we achieve this.

## A brief overview

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### Who we are

We were initially established in 2003 as Sheffield Care Trust. On 01 July 2008, we became authorised to operate as Sheffield Health and Social Care NHS Foundation Trust (SHSC). As a membership-based organisation, with over 12,000 members, our Board of Directors is accountable to the communities that we serve mainly through our Council of Governors, and directly to our members at our Annual Members' Meeting. Our Council of Governors includes people who use our services, their carers, representatives of members of the general public and our staff as well as other Sheffield-based organisations with whom we work in close partnership. The diversity of our Council's membership helps our Board of Directors to always ensure that the services that we provide are shaped by the people living in the communities that we serve.

### The services that we provide

With an annual income of approximately £130 million and more than 3,000 members of staff, we provide mental health, learning disability, substance misuse, community rehabilitation, and a range of primary care and specialist services to the people of Sheffield. We also provide some of our specialist services to people living outside of Sheffield. Our integrated approach to service delivery enables us to meet people's mental, physical, psychological and social care needs. In the past 3 years the Trust has grown by 11% with an extra income of £13m.

The scope of our services and activities include

- Primary care services for people of all ages which we deliver through our GP Practices;
- Rehabilitation services for people with brain injuries or those living with the consequences of a long-term neurological condition;
- Psychological therapies for people with mild and moderate mental health problems;
- Community-based mental health services for people with serious and enduring mental illness;
- Services that support people with a learning disability and their families and carers;
- Services that support people with dementia and their families and carers;
- In-patient mental health services for adults and older people;
- Services for adults with drug and alcohol misuse problems;
- Specialist services including eating disorders, assertive outreach services, neurological development services, perinatal mental health services, and gender dysphoria services;
- Supported employment and health promotion;
- Teaching and research

### How we provide our services

Our community-based services aim to provide care and treatment to individuals and their families close to their homes and help them to maintain their independence and thereby continue with their day-to-day lives as much as possible. We also provide a range of in-patient and residential services for individuals who cannot be appropriately helped within their community. Through our

learning disability services we provide supported living to the people who use our services and we work closely with residential care homes and supported living facilities in partnership with housing associations.

Many of the people we help are visited in their own homes by our members of staff. Others attend our clinics to see nurses, social workers, therapists or doctors. We give treatment, care and help to the people who use our services on an individual or group basis. We also work alongside GPs and other staff in local health centres, or with staff from other organisations, often in the voluntary sector.

We often see individuals for short periods of time, providing advice and treatment which helps resolve the person's problems. For those with more serious, longer-term difficulties, we will support and work with them for a number of years.

### **Our close partnership with Sheffield City Council, NHS Sheffield Clinical Commissioning Group and other organisations**

As a provider of integrated health and social care, we work in partnership with Sheffield City Council and have formal agreements with the Council to provide a range of social care services on its behalf. Through these arrangements we have made good progress in developing an integrated range of services that we deliver to the people of Sheffield – an important goal that is shared by ourselves and the City Council.

As you would expect we work in close partnership with our main health commissioner, NHS Sheffield CCG and our relationship is constructive and positive. Through these arrangements we have made good progress as commissioners and providers of services in developing a shared and agreed direction of travel for the benefit of the people of Sheffield.

We attach great importance to working in partnership with other organisations as well, mainly Sheffield Teaching Hospitals NHSFT, Sheffield Children's Hospital NHSFT and NHS England. This has enabled us to work effectively in meeting the needs of the communities of Sheffield and developing improved approaches to service delivery.

### **Who do we provide services for?**

We accept referrals from the neighbouring South Yorkshire area and further afield for our specialist services. Sheffield residents make up about 94% of all clients we provide care and treatment for, and overall we provide services to just under 50,000 people a year. Our main commissioning partners are Sheffield Clinical Commissioning Group and the Sheffield City Council who commission 72% of our business.

### **How do we perform?**

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

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

**Our local population is changing.** The current population of Sheffield is just over 557,000 people and is projected to rise by a further 5.2% to around 586,500 in the year 2020. The age profile will change and there will be more older people as a percentage of the population. The diversity within our population is broad and will increase, there are 128 languages spoken in Sheffield schools, and the BME population will grow from 17% to 23% by 2021.

There are significant health inequalities in Sheffield, despite the progress made in improving the health of the population over the last few years. Across Sheffield health inequalities remain in areas of high deprivation, for our BME communities and for people with learning disabilities or serious mental health problems. We provide primary care services in some of the most deprived communities within Sheffield and this presents us with a real opportunity to deliver improved health outcomes.

**There is a clear drive to change the way services are provided in Sheffield.** Sheffield Clinical Commissioning Group and Sheffield City Council are committed to the delivery of integrated community care that reduces the need for hospital care, is primary care led and focussed on prevention and reablement. The *Better Care Fund* programme will establish a strong framework for this. Sheffield CCG and the Council will establish a pooled budget responsible for the commissioning of £278m of health and social care services creating a real opportunity for services to deliver the changes required for the future. This will be a significant and positive change that will support the delivery of effective service transformation and the genuine delivery of integrated health and social care services focussed on improving the health and wellbeing of our population.

The service strategies planned under the *Better Care Fund* programme are not expected to impact upon the Trust's income projections. However, the establishment of a joint commissioning approach across health and social care will lead to single commissioning arrangements for the Trust and the services we provide for the people of Sheffield. This is a positive change and will support the development of a stronger strategy for service provision.

**The provision of social care will change.** The financial environment within social care is driving significant and fundamental changes to the way social care is delivered. This is expected to continue. It is essential that new models are delivered to ensure the right support is available to the right people as part of a city wide approach.

**Primary care services can make a significant contribution to city wide plans.** A key requirement as we move forward in Sheffield will be the development and delivery of comprehensive and effective primary care services. This is essential if the city wide transformation plans, focussed on delivering more community based care and reduced needs for hospital care, are to succeed. Providing effective and enhanced services will make a major contribution to delivering real improvements in outcomes for people within our more deprived communities who experience poor health outcomes and inequalities.

**The financial environment is challenging.** Sheffield City Council is facing substantial cost pressures, with 15% savings expected in each of the next two years, a reduction of £80million, and further budget pressures expected in the next three years. This will have a dramatic impact on the provision of social care services for the people of Sheffield. While the impact of this on the Trust's income projections is relatively low, there will be a clear need to develop our partnership with the Council to deliver new solutions for social care provision for the future.

Sheffield CCG will receive the minimum cash uplift in its allocation over the next two years and this is expected to continue through to 2018/19. This means the CCG will receive minimal or no real terms growth funding. The CCG's commissioning intentions are seeking transformational changes to services. The combined impact of this is that the CCG needs to look to reduce its spend in some areas. It is looking to achieve £6million gross savings in each of the next 2 years and is planning to increase this to £9.5million from that year.

Our income projections concludes that our expected income is comparatively stable, with little changes predicted due to commissioning strategies for service provision and models of care. We may experience reduced income due to procurement plans that may result in withdrawal from some services within our social care provision.

**Competition will increase.** Currently competition within the local economy for the Trust's health services is stable and the Trust performs well in its service delivery. The Trust has performed well in reducing Commissioner expenditure with the private sector for hospital based care and growing its income base at the same time. Our focus going forward is to deliver improvements through effective whole system management of care pathways.

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

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

**Our plans are informed by the needs of our key commissioners and their commissioning direction.** There is a clear need to continue to work in partnership with the Council to develop new solutions for the provision of social care services. We have experience of delivering good integrated models of care and are already delivering system changes that are resulting in improved access and value for money. We will work with the Council to identify solutions to extend our success into new areas to deliver further improvements and benefits. We will continue to build and develop our primary care services to ensure excellent enhanced models of care are in place for our practice population. We plan to deliver real benefits that will actively contribute to the success of Sheffield wide plans for the development and transformation of community services. We will work with other interested practices in Sheffield to learn and make further improvements to what we can offer and provide for the benefit of the people in Sheffield.

For our existing services we have developed joint understanding about the future development of services within Sheffield to align our plans with commissioning plans and established a shared plan for the way forward. Key features of the agreed commissioning intentions across health and social care services would:

- Developing and delivering effective models of social care support, supported by clear recovery principles across all services;
- Ensuring our reconfiguration programme is effective and balances resources appropriately across inpatient and community services and capacity;
- Moving resources from secondary care to primary care, through a stepped model of care routed in prevention, early intervention and effective liaison;
- Extending our whole system management models to support further innovation to reduce the need for out of city care for people with learning disabilities and mental health needs;

## Our vision and strategy

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### Our Purpose

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

### Our Approach

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

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

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

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

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

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

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

## **Our Vision**

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

## **Our Values**

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

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

## **Our Strategic Aims**

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

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

## **Our direction**

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To achieve our Strategic Aims we have established a number of development programmes across the Trust's services, supported by clear service strategies within our clinical services.

Strategic Aim 1: To continually improve the quality and efficiency of our services in terms of safety, outcomes and service user experience

We will progress this aim through the following programmes:

- We will improve access to our services so that people are seen quickly.
- We will improve the physical health care provided to our service users.
- We will establish the Service User Experience Monitoring Unit to drive improvements in service user experience across the Trust
- We will ensure care is safe through effective clinical risk assessment and care management.
- We will ensure all services use pre and post treatment outcome measures.
- We will build on mental health care clustering and identify the interventions and skills required for each care cluster.

Strategic Aim 2: To retain, transform and develop services along care pathways, enabling early intervention and meeting people's needs closer to home

We will progress this aim through the following programmes:

- We will build improvement capability in the Trust and improve our ability to learn from complaints and serious incidents.
- We will align with commissioning intentions and redesign pathways of care to improve effectiveness and efficiency. Our key areas of focus are summarised as follows:
  - Implement our strategies for rehabilitation and acute care services to improve experience, reduce the need for out of town care and deliver increased value for money and reduced costs. Apply the learning from our success within mental health services to meet the needs of people with learning disabilities who currently receive their care outside of Sheffield.
  - Improve our arrangements and pathways to deliver timely and single points of access at all times. Improve our Early Intervention services to ensure the right interventions

are provided. Deliver an integrated Liaison Service that provides support, advice and treatment across the age range.

- Review, agree and implement a new model of social care support that delivers a sustainable approach to personalised care and support and ensure our provider services provide for this. Develop and agree plans to introduce a recovery college service.
- Introduce an enhanced primary care service to improve the physical health of those most at risk in the city. Evaluate the effectiveness of providing IAPT support to people with long term physical health conditions, and medically unexplained symptoms, and agree how treatment should be provided in the future.
- Agree how we will deliver on our commitment to provide equal access to consistent standards of care across the age range, so that people are not disadvantaged by the care they get due to age.

Strategic Aim 3: To recruit, develop, support and retain a skilled, committed and compassionate workforce with effective leadership at every level

We will progress this aim through the following programmes:

- We will improve the efficiency and focus of mandatory training, including customer care.
- We will strengthen staff engagement to improve the experience of staff to support and enable them to deliver compassionate care.
- We will review and make changes to support worker training and development.
- We will develop our recruitment processes to improve their efficiency and effectiveness and ensure values play a key part

Strategic Aim 4: To build and develop partnerships that deliver improvements in quality for the benefit of our communities

We will progress this aim through the following programmes:

- We will develop partnerships with third sector and the housing department in order to deliver improved pathways of care.

Strategic Aim 5: To continue to perform as a financially viable, effective and well governed organisation

We will progress this aim through the following programmes:

- We will deliver a plan to reduce our costs that is clear and achievable over the five year period. We will progress plans to develop and grow our services in key areas:

- Extending our success in managing ‘whole systems’ to deliver new offers that are viable on quality, outcomes and cost effectiveness to new areas, namely Section 117 Aftercare and Out of Town care for people with a learning disability.
  - Developing our Primary Care Service model to provide high quality enhanced services focussed on longer term case management and reducing the need for hospital care. Explore opportunities to work in partnership to promote and export our model to new practices, and support the development and growth of GP Associations through new partnerships.
  - Extend the provision of our substance misuse services to deliver improved whole pathway services, and develop new services to meet the needs of people with alcohol problems.
  - Extend the provision of talking treatments and other services within the local health and social care market as the new Commissioning direction determines new service models for Sheffield and further afield.
- We will deliver efficiencies, reduce bureaucracy and review our corporate services through our Optimising Value in Care Programme.
  - We will increase our investment in Information Management and Technology and establish a new approach for future development that includes staff involvement.
  - We will implement the commitments we made in response to Hard Truths (Francis, Berwick, Clwyd and Winterbourne inquiries) and ensure we sustain our approach through our governance processes.
  - We will ensure compliance with the standards and requirements of the Care Quality Commission and Monitor.

## Our service strategies

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Across our services we have developed clear strategic plans to ensure we deliver the right services in the future that respond to the Trust’s strategic direction, the needs of the people of Sheffield and the shared ambition and direction of our Commissioners. These plans are summarised below in respect of our key services:

	PRIMARY CARE SERVICES
Plan direction	<ul style="list-style-type: none"> <li>• Extend the range of enhanced care provision provided by our Clover practice, applying the learning from new service pilots. Demonstrate the benefit of our service model in delivering improved health outcomes and reducing inequality.</li> <li>• Explore the feasibility and opportunities to support and work with other practices to deliver better and more cost effective services that are focussed on addressing health inequalities and delivering enhanced services. With the establishment of a public liability company to support this plan we have an appropriate alternative legal vehicle in place to support development and expansion in this area.</li> <li>• To improve the cost effectiveness and efficiency of current services in readiness for future contractual changes expected in 2016-17. This will be delivered through a long term quality and productivity improvement programme over the next two year period.</li> </ul>

	LEARNING DISABILITIES SERVICES
Plan direction	<ul style="list-style-type: none"> <li>• Develop with the Council new models of social care support that will be based upon an integrated approach focusing particularly on pathway management and drawing services from various providers.</li> <li>• Re-design of Community Learning Disability teams to deliver single effective and high quality service with strong links to primary care, local Teaching Hospital and Children's services</li> <li>• Maintain and build portfolio of specialist and person centred provision within Sheffield for people with the most complex needs, focussing on specialist respite, supported living for people with challenging needs and profound and multiple disabilities.</li> <li>• Develop intensive community service capacity to provide a strong alternative to admission in and out of Sheffield, and an excellent high quality bed based service for those who need it.</li> </ul>

	SPECIALIST SERVICES
Plan direction	<ul style="list-style-type: none"> <li>• General direction of delivering services focussed on prevention, delivering community based alternatives to hospital care focussed on supporting people in their homes.</li> <li>• Maintain and extend current provision of services for people with substance misuse problems, delivering accessible high quality outcomes.</li> <li>• Re-design of older people mental health services to deliver pathways based on needs, improved capacity for memory services and improved access to liaison and intensive support services to reduce dependency on general hospital services. Provision of increased specialist services for older people with very complex needs.</li> <li>• Consolidate new service model for LTNC's services.</li> <li>• Ensure care pathways are delivered based on people's needs, and service models are in place to best support this making effective use of resources.</li> </ul>

	COMMUNITY SERVICES
Plan direction	<ul style="list-style-type: none"> <li>• Improved arrangements for care planning, care co-ordination to improve quality and effectiveness</li> <li>• Implement new service models across community mental health services to deliver <ul style="list-style-type: none"> <li>- Improved integrated care with primary care services.</li> <li>- a clear model of therapeutic community teams and recovery services</li> <li>- redesign services across CMHT's and Psychotherapy to support the planned Personality Disorder strategy</li> </ul> </li> <li>• Develop and implement new community services model to deliver effective, affordable social care support in partnership with third sector</li> <li>• Ensure care pathways are delivered based on people's needs, and service models are in place to best support this making effective use of resources</li> </ul>

	INPATIENT SERVICES
Plan direction	<ul style="list-style-type: none"> <li>• Establish and introduce new services providing Community based Enhanced Rehabilitation</li> <li>• Implement strategy for the development of community services for people with personality disorders</li> <li>• Evaluate the benefit analysis of additional crisis house services in Sheffield</li> <li>• Ensure care pathways are delivered based on people's needs, and service models are in place to best support this making effective use of resources</li> </ul>

Across all of our plans we have agreed Joint approaches with our Commissioners to support the intended and required service changes. This Joint QIPP approach will ensure that we deliver our future plans in partnership with our commissioners and that delivery is supported by shared goals in relation to outcomes and efficiencies.

## Enabling and supporting strategies

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Alongside our clinical strategies we have clear strategies in place to support the delivery of the Trust's vision and aims.

	Strategy direction
Workforce, training and development	<p>The focus of the Workforce Strategy 2014-2019 is to support the delivery of the Trust's aims and service strategies through four key objectives:</p> <ul style="list-style-type: none"> <li>• To recruit, develop, support and retain a skilled, committed and compassionate workforce in accordance with service plans that meet our needs both today and also in the future, with effective leadership at every level.</li> <li>• To continually develop a healthy workplace.</li> <li>• To recognise the efforts and performance of our staff.</li> <li>• To improve staff satisfaction and engagement.</li> </ul>
Leadership	<ul style="list-style-type: none"> <li>• Building on the success of the Trust's shared model of leadership, designing roles and appropriate development interventions as necessary to engage clinicians in leadership</li> <li>• Building a community of leaders to lead effective change across pathways and systems through a range of collaborative approaches</li> <li>• Maximising use of external programmes and designing and delivering bespoke leadership development interventions where necessary</li> <li>• Building the relational skills in leaders across the trust through such interventions and coaching skills development and handling conflict to develop a supportive and empowering climate</li> <li>• Developing resilient leadership, effectively able to manage emotions and cope with ambiguity and the challenges of leading change, fully equipped with skills in continuous quality improvement</li> </ul>

Information Technology	<p>The focus of the strategy is to deliver clinical and strategic best practice through the implementation of affordable, reliable and innovative technologies for the benefit and improvement of service user care and positive outcomes.</p> <p>This will be achieved through the following programmes that will ensure we develop and use technology to</p> <ul style="list-style-type: none"> <li>• bring efficiencies and support the clinical process</li> <li>• understand, improve and assure the quality of clinical care</li> <li>• Connect with service users including self-care.</li> <li>• Deliver high standards of performance management, caseload management and appraisal.</li> <li>• Support seamless working between organisations.</li> <li>• Improve management processes e.g. e-forms, staff rostering, recruitment, communication and reputation management.</li> </ul>
Estates, facilitates and hotel services	<ul style="list-style-type: none"> <li>• Development and agreement of revised 5 year Estates Strategy including: <ul style="list-style-type: none"> <li>- Acute Care Reconfiguration – next steps for development of estates solutions in respect of new PICU and Older Adult Wards, supported by £26m capital investment over life of plan.</li> <li>- Support for emergent clinical strategies e.g. Rehabilitation Strategy, Personality Disorders Strategy and utilisation of existing community estate and resources to support increased community capacity.</li> <li>- Plan for estate requirements of years 5-10 in relation to utilisation of Trust HQ, and final Inpatient configuration and improved ward environment.</li> </ul> </li> <li>• Implement energy efficiency programme in partnership with ECOVATE /ESCO</li> <li>• Implement improvement plans to deliver cost effective and responsive transport services that meet the needs of the Trust client groups.</li> </ul>

### **Effective staff engagement and involvement**

We start from a good position. The Staff Survey over the last three years shows that our staff report high levels of engagement and satisfaction with their work, and that they feel able to influence decisions about how they provide care and support. As we look to the future our change and improvement agenda is significant, and combined with a general environment of pressurised public services, particularly within social care, we need to ensure we maintain our current positive position.

We have initiated a Trust wide staff engagement programme, led by the Chief Executive, focussing on values across the organisation and how we work together to deliver them in practice. This will provide a renewed framework for our staff communication strategy and plans to ensure we are proactively communicating and engaging with staff in the work of delivering our strategic plans.

### **Commissioner engagement and support for our plans**

We have positive relations and engagement with our Commissioners. This is evident in the feedback we receive through the Board Appraisal process. The future however remains challenging, with Commissioners needing to deliver extensive change across Sheffield to deliver affordable, sustainable and quality health and social care services in the future. Our plans for our future depend on service change. We begin from a position of strong Commissioner alignment and support for our future direction, and it is important that we maintain this going forward.

We have formal arrangements in place with our main Commissioners to ensure our Boards and Executive Teams review progress against our respective and shared plans.

Following the analysis set out within this plan the Board confirms its belief that we are sustainable over the 2014 – 2019 period. In making this declaration the Board has considered the following:

1. We begin the five year period with a strong financial position. Our income projections are stable. Our assessment is that commissioning plans for city wide transformation to deliver sustainable services for Sheffield will not result in significant instability of our income going forward.
2. Our income may be reduced following withdrawal from some services where we have not been successful in competitive procurement processes. There are mitigation plans in place to manage the financial risk arising from such an eventuality. Should withdrawal from services be necessary our assessments conclude that there will not be an adverse impact on our sustainability position.
3. Our plans in respect of our income projections provide for
  - Planned service reductions within social care for mental health.
  - Mitigation plans to manage a withdrawal from learning disability registered care and supported living services over the first three year period.
  - Maintaining current services that may be subject to re-procurement in the future.
  - Assumed reduced contract value for our Primary Care services from 2015/16 onwards.
4. Our plans do not depend on growth to ensure financial sustainability. The Board has clear ambitions to develop and grow our business in response to the needs of the people of Sheffield and our commissioners, and the opportunities for this are summarised in this plan. However, we have not made any assumptions that make our sustainability dependent on such growth.
5. We have clear service strategies in place that will deliver on the efficiency requirements of the Trust over the five year period, based on:
  - Our established successful record of delivering improvements and efficiencies through change achieved through high levels of clinical engagement and a clear case for change;
  - The alignment between our plans and commissioning intentions in respect of planned service re-design.
6. Our assessment of the non-financial risks to our sustainability concludes that the risks are low. Our service performance is good, we do not experience significant workforce challenges, and we have the necessary operational capacity in place to respond to our commitments. We have a long history of working in partnership with our commissioners. We recognise that the on-going support of commissioners is key to our success and we have the necessary joint working forums in place to ensure we achieve this. This will ensure we continue to develop plans for our future that meet the needs of our commissioners, and benefit from joint planning approaches to support financial planning and service change.
7. The Continuity of Service Risk Rating throughout the five year period is a 4 and signifies sufficient financial headroom and liquidity. We have a sound cash position and have no debt to service other than Public Dividend Capital in place or anticipated within the next 5 years. Although the Trust faces a challenging CIP requirement and a number of risks have been identified, contingencies and reserves are in place to sufficiently mitigate and ensure the Trust continues to deliver its financial Surplus as planned.

## **Overview**

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

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

The Trust currently has a sound cash position with a balance at 31 March 2014 of £27.7m and is not expecting problems with its cash flow over the 5 year strategic plan period or beyond.

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

# Summary of Financial Forecasts 2014/2015 Onwards

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## Introduction

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

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

## Financial Challenges

The Trust's Strategic Financial Plan is designed to continue to make a 2% surplus, in order to provide for future contingency planning time for the use of our accrued surplus to achieve the required changes which will deliver longer term recurrent savings. Whilst the economic climate will become increasingly more difficult, it will be necessary to ensure the Trust has sufficient funds in place to maintain quality services and deliver the very challenging efficiency savings and disinvestments required. These will be part of the joint savings targets agreed with commissioners.

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

A summary of the financial challenge facing the organisation is shown below. This details the level of disinvestments required, predominantly in relation to Learning Disabilities, in addition to the on-going CIP challenge anticipated over the next 5 years.

<b>Financial Challenge</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
	£000's	£000's	£000's	£000's	£000's	£000's
CIPS	4,705	3,884	3,702	3,289	3,273	18,853
Disinvestments	3,241	7,850	2,919	258	0	14,268
<b>Total</b>	<b>7,945</b>	<b>11,734</b>	<b>6,620</b>	<b>3,549</b>	<b>3,273</b>	<b>33,121</b>

The financial challenge facing SHSC over the next 5 years is substantial and forecasted at £33.1m. A significant element of this though relates to disinvestments totalling £14.3m, of which £10.3m relates to Learning Disabilities.

The Joint QIPP programme, governed under the Strategic Partnership Forum between the Trust and Sheffield CCG will progress and finalise detailed plans to achieve the recurrent savings for 2014/2015 and this will be built on to identify future years CIP requirements. The Trust plans to achieve the £1.67m non-recurrently through in year plans or contingency reserves during 2014/2015.

The current gap anticipated in year 1 currently stands at £1.25m with a carry forward of £1.6m due to some non-recurrent delivery but continues to improve on a monthly basis.

For years 2015/16 the targets remain very challenging although the increase in year 2 is predominantly linked to the continued LD disinvestment which spans 3 years. The planned general CIP approach is to develop a range of solutions through service redesign and transformation of services, and general Cost Improvement Plan schemes. Joint QIPP programmes with our commissioners will aim to deliver savings of £9.751m target over the 5 year period.

Whilst it is anticipated that service redesign will have an impact on existing staffing structures, the Trust plans to achieve the majority of staff savings via natural wastage and redeployment. Throughout the 5 year period, contingency Reserves are in place and available to offset underperformance of CIP. The current level of CIP/Disinvestment gap identified can also be mitigated against by the general reserve and the anticipated uncommitted CQUIN achievement.

The track record of the Trust in recent years has been positive and reserves set aside to offset directorate shortfalls on CIP plans have not been required in full and thus have been invested on a non-recurrent basis.

### CIP Financial Challenge

The table below highlight the level of recurrent CIP gap and challenge anticipated over the next 5 years.

CIP Efficiency Gap / Challenge	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	£000's	£000's	£000's	£000's	£000's	£000's
Acute	824	0	335	253	251	1,663
Community	392	619	246	189	188	1,634
Specialist	83	477	386	231	230	1,407
Learning Disabilities	83	292	123	67	68	633
Clover	0	58	25	17	16	116
Corporate	291	685	0	0	0	976
<b>CIP Gap / Challenge</b>	<b>1,673</b>	<b>2,131</b>	<b>1,115</b>	<b>757</b>	<b>753</b>	<b>6,429</b>

### Income

The Trust's income is primarily based on block contract income and has c£5m cost per case or individualised budget funding which could be considered variable in its receipt. This is particularly helpful in financial planning. With 81.6% (2014/15 forecast) of the funds being staffing costs, combined with a large element relating to payment for asset depreciation, there are few significant monthly variations.

The income level planned within the strategic model is relatively stable, when excluding the impact of the efficiency passed on within the tariff and particular disinvestment programmes. The disinvestments predominantly relate to other operating income, which will be offset by a corresponding reduction in costs primarily within pay. The base model of clinical income shows only marginal reductions of 3.75% over a 5 year period. After the impact of the disinvestments the baseline income is as follows:-

	Year 1	Year 2	Year 3	Year 4	Year 5
	£000's	£000's	£000's	£000's	£000's
Clinical Income	97,089	94,993	94,643	93,948	93,441

Other Operating Income	30,420	23,404	21,283	21,345	21,407
<b>Total Income</b>	<b>127,509</b>	<b>118,396</b>	<b>115,926</b>	<b>115,292</b>	<b>114,848</b>

The Trust is jointly working with commissioners towards Mental Health Payment by Outcomes and this will operate in shadow form for 2014/2015. No assumptions have been made within the plan until such time as a local or national tariff is agreed and any implications are understood. This is the only risk identified which is not within the downturn model due to the current nature of not being yet in a position to fully quantify any associated financial impact. In agreement with commissioners, we are currently working on the basis of a similar baseline funding level and no additional funding under Tariff.

The same uncertainty, also applies to the better care fund impact on SHSC. Although the direction of travel and the future landscape and commissioning intension are clear, from a direct impact on SHSC perspective there remains uncertainty. At present, the overall income and service provision, is anticipated to remain mainly unaffected, although through more joint commissioning.

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

### **Contract negotiations / alignment with commissioner intentions**

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

Contracts with Sheffield CCG and other associated CCG contracts have been agreed and signed for year 1. Commissioning Intensions have been drawn up and are briefly summarised within section 3. The impact of wider better care fund is also being considered. The NHS England Contracts for specialist commissioning and the APMS Clover contract have been agreed.

With respect to the Section 75 Partnership Agreement with the Local Authority, the plan has been formally agreed in respect of service developments and cost reduction requirements. The Trust has been served notice on the Section 75 Partnership contract which will cease in 2015/16 but will be continued to be commissioned under an alternative form linked to the wider better care fund.

With respect to the Housing Association contracts and Supported Living contracts, discussions with the commissioners are on-going and formal notice on the South Yorkshire Housing Associations registered care services has been issued since the initial submission of the operating plan. Whilst the timings and levels of divestment are uncertain, assumptions are incorporated into the Strategic financial plan to update the impact for the longer term 3 year divestment programme.

Overall this places the Trust in a sound and stable position in respect of commissioned and provided services over the medium term five year period. Areas of service re-design, efficiency and cost reductions have been agreed and outlines drawn up for the longer term. We are aware of the procurement plans that will have a potential impact on some services and have been planning for this for some time. The Trust is preparing to respond to tenders in order to protect existing services and income streams and explore opportunities for growth.

### **Risks**

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

Issue	Management and mitigation
Delivery of Cost Improvement Plans	<ul style="list-style-type: none"> <li>• Positive record of management of gap through non-recurrent means pending finalisation of full plans</li> <li>• Robust Joint QIPP planning approach and commitments in place with Commissioners to ensure joint progress is maintained</li> <li>• Clear set of programmes being progressed through Joint QIPP work that will deliver recurrent solutions during the year</li> </ul>
Loss of business through procurement plans for some Trust services	<ul style="list-style-type: none"> <li>• Clear plans and strategies in place to inform Trust direction</li> <li>• Positive experience and track record of management of existing service to inform development of response to future tenders</li> <li>• Plans in place to manage risks subject to outcomes of tendering exercises.</li> </ul>
Impact of MH PbR	<ul style="list-style-type: none"> <li>• Contracts not in place other than for 2014/15 in shadow form.</li> <li>• Cluster tariff development on-going.</li> <li>• Data Quality Issues</li> <li>• Future contracting of MH services will only be procured on the basis of MH clustering.</li> </ul>
The impact and changes to the commissioning landscape as a result of the Better Care Fund	<ul style="list-style-type: none"> <li>• The full implications of the better care fund are uncertain but it anticipated that the city will have a joint commissioning approach to a number of services; this may impact on our contracting arrangements for 2015/16 in the form of a single joint commissioner for Health &amp; Social Care.</li> </ul>

## Inflation Uplift Assumptions

The indicative assumptions used in the financial plan are summarised below based on the tariff for non- acute hospital services.

Pay inflation requirements have now been confirmed. The previous anticipated 1% pay award has only been awarded to those staff on A4C contracts who will not receive an increment drift increase in year.

The recent pay award assumptions agreed nationally covering years 1 and 2 have been modelled as continuing for the remainder of the strategic financial plan.

Due to the Trust being predominantly a mental health provider, there is very little volatility or variance in non-pay inflation, outside of areas like energy and drugs. Drug expenditure is the only area of non-pay expenditure where a variation has been modelled to reflect the known changes linked to drugs coming on and off license etc. The impact is an additional increased investment of 2.8% being modelled through inflation, in addition to the baseline 7.2% within tariff for drug inflation for year 3 onwards.

Cost Improvement Plans for other operating income are derived through a bottom up cost centre analysis and vary depending on contractual negotiations and cost make up. In most cases the inflation requirements are funded through an equal efficiency requirement. These contracts operate on a full cost recovery basis in line with the organisations baseline principles and are continually reviewed as and when contracts are up for renewal.

The national tariff efficiency requirement is 4% with the exception of 1516 where this is 4.5%; the increase is to largely offset a planned increase to pension contributions of 0.7%.

Until specific details are disclosed the Service development elements of tariff will be assumed to be cost neutral.

Year	2014/15	2015/16	2016/17	2017/18	2018/19
Tariff deflator	-1.8%	-1.6%	+0.4%	-0.6%	-0.7%

## Investments in quality and transformation

To support the delivery of the Trust's aims and objectives a range of development and investment priorities have been identified. Investment will only be considered that achieve strategic aims and show how the benefits of the investment are to be measured. The financial plan allocates an investment to support improvement priorities across the following:

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

Further money has been set aside to support continued investment in key areas, throughout the next 4 years. This is caveated by the impact of future tariff changes as is largely linked to excess tariff funding identified due to working on a costed model approach.

The strategic basis for this investment has historically been monitored to ensure 75% is diverted to operational and clinical services, with a reduced allocation for back office and corporate functions of no more than 25%. Any deviations from this due to the nature of the options put forward are always approved on a non-recurrent basis.

## Capital Expenditure

The Trust's 5 year plan for Capital expenditure is predominantly related to the Acute Care Reconfiguration programme. This programme is a long-term programme designed to reconfigure the provision of acute care to better meet need. It involves an initial stage to develop a new Psychiatric Intensive Care Unit (PICU) on the Longley site at an anticipated cost of £6.024m. This one year build commencing in October 2014, has a £2.468m budget within Year 1 (2014-15) with the remainder in Year 2 (2015-16).

The PICU build will be followed by the Frail Ward development, anticipated at £5.00m and another 1 year build spanning Years 2 and 3 (2015-16 to 2016-17) giving a total year 2 capital spend of £5.547m anticipated.

Further developments will follow over the next 3 years with the Acute Care Reconfiguration programme total expected to reach c. £26.497m, £5,668m in year 3 (2016-17), £6.407m in year 4 (2017-18) and £6.407m in year 5 (2018-19).

Capital Expenditure	2014/15 Plan £m	2015/16 Plan £m	2016/17 Plan £m	2017/18 Plan £m	Added (Outside CAPEX Model) 2018/19 Plan £m	Total Plan £m
New Build	2.468	5.547	5.668	6.407	6.407	26.497
Equipment	0.100	0.105	0.110	0.116		0.431
Information Technology	0.300	0.350	0.400	0.420	0.441	1.911
Other (Transport)	0.064	0.070	0.072	0.078	0.205	0.489
<b>Total</b>	<b>2.932</b>	<b>6.072</b>	<b>6.250</b>	<b>7.021</b>	<b>7.053</b>	<b>29.328</b>

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

The Trust is planning on delivering the above whilst presently not planning on seeking to obtain loans to fund any aspect of capital projects during the current five year strategic plan and will continue to utilise in year depreciation and Capital slippage from previous years to fund the requirement for 2014/15 and beyond to 2018/19. Furthermore, although a major capital development currently falls outside the timeframe of the strategic plan, the primary driver behind the continuation for a 2% surplus margin is to reduce the likelihood of there to be any need for external borrowing.

This healthy liquidity position and cash level is a factor in the Trust no longer holding a working capital facility. No facility is anticipated to be needed or reinstated during the next 5 years.

### Key Forecast Summary Financials

	2014/2015 £m	2015/2016 £m	2016/2017 £m	2017/18 £m	2018/19 £m
Turnover £m	127.51	118.40	115.93	115.29	114.85
I and E surplus £m	2.55	2.37	2.32	2.31	2.30
I&E Surplus Margin %	2%	2%	2%	2%	2%
Continuity of Service Risk Rating Level	4	4	4	4	4

Continuity of Service Metric	2014/15 Plan	2015/16 Plan	2016/2017 Plan	2017/18 Plan	2018/19 Plan
Debt Service Cover	3.85	3.71	3.81	3.68	3.56
Liquidity Ratio	70.9	72.3	70.1	64.2	58.4
Risk Rating	4	4	4	4	4

The Trust currently has a sound cash position with a balance of £27.7m at 31<sup>st</sup> March 2014 and a forecast of £23.7m at 31<sup>st</sup> March 2019. The Trust is not expecting problems with its cash flow and cash holdings will be maintained and maximised going forward.

The Trust has no debt to service other than Public Dividend Capital as a result of no external borrowings or PFIs schemes in place or anticipated within the next 5 years.

The Continuity of Service Risk Ratings are on a scale of 1-4, 4 represents the highest rating and signifies sufficient financial headroom and liquidity. The Trust anticipates continuing to maintain a Continuity Risk Rating of a 4, across the full 5 year period. This also remains the case for both the downturn scenario and upturn scenario modelled assumptions in addition to the primary 5 year Strategic plan.