

**Towards a new approach to the annual planning cycle
SMT presentation**

October 2012

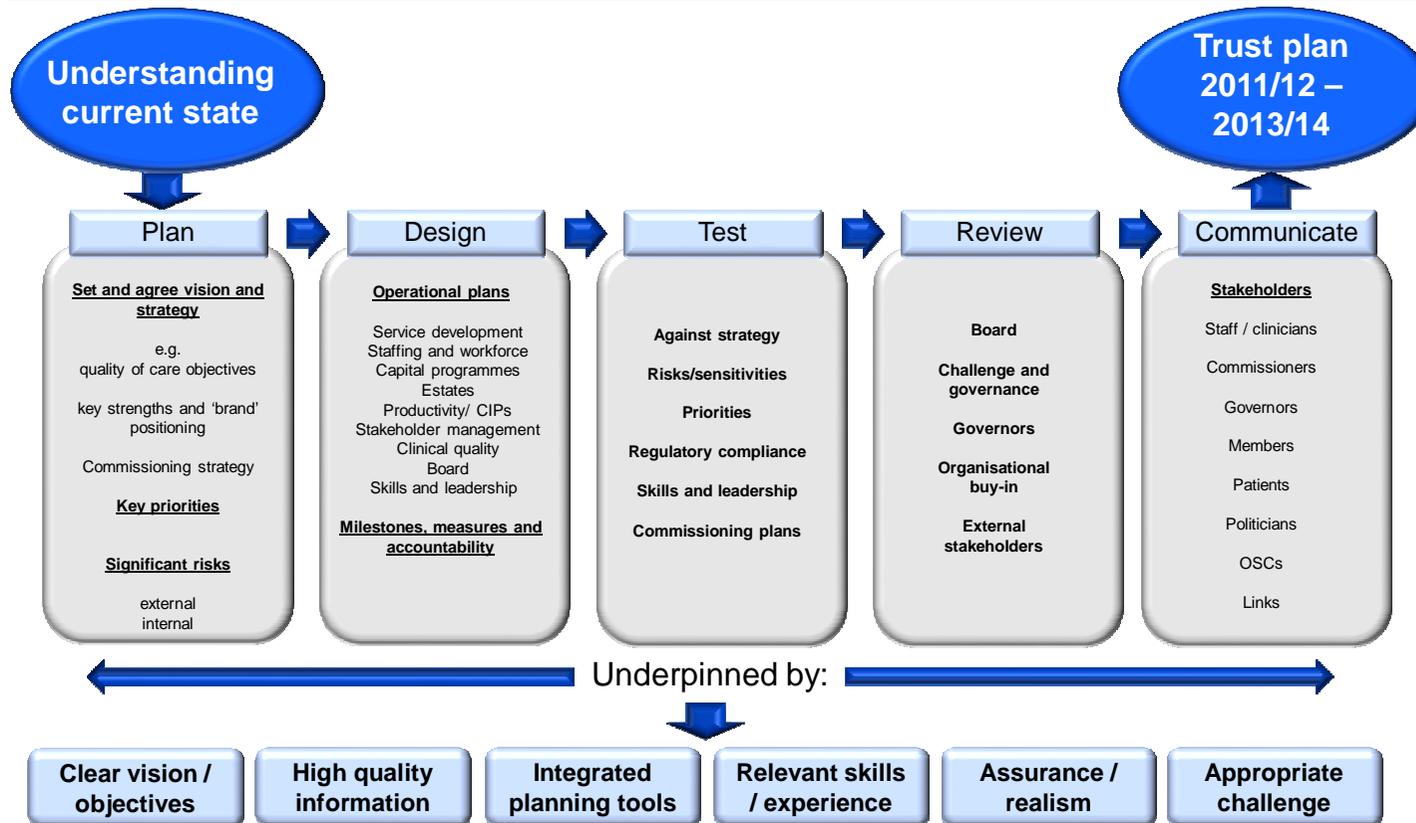
Introduction

The Director of Strategy and Business Development was tasked by EMT to set up a 'Task and Finish Group' to evaluate the Trust's annual planning cycle and recommend a new approach to creating the annual plan

The group – which comprised a multi-disciplinary team from across both CSCs and key supporting departments – met three times, as well as holding a number of informal discussions and exchanging ideas via email

This presentation summarises the group's recommendations. It is proposed that these be considered and approved in order that next year's planning process can commence

Strategic planning – key phases



Key principles agreed by the T&F group

Create 'one version of the truth'

In which activity is aligned with commissioning intentions

Covering the following

- Strategic direction
- Quality agenda
- Operational assumptions
- Financial plan
- Workforce plan
- Risk analysis
- Key business cases and service developments
- CIPs

Comprise a 'robust, multi-purpose document' suitable for scrutiny by third parties

That tells the Trust's 'story' as well as including the key facts

Not 'war and peace' – suitable for cascading to key stakeholders and CSC management

And recognising that the *process* of creating the plan is equally as important as the final output document

Specific changes proposed by T&F group

Start the process early

Using an iterative approach, e.g. version 1 by Oct, version 2 by Dec – then go into commissioning round and finalise version 3 for the end of March

Being clear about frameworks/templates, principles and assumptions and including 'locked' sections of spreadsheets so that CSC/department returns are consistent and do not require re-formatting

Simple and straightforward

Taking a more sophisticated approach to CIP than the blanket 5% if possible

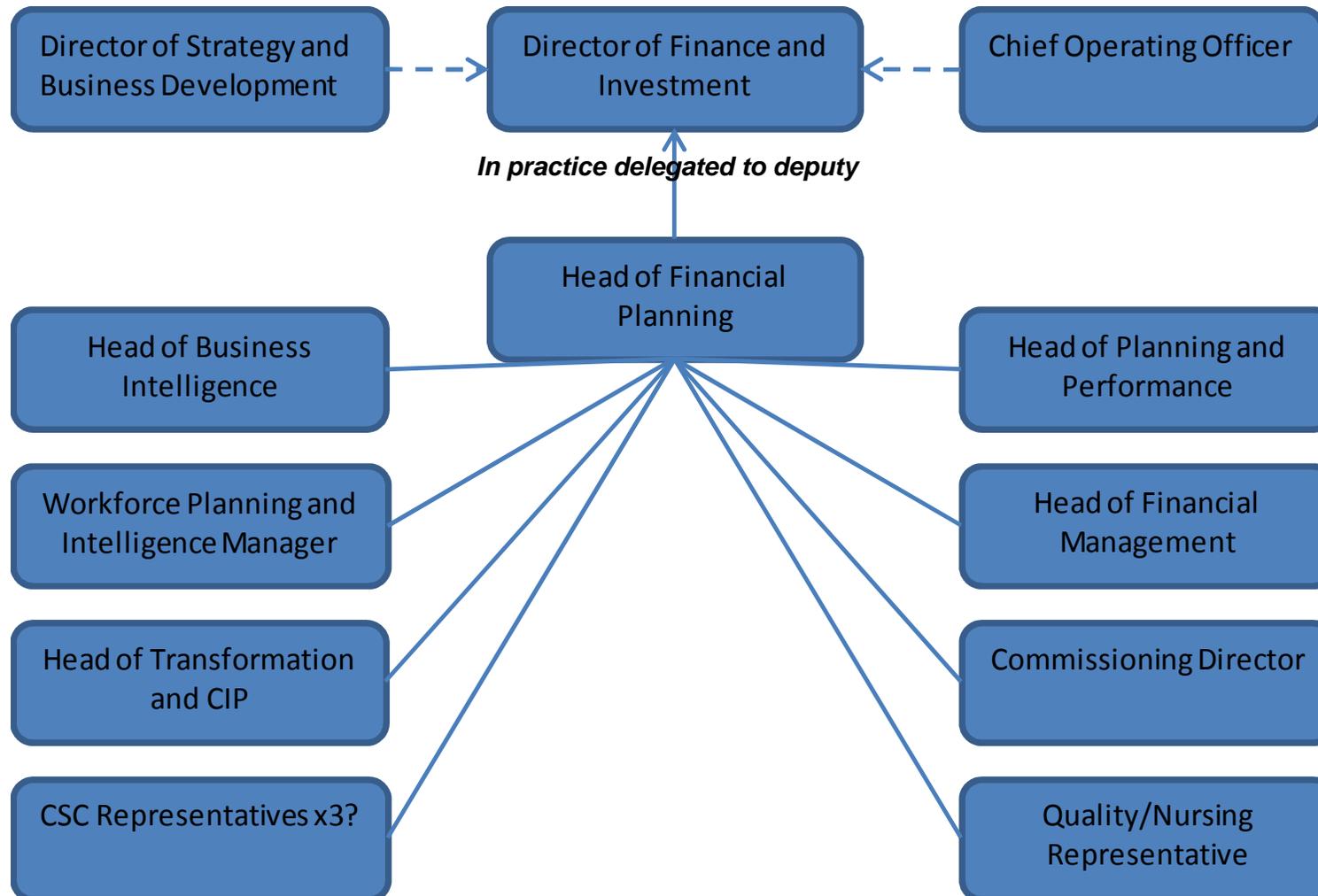
Achieving the right balance between centralised and decentralised strategy/target formulation – perhaps with initial planning assumptions given out from the centre in 'round 1' then tested by the CSCs in 'round 2'

The plan should be at *specialty* level rather than CSC level, with specialty plans then grouped by CSC

One year view apart from 3 year view for:

- Service developments
- CIPs
- CapEx

Proposed project group to meet fortnightly and shape/co-ordinate work



Outline calendar (subject to detailed confirmation by project group)

	September	October	November	December	January	February	March
Contracts/Income	Commissioning Intentions letter to PCT		Forecast activity for 13/14 (not a forecast of contract values)	Road test Grouper information		Final PbR grouper	Final contract sign-off
Finance		Assumptions on total income, surplus, expenditure and likely CIP target	Draft baseline budgets produced. Control totals produced.	Review template feedback			
Business Intelligence	Activity information				RTT modelling output		
Operational		CSCs provided with 3 years of expenditure, activity and workforce information. Review specialty packs. Model first draft capacity/activity information.	Templates for available for capital spend, CIPs, service developments, budget changes (>£5k), workforce & quality	Templates completed/returned	Provided with progressed information on Finance, Workforce and Quality		Final budgets delivered to CSCs for review
Strategy/PMO		Draft strategic commentary. Issue first draft specialty packs.	Review specialty updates. First draft CIP plans.	Review specialty updates. First draft CIP plans.	Consolidate final specialty packs. Detailed CIP plans reconciled to CSC budgets.	Consolidate final specialty packs. Detailed CIP plans reconciled to CSC budgets.	Final commentary and CIP plan
Workforce	FTE by specialty and staff group produced		Draft workforce figures for 13/14 produced	Review template feedback			Final workforce plan
Quality	Start of forecast for quality improvements	Agree priorities for consideration		Review template feedback			Final quality plan
Board/EMT/SMT	Discuss/agree Task/Finish Group recommendations	Discuss/agree key assumptions	Round 1 budget meetings	Round 1 budget meetings	Review 1st draft budget (pre-negotiation)	Round 2 budget meetings	Sign-off of final budgets. Initiate update of Assurance Framework.