

THE NEWCASTLE UPON TYNE HOSPITALS NHS FOUNDATION TRUST

MEMBERS COUNCIL

BUSINESS PLAN 2008/09

1. INTRODUCTION

Governors received a report at the Members Council in November 2007 which set out the process and timescales for development of the Trust's Annual Plan. This is to be submitted to Monitor in May 2008 and will be used as part of Monitor's assessment of compliance with our Terms of Authorisation.

Since the previous report it should be noted that The NHS Operating Framework for 2008/09 (referred to under Agenda item 11, section ix) has been published. Briefly, the Framework sets out:

- The health and service priorities for the NHS
- Reform levers and enabling strategies
- The financial regime
- The business process

The Operating Framework establishes five national priorities, in addition to existing commitments, for the NHS:

- Improving cleanliness and reducing healthcare acquired infections
- Improving access through achievement of 18 weeks referral to treatment times and improving access to GP services
- Keeping adults and children well, improving their health and reducing health inequalities
- Improving patient experience, staff satisfaction and engagement
- Preparing to respond in a state of emergency such as an outbreak of pandemic flu.

This briefing sets out the current status of the planning process and proposes plans for further involvement of the Members Council in drawing together the Plan.

2. ANNUAL PLAN DEVELOPMENT PROCESS

2.1 Strategic analysis

Directors have undertaken a strategic analysis of the current drivers for change (which were consistent with the new national priorities published) and our market position from which key issues have been formulated:

- The move of "care closer to home", increased competition from local Trusts and proposed service reviews within the "NHS North of Tyne" Primary Care Organisations, are anticipated to impact on patient flow

and revenues, in parallel with the forthcoming revenue commitment of the Transforming the Newcastle Hospitals (TNH) investment programme.

- There will be a need for sustained productivity improvements and continuing cost reduction.
- However, the Trust has an outstanding reputation, excellent clinical capabilities and strong R&D ties with local Universities. With TNH there is a unique opportunity to set our services apart from others and analysis indicates there is potential to increase patient flows into the Trust.

All of the above will need major organisational focus as well as strengthening of some core support systems and processes.

These strategic issues along with a range of further Trust, national and local documents have been shared with Directorates as a corporate framework for development of their Business Plans. In particular, the aims and objectives identified by Governors at the away day held on 23rd November 2007 have been reviewed and are in large measure consistent with the national and local strategic developmental requirements.

2.2 Directorate Business Plans

Discussions have been taking place with Directorates over the last month to review previous trends in activity and to forecast the level of activity which will be required to be delivered in 2008/9. The respective Directorate Business Plans for delivering these activity levels and other performance and clinical governance targets are due to be submitted by 11th January 2008.

As part of the developing marketing strategy, Directorates are also appraising opportunities to increase flow referral to Trust services. A critical understanding of potential risks to existing services is being undertaken in parallel.

2.3 Corporate Priorities

By the end of January 2008 the Directorate Business Plans as well as other clinical and support services will be reviewed to identify priorities for implementation. These priorities will then be assessed in terms of income and cost, to be reflected within the Financial Plan. The outcome will also enable development of the Trust's workforce and capital planning processes.

It is proposed that a Sub Committee of the Members Council is convened, to meet in February to facilitate sharing outcomes and to seek Governor opinion and a steer on the priorities emerging, taking into account the issues identified at the November 2007 and January 2008 away days.

2.4 Commissioning Process

The Trust's Planning cycle is interlinked with the Commissioning process with Primary Care Organisations and development of their Local Delivery Plans. The activity forecasting referred to above has formed the basis for the Trust's initial proposal to Commissioners regarding levels of activity to be commissioned in 2008/9. Providers and Commissioners are expected to agree contracts by 28th February 2008.

2.5 Risk Analysis

A risk analysis will be undertaken to establish the key strategic risks facing the organisation in terms of governance, the Trust's mandatory services under its Terms of Authorisation and financial risks. Actions to mitigate these will be set out in the Annual Plan.

2.6 Board Declarations and Self Certification

The Annual Plan will contain a number of Statements from the Board concerning clinical quality, service performance and risk management processes, which will be self certified within the Plan. A process will be taking place with the Board by the end of April to enable such statements to be prepared.

2.7 Membership

A report on the Trust's membership and plans for further development of a representative membership will be included in the Annual Plan. This will reflect the work undertaken, such as the 50,000-person mailshot, and the efforts planned for 2008/09.

3. RECOMMENDATION

To i) consider from the Governor perspective further key issues which should be considered by Directors in the assessment of priorities and risks for 2008/09; ii) establish a Sub-Committee of the Members Council to meet in February 2008 to share views on proposed priorities and risks; and iii) to receive at the March 2008 meeting a report from the Sub Committee, along with a more detailed report on the outcome of the planning process and analysis of key risks.

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