The Clatterbridge Cancer Centre NHS
NHS Foundation Trust

Operational Plan Document for 2015-16

The Clatterbridge Cancer Centre NHS Foundation Trust

1.1 Operational Plan for y/e 31 March 2016

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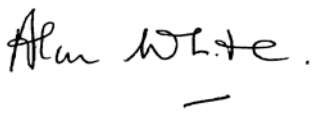

Approved on behalf of the Board of Directors by:

Name *(Chief Executive)*	Andrew Cannell

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Name *(Finance Director)*	Yvonne Bottomley

Signature

1.2 Establishing the Strategic Context

Strategy development and planning: Review of Performance (financial, operational and quality) in 2014/15

Progress of the strategic goals:

Overall the Trust has performed well during 2014/15. The key strategic aim for CCC over this year was the Transforming Cancer Care Project. The key deliverables for this year were Trust approval in principle of the OBC, approval from the joint OSC, approval of the OBC by NHSE and a positive outcome to the public consultation. All of these have been achieved. On 6th January we received confirmation from NHS England (Cheshire, Warrington and Wirral Area Team) that the formal assurance process was now complete and that CCC's expansion on to Royal's site now becomes part of normal business. They requested that NHS England be kept informed of any key developments and milestones. The Trust continues to engage with its 'Expert Reference Group' at all stages of the Transforming Cancer Care development.

The Trust continued to develop its leadership role for cancer services across the health economy. The Trust has now appointed a senior Pathways Manager who will lead the redesign of patient pathways through the development of partnerships and collaboration across the health economy. The Trust has also been an active participant in the Liverpool CCG 'Healthy Liverpool' programme. Cancer is one of the six priority programmes for the city with realigned hospital cancer services in the city being one of the 5 priority areas for cancer.

We have continued to progress our strategy for technology and are in the implementation stage of our new EPR and we are in the process of commissioning the new PET CT.

Financial Performance:

The Trust continued its strong financial performance in 2014/15 achieving a year end net surplus of £6.96m and has also delivered efficiency savings of £2.4m. The Trust's high surplus forms part of its Transforming Cancer Care project and is earmarked towards the capital build cost of a new hospital in Liverpool. The Trust continued to achieve a COSSR – Financial risk rating of 4.

Operational Performance:

Operationally the Trust has performed well against its key performance targets achieving all access and infection control targets.

Waiting Times

Mandated waiting time targets have been achieved consistently throughout the year and this performance is forecast to continue through 2015/6. Internal stretch targets for reduced waiting times are in place to ensure improved patient experience beyond the mandated standards. There has also been improvement in waiting times on the day and further improvements are planned in 2015/6.

Activity

The overall patient activity level has been less than the forecast. Detailed review of activity data has indicated that the change reflects the progression of clinical practice, rather an actual reduction in demand. The number of new referrals and appointments to the service continues to increase in line with predicted national and local trends for cancer care but the pattern of service delivery is changing. This reflects clinical improvements; in radiotherapy leading to fewer treatments required for each patient and in chemotherapy with more patients being provided with nurse led care.

The clinical trends highlighted above can be predicted to continue and this will create the need for revised activity forecasts and review of the contract currency to ensure that income accurately reflects costs of the service.

Quality:

The Trust has achieved its quality objectives as outlined in the Quality Report. To date the Trust has achieved all its CQUINS targets with the exception of a sub section of CQUIN 2.1: Safety Thermometer which had a target of no more than 14 attributable pressure ulcers grade 2 or above and for one quarter the Trust did not meet the target for 12 hour consultant review for emergency admissions. Although the Trust had implemented a comprehensive work programme to reduce attributable pressure ulcers, at year end the Trust had 17 cases.

External Environment:

In September 2014 we were advised by NHS England (Cheshire, Warrington and Wirral Area Team that it was their expectation that the move of commissioning responsibility from Specialised Commissioning to CCGs would not significantly impact the activity undertaken at Clatterbridge and, therefore, they would anticipate that they would continue to be the sole commissioner for services in the 15/16 contract year.

On the outcome of this analysis the Board has recommitted to its initial 5 year strategy. This is based on the delivery of the strategy to date and the review of strategic plans over the coming years.

Progress against delivery of the Strategy

Responding to the 5 Year Forward View and the joint planning guidance set out in The Forward View into action: partnership and planning for 2015/16.

The Trust Board together with its Senior Managers and Council of Governors Strategy Committee undertook a detailed review of The Five Year Forward View and subsequently The Forward View into action: partnership and planning for 2015/16.

The *Forward View* explained the need for combined action on three fronts to improve cancer services: (i) better prevention, (ii) swifter access to diagnosis, and (iii) better treatment, care and aftercare for all those diagnosed with cancer. These actions will be developed, with national cancer charities, in a new national cancer strategy. Once published, the Trust will work towards implementing the actions required.

The Trust has not put itself forward to be an early adopter of the new models of care. We plan to continue working closely with our partners in the health economy through programmes such as 'Healthy Liverpool' to ensure that we meet the challenges identified in the 5 Year Forward View.

The key themes that the Trust has built into its planning process are:

Cancer prevention and health promotion

- Leadership
- Our part of the pathway
- Every contact counts
- Patient centred care

Workplace health

Partnerships with the charitable and voluntary sector

Engaging communities

Support for people with dementia

A modern workforce

Exploiting the IT revolution

Health innovation and driving efficiency and productive investment

It is worth noting that in the section on new care models – viable smaller hospitals the report states that several cancer specialist providers are also considering providing services on satellite sites. CCC has been a leader in providing chemotherapy services in satellite sites across the cancer network and has done this for nearly 2 decades. We also have a satellite radiotherapy centre which opened in February 2011.

Actions to address poor performance: Action plan re: activity

There has been a shortfall against targets for activity in all main areas of patient activity for the Trust. The three year block contract protects from reductions in income. For the longer term, it is important that projections of activity for contracting and capacity planning are informed by detailed understanding of underlying trends in demand and clinical practice. This longer term implications have particular relevance for the planning assumptions within the TCC project.

The Trust has conducted a detailed analysis of the activity trends. The change in activity trend is a function of the shift in clinical delivery models, rather than a reflection of poor performance or demand. The key issue for future years therefore will be the need to identify and model these trends and reflect them in contract negotiations. The assessment of future trends has included a review of changes clinical practice within each Site Review Group (SRG).

Summary of productivity, efficiency and CIP programmes

The CIP programme has been developed following good practice guidance from Monitor and includes all areas of potential efficiency gain and income. Schemes have been worked up with the full involvement of Clinical Directors to ensure clinical accountability and the overall programme is signed off the Director of Operations for service delivery and the Director of Nursing and Quality and the Medical Director for assurance on service quality.

The programme includes a full range of approaches from small scale tactical changes through to service redesign programmes involving changes in service delivery. The latter include the introduction of new working practices on wards leading to reduced length of stay enabling the closure of one inpatient ward at weekends. This is a continuation of a long term drive to reduce reliance on inpatient care and therefore also represents an increase and quality and safety for patients through reducing time spent in hospital beds.

The capital programme.

The capital programme for 2014/15 continues to support the Trusts strategy, in particular the aim to ensure that the procurement and management of technology supports the vision of providing the best cancer care to the people we serve. This year included an estates programme which improves the quality of the radiotherapy facilities to improve privacy and dignity and supporting new ways of working through the development of an interventional day case unit. The medical equipment programme included a replacement linear accelerator and the procurement of the first PET CT scanner for the Trust. The capital programme also includes the procurement of the new EPR and a PLICS/SLR/data warehouse.

How resources have been reallocated over the period to reflect strategic priorities.

The Transforming Cancer Care Project remains the Trust's key strategic aim and all resources continue to be aligned to this aim in conjunction that the requirement for the Trust to continue to deliver outstanding cancer care and treatment within available resources.

Strategic Initiatives:

Transforming Cancer Care

The key strategic aim for CCC over the next 5 years is the Transforming Cancer Care Project. The key deliverable of the project is the building of a new cancer centre in Liverpool, however, the project also incorporates ensuring we have transitional plans in place to implement the new clinical model ahead of the new cancer centre opening where this is feasible and adds clinical benefits to patients.

During 2014/15, as part of our engagement with the clinical teams at the Royal Liverpool and Broad Green University Hospital Trust (RLUH) to develop the clinical model for Transforming Cancer Care, and part of the Healthy Liverpool Programme work streams the option for haemato-oncology to transfer from the RLUH to CCC is currently under review. This has clinical support as this is seen as providing patient benefit with haemato-oncology being part of a large comprehensive cancer centre. There is also executive level support from both Trusts. There is detailed work underway to determine the viability of this proposal in the context of the Transforming Cancer Care programme.

Goal / target	Milestone
CCC OBC approval	May 2015 (public decision by Trust Board June 2015)
Completion of detailed design	July 2015
Draft full business case to Trust Board	December 2015
Commissioner approval of FBC	January 2016
Monitor approval of FBC	April 2016
Trust Board approval of FBC	May 2016
Pre-construction mobilisation	June 2016
Construction commencement	July 2016
New hospital opens	Q3 2018
Work complete on Wirral site	Q3 2019

The Trust has in place a detailed Communication and Engagement Strategy for Transforming Cancer Care which covers the period up until 2018.

Leadership

The Transforming Cancer Care project also encompasses CCC taking a leadership role for cancer services across the health economy including the development of a cancer outcomes framework and leading the development and revision of cancer pathways of care. To deliver this CCC will develop a programme of actions to position CCC as a strategic leader for cancer across Cheshire and Merseyside and nationally. This programme will be delivered over the next 5 years.

For the Pathways project the milestones for 2015/16 are:
Q1: Scoping of programme
Q2: Identification and implementation of work streams.
Q3-4: Monitoring of work streams
The main KPI will be the achievement of the 62 day cancer waiting time target across the health economy.

Integrated care with other providers

As described earlier the Trust is an active participant in the Liverpool CCG ‘Healthy Liverpool’ programme. Cancer is one of the six priority programmes for the city with realigned hospital cancer services in the city being one of the 5 priority areas for cancer.

This programme is developing a series of emerging principles for developing cancer services in Liverpool (with particular focus on hospital services). There is a strong, shared, primary aim to improve outcomes from cancer in the population of Liverpool; and to work collaboratively, and truly integrate pathways and services, to achieve this. Excellent treatment services have a role to

play, and the cancer clinical leadership community believe that the best treatment services can be delivered by having one integrated specialist site within Liverpool, where all specialist surgery, specialist emergency care and oncology are co-located. It is recognised that this is not a feasible reality in the next 5 – 10 years, and there therefore needs to be a stepwise approach to attaining this. The involvement of CCC in this programme ensures that we are able to continue to deliver our services in a way that they are aligned to the whole patient pathway to improve patient outcomes.

CCC was one of the first Trusts to implement an Acute Oncology Service. The Trust is also providing national leadership with our Clinical Director for Chemotherapy Services chairing the Acute Oncology Clinical Reference Group which is developing the Acute Oncology National Service Specification. The Trust works closely with its local DGHs to continue to develop the service and through the Healthy Liverpool Programme which has identified that the development of this service is being taken forward and link the cancer teams and imaging services across the city, and will provide a consistent point of entry to specialist cancer services for all patients in the city who present with unknown primary, as an emergency or who have an acute problem. Primary care will be able to access advice 7 days per week, and there will be access to patients' records and clinical information.

The Trust will work closely with our health economy partners to ensure compliance with the national Acute Oncology Service Specification once published which will include the required goals and KPIs.

1. Technology

The strategic aim is to ensure that the procurement and management of technology support the vision of providing the best cancer care. There are three supporting strands to this strategy: Procurement, Maintenance and Innovation.

Goal / target	Milestone
Linear accelerators	2015/16: 2 replacement machines 2018/19: 2 replacement machines
MRI	2015/16: 1 replacement machine
PET CT	Operational service for new PET CT commences 2015/16 providing a diagnostic and a radiotherapy planning service.
EPR (see below)	The EPR implementation plan is scheduled to be implemented in February 2016

Electronic Patient Record

Currently health records exist in both paper and electronic form with elements of both systems being used to record and action events related to the delivery of care. Patient administration, scheduling, nursing assessments and basic functionality are provided by the current EPR platform. However, it does not offer support for complex chemotherapy prescribing and currently its clinical decision support engine and clinical noting functionality have not been utilised. Other functionality is provided via 3rd party applications but these are not seamlessly integrated as part of the core EPR system.

Plans for 2018:

- A single platform will replace most of the current core EPR systems that can be logged in to securely regardless of which site the clinician is working from
- A clinician's desktop will, at a glance, give an overview of all key clinical tasks that require attention or action
- Navigation through a health record will have as few steps as necessary to find relevant clinical information and data entry will be easier
- The system will contain all core patient administration, scheduling, diagnostics, assessment, care and treatment planning, prescribing and drug administration functionality.

2. Research

CCC recognises the importance of and remains committed to securing an international reputation for excellence in cancer research. At the heart of this commitment is improving outcomes for patients. Over the lifetime of this strategic plan we will implement the key goals of our research strategy. These are:

Goal 1: We will continue to support the development of academic oncology
Goal 2: We will increase clinical trial participation
Goal 3: We will continue to develop robust research governance arrangements
Goal 4: We will build research capability/capacity

In conjunction with the University of Liverpool and the Merseyside Lung Cancer Alliance, we have declared an intention to create a word-class Lung Cancer Research programme. To support this commitment, in 2015 we have appointed the inaugural Chair of Thoracic Oncology, which is co-funded by CCC and the Liverpool Heart and Chest Hospital.
In addition, we are developing a portfolio of CCC-led studies in both medical and radiation oncology, and are in the process of establishing the CCC Biobank which will store blood, plasma, cellular material and urine. The Biobank will facilitate research into the molecular mechanisms of cancer / biomarker discovery for early detection of cancer and will be accessible to local and national collaborators.

Goal / target	Milestone
50% increase in number of research grants by 2017	By 2017
50% increase in number of peer-reviewed publications by 2017	By 2017
We will establish a CCC / University of Liverpool Academic Board to oversee the strategic development of Goal 1.	By 2017

Quality priorities

National and local commissioning priorities

The Trust has opted for the 'Default Tariff Rollover. This means that the CQUIN is foregone for 2015/16.

In September 2014 we were advised by NHS England (Cheshire, Warrington and Wirral Area Team that it was their expectation that the move of commissioning responsibility from Specialised Commissioning to CCGs would not significantly impact the activity undertaken at Clatterbridge and, therefore, they would anticipate that they would continue to be the sole commissioner for services in the 15/16 contract year.

Quality goals as defines by its strategy and quality account

Over the coming years the Trust will continue to keep a strong focus on continuing to improve the quality of the service it provides. This is primarily achieved through the delivery of the Quality and Quality Governance Strategy. This strategy will be refreshed in 2015. The Trust will review and update the strategy in 2015 with a clear focus on defining the quality objectives that take us towards Transforming Cancer Care.

The strategy aims to improve:

- Patient Experience: *Striving for excellent patient satisfaction*
- Patient Safety: *Always safe, always effective*
- Outcomes / Effectiveness: *Efficient, effective, personalised care*

The key quality goals for 2015 are:

Patient Experience: Reduction of waiting times in departments
A key quality measure that the Trust aims to improve is waiting times in departments including waiting for chemotherapy and radiotherapy treatments. Whilst the Trust has made some progress the Trust is committed to ensuring improvements in the patient experience under our care. We will continue to monitor progress against defined targets.

Patient Safety: Sign up to Safety
The Trust has joined the national 'Sign up to Safety' campaign. Out key improvement domains are:

- Reducing the frequency of the 4 avoidable harms as identified by the NHS Safety Thermometer with a focus on pressure ulcers
- Improved medicines safety
- Improve the prevention, recognition and management of the deteriorating patients
- Development and implementation of a radiotherapy Safety Thermometer

The Trust as also reviewed the recommendations in the report on Morecambe Bay and the 'Lessons Learnt' report relating to Jimmy Savile and will include the relevant recommendations into its revised Quality Strategy.

Outcomes / Effectiveness: implementing CQUINS

Although the Trust will not receive CQUIN payment from its commissioners due to the tariff option it has chosen the Trust will aim to, as part of its Quality Strategy, implement the relevant national CQUINS to continue to improve outcomes. These include:

- Dementia and delirium care
- Acute kidney injury
- Identification and early treatment of sepsis

Outline of existing quality concerns

There have been no quality concerns identified, including from the CQC. Our current CQC Intelligent Monitoring Report (December 14) has a priority banding for inspection of 6 (the best) and 0 risks.

Key quality risks inherent in the plan and how these will be managed

CCC has a quality impact assessment (QIA) process approved by the Trust Board.
This includes the processes for assessing and monitoring any risks to quality from the CIP programme.

Operational requirements

Assessment of operational requirements is based on robust activity and capacity modelling, building on lessons from this year, in particular the work on activity referred to earlier.

Assessment of the inputs needs (physical capacity, workforce, workforce development, IT and beds, based on the FTs understanding of expected activity levels.

In the current climate of reducing funding and the need to maximise quality and safety of services, all NHS organisations must continually look for ways to improve the quality and cost effectiveness of their services. Consequently CCC is currently engaged in a programme of significant and long term change in order to continue to improve its performance. The Transforming Cancer Care project is therefore a part, albeit a major one, of a larger programme of transformation which is taking place within the Trust. As well as a new cancer centre, The Transforming Cancer Care project encompasses CCC taking a leadership role for cancer services across the health economy including the development of a cancer outcomes framework and leading the development and revision of cancer pathways of care.

The Trust has experienced continuing growth in demand for its services over a number of years and this is expected to continue for the foreseeable future as the incidence of cancer rises with the ageing population, as earlier detection rates increase opportunities for more treatments and technological advances continue (particularly with new drug therapies).

The key planning assumptions have been developed by the Transforming Cancer Care project team in conjunction with clinical teams and the Trust board.

The Trust has got a 3 Year Block contract (2014/15 – 2016/17) with agreed activity growth over that time period as part of the Transforming Cancer Care Project. Activity forecasts derived from the capacity modeling undertaken as part of the project broadly align with the growth assumptions shown below. From 2017/18 onwards it has been assumed that the activity will revert to more historic growth levels.

Contract activity growth	2014/15	2015/16 & 2016/17	2017/18 onwards
Radiotherapy	3.8%	3.8%	1.9%
Chemotherapy	10%	8%	5%
Other services	2%	2%	1%

Radiation Services

As well as changes in demographics and its impact on activity forecasts, external beam radiotherapy treatments continue to change in light of new research.

We exceed the national target for the provision of IMRT and we have responded to the national radiotherapy QIPP programmes which implement hypofractionation. We are alert to the research trials which may impact further on changes to radiotherapy provision.

Radiotherapy planning techniques continue to evolve with an increased use of MRI and PET CT planning predicted. In light of these changes we continue to plan for a reduction in fractionation but an increase in complexity of treatment.

To ensure that we have sufficient operational capacity and capability during 2015/16 we will be investing in two replacement linear accelerators, and a replacement MRI scanner.

Chemotherapy Services

As well as changes in demographics and its impact on activity forecasts, early diagnosis due to national initiatives (NAEDI) through improved access to diagnostics, increased screening (lung) and the increasing role for adjuvant, preventative therapies impact on predicted demand. In addition the development of personalised medicine, increase in oral and sub cutaneous and maintenance therapies drive new delivery methods. There are also the impact of the continued availability of the Cancer Drugs Fund, increased lines of therapy and the relationship with end of life care.

Overall this leads to increased activity, a higher proportion of palliative treatments, increased supportive therapies and increased complexity.

We operate in an ever changing landscape and environment requiring flexibility of delivery (central, local, community and home).
To ensure adequate operational capacity and a positive patient experience we will continue our re-design of the patient pathway over this planning period. This will involve separating chemotherapy delivery from medical decision making, supportive care and treatment of complications. Further inpatient chemotherapy will be transferred to day case and the day case unit will implement extended hours (evenings, Saturdays).

With the advent of new therapies available to be given subcutaneously (e.g. transuzemab) we now have a clear implementation programme to provide chemotherapy at home for specific patient groups.

Having the right skills and competencies within the workforce is crucial to ensure capacity and safe care. We will evolve a nurse led model along tumour group pathways and develop new roles and responsibilities to ensure the right skill mix.

Integrated Care

The changes in availability and delivery of radiotherapy and chemotherapy change the inpatient requirements for the Trust. Whilst the majority of treatments are delivered as a day case patients require admission primarily due to the complexity of their treatment or due to increase co-morbidity resulting in more acutely ill patients. During 2015/16 work will continue to build on the

success of reducing length of stay and to avoid unnecessary admissions. Over the last 3 years all wards have been upgraded and new operating models of care introduced therefore the current bed capacity will be adequate for the predicted levels of activity.

6 monthly nursing workforce reviews using the AUKUH Acuity/Dependency Tool will continue to ensure that the workforce capacity and capability is correct.

As part of our Transforming Cancer Care programme we have identified that separation of chemotherapy and non-chemotherapy activity is required to ensure the most effective service model and improved patient experience. Following capital investment in 2013/14 we plan to open our planned non-chemotherapy day case unit in April 2015.

An analysis of the key risks

The Trust has identified three key risks that relate to operational requirements and capacity over the next two years. All areas of delivery are risk assessed and any identified risks are included within the Trusts Assurance Framework and Trust wide Risk Register.

Risks and mitigations:

1. Ensuring we have the right skills, competencies and capacity within the workforce. The Trust has robust workforce plans in place. The Trust also is the main provider of specialist education for key healthcare professional groups such as chemotherapy nurses and is able to flex the training and competency development to meet changing service needs. A particular challenge is the potential risk to the Trust of large numbers of staff being recruited to the high energy proton services due to open in 2018 in Manchester and London. The services will require in the region of 80 therapeutic radiographers in order to operate the planned service. Recruitment will be taking place largely in 2016/17 and 2017/18 and will be beginning with the most experienced staff. There will also be some recruitment of physicist and engineers plus some medical staff. It is felt that the medical staff issue is less likely to impact on CCC acutely however there is the potential for this recruitment of therapeutic radiographers to create some difficulty for CCC Radiotherapy delivery. The risks mainly relate to the skills gap than the overall numbers as additional places have been commissioned to train radiographers. The Trust has undergone a detailed risk assessment to ensure that the potential risk is mitigated.

2. Forecast and mitigate the volatility of the changes in treatments for cancer affecting demand. The Trust is well represented on the relevant national Clinical Reference Groups (NHS England) and is well positioned to respond to changes in treatments. The Trust infrastructure and distributed service model enables the Trust to respond quickly to changes in demand.

3. The potential impact of reduction in healthcare funding. The Trust has agreed a three year block contract. The Trust has also increased income from its joint venture and its subsidiary company.

All areas of delivery are risk assessed and any identified risks are included within the Trusts Assurance Framework and Trust wide Risk Register.

Financial forecasts

Financial Projections: Financial Outlook for the NHS and the Trust.

At a national level public sector finances and the wider economy continue to be under significant pressure. Going forward it is predicted that funding and demand pressures will create a sizeable funding gap for the NHS, estimated to be £30bn by 2021. The 5 Year Forward View produced by NHS England highlights this gap and makes recommendations on how it could be addressed with additional investment from government. Clearly this will be a key election issue.

The Trust is committed to providing the best cancer care to the people it serves, delivering excellence in cancer treatments and patient care. The Trust is at a pivotal stage in its development in that as well as addressing the continuing financial challenges and uncertainties facing the NHS as a whole, it has the additional and very significant challenge / opportunity presented by the proposed investment and development of a new £118m Clatterbridge Cancer Centre in Liverpool in 2018/19 which is at Outline Business Case stage.

Indicative Financial Position for 2015/16

In setting the financial plan the Trust is mindful of the need to ensure it remains an outstanding Cancer Centre and ensure its financial sustainability whilst embracing the challenges and opportunities it faces. As part of its Outline Business Case for Transforming Cancer Care the Trust has produced a 10 year Financial Model to provide a detailed oversight of its forecasted long term financial position including sensitivity analysis. The 2015/16 Financial Plan is underpinned by this longer 10 year plan.

The Trust's financial strategy and 10 Year financial model is based on the following two overarching financial parameters:

(1) Maintaining a Continuity of Service rating of a minimum of 4
(2) Achieving an underlying annual surplus of a minimum of £1m

In 2014/15 the Trust signed a 3 year block agreement with commissioners covering 2014/15 to 2016/17.Following the significant objections received to the National Tariff proposals and Voluntary Tariff Offer, the Trust has selected to go with the Default Rollover Option for 2015/16 as this option underpins the current the 3 year Block Contract the Trust has with commissioners and future investment plans. The Trust's contract with commissioners has been agreedsubject to final signature.

Operational Plan Assumptions for 2015/16

The selection by the Trust of the Default Rollover Tariff Option is underpinned by the following assumptions for financial planning purposes:-

1.Remain on 2014/15 prices
2. No Tariff Deflator applied
3. Marginal tariff not applied

4. No CQUINs payments

3. CIP Programme has been increased from £2.3m to £3m (5%) to offset loss of CQUIN income.

The table below provides a summary of the forecast I&E position, anticipated Monitor financial risk rating for the Continuity of Services (CoSRR), and cash balances for 2014/15 and 2015/16

I&E Summary	Actual Outturn 2014/15	2015/16
	£m	£m
EBITDA	**10.64**	**10.51**
Net Surplus	**6.96**	**6.74**
Continuity of Service:	**Rating**	**Rating**
Overall CoSRR	**4.0**	**4.0**
Forecast Cash held	**£m**	**£m**
As at 31st March	**80.5**	**71.8**

Cost Improvement Programme (CIP) and Pay and price inflation

As in previous years, the financial planning assumptions remain that CIP funds pay and price inflation and the impact of the tariff deflator. Due to the impact of the loss of CQUIN the Trust has increased its CIP requirement from £2.3m to £3m – 5% target with an fully identified programme in place (to be finalised)

Capital Plans

The Trust plans to make significant capital investment of £135.8m over the short to medium term of the 5 year plan, the most significant of which is the £117.8m for Transforming Cancer Care. Of this total plan, the Trust's Capital Programme for 2015/16 is forecast to be £13.9m

Risks

As highlighted in the sections above, the Trust is facing a number of financial risks in 2015/16, particularly in relation to ongoing contract negotiations. The current key risks for 2015/16 and potential mitigating factors are summarised in the table below

Risk	Mitigating Factors
Clinical Income - change in tariff in year if Default Tariff Rollover is replaced by a new 2015/16 tariff.	• Contingency and activity reserves available in year. • If applied, it is anticipated it would be towards the end of the year, and Monitor have clarified that it could not be applied retrospectively. • If reduction in income, Trust would look to reduce the level of its surplus and the funds earmarked for its major investment
Clinical income -main contract is less than planned (eg due to reduction in activity and therefore clinical income	• 3 year Block contract agreed in 2014/15 – 2016/17 • Area Team supports the Trust financial plans and continuing to contract on planned rather than an actual activity • The current 10 year financial model recognises contract risk of circa £2.2m as the end of the current 3 year contract in 2017/18 .
Clinical income - loss of income if patients repatriated to North Wales	• Working with Welsh commissioners to manage the transition • Indication that Welsh health services want to work more closely with English providers. • Reduction of £0.3m factored into plans. • Anticipated growth in demand for capacity from English patient care activity.
Increase in expenditure due to recharges from host hospitals	• Strengthened team involved in SLA negotiations with host hospitals. • Non- pay inflation reserve (£0.4m)
Risk to financial position from non-delivery of CIP	• Majority of proposed 2015/16 CIP schemes identified • Strong engagement in CIP delivery through new management structure.
Other Financial risks	• Proposed maintenance of contingency / business development reserves (£0.6m).

The Trust's financial plan underpins the Trust's priorities, operating requirements and the productivity and efficiency initiatives and is aligned with Commissioners intentions for Cancer services based on current discussions based on a local agreement.

Board declarations for sustainability and resilience

Sustainability:

The Clatterbridge Cancer Centre NHS Foundation Trust's strategic plans will ensure the sustainability of the Foundation Trust over the coming year on a clinical, operational and financial basis.

The Trust's approach to demonstrating overall sustainability over the coming year is to prioritise the respective components - clinical, operational and financial sustainability in order of importance. Delivering high quality and safe clinical care is at the heart of everything we do for our patients. Ensuring that we have adequate financial resources to deliver this level of clinical care and can deliver these standards operationally is core to our approach.

The Trust's declaration of continued sustainability is underpinned by:-

(a) The agreement of a 3 year Block Contract with the Trust's main commissioner for the period 2014/15-2016/17.

(b) Extensive 10 year Financial Modelling undertaken as part of the Outline Business Case and the development of the Full Business Case for Transforming Cancer Care.

(c) Our Transforming Cancer Care project. A proposed investment and development of £118m of new cancer services including £109.7m for a Clatterbridge Cancer Centre in Liverpool in 2018/19 and £8.3m for redevelopment of our Bebington site. This will enable us to significantly transform cancer services for our patients and this journey of transformation has already begun. In setting the financial plan the Trust is mindful of the need to ensure it remains an outstanding Cancer Centre and ensures its financial sustainability whilst embracing the challenges and opportunities it faces. The Trust is currently finalising its Outline Business Case for the new Cancer Centre which will be complete and considered by the Trust Board in spring 2015.

(d) Our assessment of sustainability on current regulatory standards (e.g., Monitor risk assessment framework criteria) and the new CQC Fundamental Standards

(e) The Trust has clear plans in place to ensure it is able to progress against its strategic plans over the next two year.

Based on the above and information known to the Trust as this point in time including known risks and mitigations and ensuring sufficient financial headroom. The Trust is able to confirm that over the coming year period it will be clinically, financially and operationally sustainable.

Resilience:
Based on its analysis the Trust is able to make a judgement on quality, operational and financial resilience, as asserted in the COS condition 7: availability of resources and interim / planned term support requirement declaration, "After making enquiries the Directors of the Licensee have a reasonable expectation that the Licensee will have the Required Resources available to it after taking account distributions which might reasonably be expected to be declared or paid for the period of the next two years".