The Royal Wolverhampton Hospitals NHS Trust	

Trust Board Report

Meeting Date:	17th January 2011
Title:	Theatre Expansion
Executive Summary:	Business Case for the Provision of Additional Operating Theatre Capacity at the Royal Wolverhampton Hospitals NHS Trust
Action Requested:	Information / Approval
Report of:	Chief Operating Officer
Author: **Contact Details:**	Vivien Hall Tel 01902 695958 Email Vivien.Hall1@nhs.net
Resource Implications:	**Individual Business Cases have previously been presented for the following two investment proposals and approved in principle:** 1. **Trust Board 14th June 2010** Modular build of twin theatres and recovery room adjacent to existing main theatres • Capital costs - £3,245,151 • Revenue costs (including capital charges) £365,712 per annum 2. **Trust Management Team 5th November 2010** • Nurse staffing levels required for modular twin theatres and five bedded recovery room based on delivery of 2010/11 activity plan. Recruitment underway • Rationale and costing for the implementation of a new role of Assistant Theatre Practitioner. Recruitment underway • Nurse staffing levels to staff twin theatres to full capacity (20 sessions per week). Await further business case justification
Public or Private: **(with reasons if private)**	Public Session
References: **(eg from/to other committees)**	Divisional Management Team

Appendices/ **References/** **Background Reading**	Attachment 1 – Full Business Case and appendices including financial schedules
NHS Constitution: **(How it impacts on any decision-making)**	In determining this matter, the Board should have regard to the Core principles contained in the Constitution of: - Equality of treatment and access to services - High standards of excellence and professionalism - Service user preferences - Cross community working - Best Value - Accountability through local influence and scrutiny

Background Details	
1	See Attachment – Combined Business Case for the Provision of additional Operating Theatre Capacity at the Royal Wolverhampton Hospitals NHS Trust and associated workforce requirements including the introduction of a new role of an Assistant Theatre Practitioner.

Attachment 1

Full Business Case Proposal

TITLE OF PROPOSAL

Provision of additional operating theatre capacity and associated theatre workforce at The Royal Wolverhampton Hospitals NHS Trust including the introduction of a new role of Assistant Theatre Practitioner

EXECUTIVE SUMMARY

Following a period of sustained growth in the elective and emergency surgery caseload at The Royal Wolverhampton Hospitals NHS Trust (RWHT), operating theatre capacity within the Critical Care Services Directorate has become increasingly challenged and flexibility to respond the changes in demand beyond planned activity severely constrained.

Outturn activity for 2009/10 was 33,953 elective and emergency surgery spells and this was delivered by theatre list overruns, the provision of additional theatre lists and the outsourcing of work within a small number of specialties.

The Trust's Long Term Financial Model (LTFM) clearly articulates the expected increase in commissioned elective activity, year on year, over the next six years. Modelled into this activity is the impact of a service development for Cancer Services in Head and Neck and Gynaecology both of which consume a major share of theatre capacity. It is anticipated that these developments will be implemented in 2011 (source Integrated Business Plan).

Significant progress has been made during 2009/10 to improve the efficiency of theatre utilisation and this has enabled the repatriation of six operating lists from Cannock Hospital back to RWHT for Orthopaedic surgery alone. This work has required theatre lists to be rescheduled and the adjustment of Consultant job plans for several surgical specialities. The continued implementation of the Productive Theatre Programme will build on the efficiencies secured to date and will leverage further gains in productivity and improvements in the patients' experience over the coming months.

Following presentation of a robust options appraisal at the Trust Board in June 2010 the Trust took the decision to progress the purchase of two modular theatres with adjoining recovery capacity. This capital project is now underway and on schedule to be commissioned and to be fully operational on the 4th May 2011.

As outlined in paragraph two above, delivery, to date, of this activity has been through recourse to overtime which has had a deleterious impact on both the work life balance of staff and also the Directorate's ability to operate within budget. The opening of the twin modular theatres and recovery area in May 2011 will provide this capacity during the standard working day remove these challenges, however, a commensurate increase in the theatre workforce (nurse and Consultant Anaesthetist) is required to support this.

Both nationally and locally, recruitment to Band 5 theatre nurse vacancies has become increasingly challenged over the last two years and the business case to TMT in November 2010 articulated the case for workforce redesign and the introduction of the role of an Assistant Theatre Practitioner as an integral part of the investment required to support the twin modular theatres and address the lack of trained theatre staff (which is a national issue).

The case presented in November identified the trained nurse and Consultant Anaesthetist resource required to support :

- the initial demand based on the RWHT 2010/11 activity plan (12.5 sessions)
- the costs and rationale for the implementation of a new role of an Assistant Theatre Practitioner
- the additional staff required to operate a further 6 sessions which will support agreed service developments)

The November 2010 TMT gave delegated authority to the Chief Operating Officer and Director of Finance and Information to move forward with the staffing investment decision and recruitment is underway to support the provision of the 2009/10 activity levels (12.5 out of 20 sessions in twin theatres) as of 4th May 2011. Recruitment has also commenced to support the development and implementation of the Assistant Theatre Practitioner role.

This business case now articulates the revenue costs of the investment detailed above.

PROJECT LEAD (ACCOUNTABLE OFFICER)

Marion Washer: Directorate Manager Critical Care Services
Beverley Morgan, Matron Critical Care Services Directorate

1. BACKGROUND INFORMATION

Theatre Stock

The Royal Wolverhampton Hospitals NHS Trust (RWHT) currently has twenty one operating theatres that support surgical activity for the following specialties:-

Location	No. of theatres	Service Specialties
Nucleus	8	Orthopaedics (Elective) Orthopaedic Trauma ENT Maxillo Facial Colorectal Upper GI Urology, General Surgery, Emergency Vascular
Beynon Beynon	3 2	Day Surgery /23 hour stay for all specialties (excluding Cardiothoracic) Gynae
Wolverhampton Eye Infirmary	2	Ophthalmic Surgery
Heart and Lung Centre	4	Cardiothoracic (Theatres 1-3) Vascular (Theatre 4)
Maternity	2	Obstetrics/second theatre suitable for emergencies at time of pressure only

Ideally, each theatre should be specifically equipped to accommodate the surgical specialty conducting work within it; however, significant service expansion has necessitated several surgical specialties being accommodated in each theatre which has resulted in the mobilisation of equipment and theatre teams across the site with the inevitable inefficiencies such arrangements bring.

1.1 **Nucleus theatres** conduct elective sessions between 09.00hrs and 17.30hrs. There is a long established culture of session overruns of which the vast majority are unplanned and which are dependent upon the goodwill of the theatre team to work until the operating session is completed. See Appendix 1

There is a designated 24 hour emergency theatre facility (Theatre 4) and a trauma service (Theatre 6) that is operational from 13.30 – 21.00hrs Monday to Friday and 09.00 – 18.00hrs Saturday and Sunday.

1.2 **Beynon Day Case Theatres** conduct elective sessions for all specialties, excluding Cardiothoracic. The sessions run from 09.00 – 17.30hrs, Monday to Friday. As with Nucleus theatres there is a long established culture of session overruns.

There is a designated emergency theatre for Gynaecology surgery that runs from 14.00 – 17.30hrs Monday to Friday.

1.3 **Wolverhampton Eye Infirmary** conducts elective sessions for Ophthalmic surgery between 09.00 – 17.30hrs Monday to Friday with the exception of Paediatric elective surgery which is conducted in the Beynon Day Case Theatres. Emergencies are accommodated into the sessions when required during day time hours. Out of hours emergencies are accommodated within Nucleus theatres.

1.4 **Cardiothoracic Theatres** (1, 2, 3 and 4) are run on three session days due to the duration of the majority of cases undertaken within them. The sessions run from 08.00 – 18.00hrs. Emergencies are accommodated within the available elective sessions and there is an on call team to accommodate out of hours emergencies.

Vascular Surgery is done in the Cardiothoracic Theatre (Theatre 4).

1.5 **Maternity Theatres** conduct elective obstetric sessions from 09.00hrs - 13.00hrs Monday to Friday. Emergencies are usually accommodated in the afternoon and evenings and there is the facility of a second theatre although this is of insufficient size and too remote from the main bed stock to be considered as permanent theatre capacity to support other surgical specialties.

1.6 Current Unscheduled Theatre Availability

At present, there are no unscheduled sessions available in Nucleus and Beynon theatres.

1.7. Theatre Performance 2009/10

The operating theatres have a theatre management system 'Galaxy' which records activity for all theatres at RWHT and produces monthly performance reports.

Theatre performance reports for year 2009/10 demonstrate an average theatre performance, above the 90% target as demonstrated in Table 1. Figures for October 2010/11 year to date are included in brackets.

Table 1

Session Utilisation	In session utilisation without overruns	In session utilisation with overruns	Average cases per session
90.7% (89.4%)	**85.5% (86.3%)**	**99.9% (101.5%)**	**3(2.94)**

All inactive (i.e. cancelled lists for annual leave etc) funded elective sessions are offered out for re-instatement to all specialties. Performance figures for 2009/10 demonstrate that circa 50% of such sessions are successfully reassigned leaving a mean of six sessions per week unused. These sessions are usually randomly distributed across all theatres throughout the week. They could not be consolidated and introduced into future job plans.

In 2009/10 the Trust made a formal assessment of the potential for efficiencies to be realised across all theatres. Theatre utilisation in Nucleus Theatres was shown to be close to optimal, however, considerable potential was identified in Beynon Theatres which, along with the introduction of a Treatment Room in Appleby Suite for minor local anaesthetic procedures, was progressed to facilitate the repatriation of six orthopaedic sessions from Cannock hospital.

This work, linked to the recently commenced Productive Operating Theatre project, will raise efficiency standards further and improve upon the process in place for identifying and recycling theatre sessions.

There is flexibility within some Consultants' job plans to conduct more theatre sessions when required, but the lack of theatre capacity has prevented this from happening. This has resulted in out of hours sessions being conducted during evenings and weekends at premium rates of pay for Consultants and theatre teams.

1.8. RWHT Contract Model 2010/11

The final plan for the activity level in year 2010/11 for elective and emergency surgery shows an increase for most specialties compared with the 2009/10 outturn, demonstrated in table 2.

Total Outturn Spells
Activity plan 2010 /11

DIVISION 1	**2009-10 OUTTURN**	**2010-11 FINAL PLAN**	**Increase (deficit)**
UROLOGY			
Elective Inpatient	1034	**1279**	
Day Case	2925	**3192**	
Non Elective	803	**841**	
Total Spells	**4,762**	**5312**	**550**
OPHTHAL'Y			
Elective Inpatient	262	**316**	
Day Case	3798	**3842**	
Non Elective	228	**285**	
Total Spells	**4,288**	**4443**	**155**
PLASTICS			
Elective Inpatient	7	**7**	
Day Case	406	**424**	
Non Elective		**0**	
Total Spells	**413**	**431**	**18**

	2009-10 OUTTURN	**2010-11 FINAL PLAN**	**Increase (deficit)**
ENT			
Elective Inpatient	836	**921**	
Day Case	704	**754**	
Non Elective	379	**387**	
Total Spells	**1,919**	**2062**	**143**
MAXILLO FACIAL			
Elective Inpatient	243	**298**	
Day Case	1365	**1462**	
Non Elective	197	**258**	
Total Spells	**1,805**	**2018**	**213**
CARDIOTHORACICS			
Elective Inpatient	933	**1073**	
Day Case	21	**24**	
Non Elective	489	**509**	
Total Spells	**1,443**	**1606**	**163**

GENERAL SURGERY			
Elective Inpatient	1870	**2122**	
Day Case	2823	**3472**	
Non Elective	3655	**3824**	
Total Spells	**8,348**	**9418**	**1070**

DIVISION 2

TRAUMA & ORTHOPAEDICS			
Elective Inpatient	1763	**1808**	
Day Case	3182	**3000**	
Non Elective	1522	**1581**	
Total Spells	**6,467**	**6389**	**(78)**

GYNAE			
Elective Inpatient	1,380	**1325**	
Day Case	1,603	**1740**	
Non Elective	1525	**1580**	
Total Spells	**4,508**	**4645**	**137**

Table 2 – Extracts taken from Contract Model 2010/11

1.9 Workforce

The operating theatres have experienced session overruns for many years and this position has become increasingly prevalent with service expansion and challenging access targets. This is clearly now having a detrimental effect upon the work life balance of staff as articulated in the Human Resources 'Chat Back Survey'. This survey identified that staff wished to enhance their work life balance by reducing the amount of unplanned overtime that they are expected to deliver. Work life balance was also a key theme in the Directorate Health & Safety Stress Awareness Survey conducted in 2009.

The overtime costs incurred for theatre nursing staff at year end 2009/10 was £200,000, 60% of which was attributed to the unplanned overruns. There is also a significant element of unclaimed overtime which is estimated to be an additional £100k.

2010/11 the forecast expenditure for theatre nursing overtime is £244k.

Given the ongoing challenge in recruiting and retaining Band 5 theatre staff, there is a national drive to develop a Band ¾ Assistant Theatre Practitioner role. A number of Trusts including Plymouth, Addenbrookes and the Royal Liverpool have already adopted and continue to develop and expand this role.

2. DRIVERS FOR CHANGE

2.1 Activity

The growth in elective activity is primarily in surgical specialities and has been modelled into the LTFM. The key assumptions around this growth are the WCPCT plan to increase the numbers of GPs in the local health economy which will improve access for patients to outpatients and elective surgery.

The Greater Midlands Cancer Network has given a commitment to transfer current activity from Shrewsbury and Telford to Wolverhampton for Head and Neck and Gynaecology Cancer. There is also an agreed expectation of a rise in activity due to the identified demographic changes within the Wolverhampton population (more elderly population).

In addition the Trust is experiencing increased tertiary referral rates for Urology Cancer from Dudley and Staffordshire.

2.2 Capital Programme

Given the current age of the theatre stock and the likely timing of the planned emergency centre (post 2015/16), the investment in additional theatre capacity now will not only facilitate the more efficient delivery of activity but will also provide decant theatre capacity that will be essential to allow refurbishment of the existing theatre stock and to ensure that these environments continue to support and build on the Trust's achievements in the control of infection.

2.3 Planned Preventative Maintenance Programme

The absence of available capacity and increasing high service activity levels within the existing theatre stock prevents the implementation of a planned preventative maintenance programme. This is essential to ensure quality and safety standards are met for patients and staff.

In addition, there is no flexibility to avert potential loss of service delivery during times of systems /environmental failure.

2.4 Strategic Direction

There is likely to be a degree of reconfiguration of services moving forward. There is also a plan to give accreditation to surgical centres whereby numbers of cases and population size will determine where patients are treated e.g. Trauma. The developments over time in cancer and cardiac surgery have already demonstrated better outcomes for patients. Vascular Surgery will be delivered in a similar model in the future.

Integral to all of our plans moving forward is the continued growth of our tertiary services portfolios and maximising opportunities for sustainable safe services.

2.5 Workforce

The operating theatres have experienced session overruns for many years and this position has become increasingly prevalent with service expansion and challenging access targets. This is clearly now having a detrimental effect upon the work life balance of staff as articulated in the Human Resources 'Chat Back Survey'. This survey identified that staff wished to enhance their work life balance by reducing the amount of unplanned overtime that they are expected to deliver. Work life balance was also a key theme in the Directorate Health & Safety Stress Awareness Survey conducted in 2009.

Given the ongoing challenge in recruiting and retaining Band 5 theatre staff, there is a national drive to develop alternative theatre roles. A number of Trusts including Plymouth, Addenbrookes and the Royal Liverpool have already adopted and continue to develop and expand the role of Assistant Theatre Practitioner.

3. CASE FOR IMPROVEMENT

3.1 The sessional requirements for the two new theatres have been identified in line with the 2010/11 activity plan and proposed new services across Division I and 2**.**

This additional theatre/recovery room capacity will also enable the Trust to better manage theatre downtime; scheduled deep clean and the provision of quality care to patients within recovery rooms.

Contracted 2010/11 activity currently being performed through 3 session days, session overruns, down sessions. At cost pressure		
5th Urology Surgeon (NHS locum)	2.5	in 10/11 plan
5th Colorectal Surgeon (WLI's)	3.0	in 10/11 plan
3rd Breast Surgeon (WLI's)	2.0	in 10/11 plan
General Surgeon Spec Doctor	1.0	in 10/11 plan
Gynaecology - additional 2 sessions	2.0	Division 2 Business Case Approved at TMT
Orthopaedics - spinal surgeon	2.0	Division 2 Business Case Approved at Contracts & Commissioning and TMT
	12.5	
Proposed New Services:		
Colorectal - Soulsby substantive sessions	2.0	quality improvement - case required to fund sessions
3rd Breast Surgeon - Breast Reconstruction	1.0	case progressing through Division
Urology - Cooke - additional 2 sessions	2.0	
Shrewsbury Major H&N IOG guidance	1.0	case not yet worked up
	6.0	
TOTAL sessions per week	**18.5**	

3.2 Assistant Theatre Practitioner Role

The Assistant Theatre Practitioner will undertake a scrub role for a defined range of minor/intermediate surgical procedures acting as the Scrub Practitioner in place of a qualified nurse or Operating Department Practitioner. There is a potential for this role to further evolve into a recovery focused role monitoring specific patient groups whilst in recovery.

This role is not currently supported by local Universities, hence the Trust is developing an in-house training and competency package which will be implemented within the following framework:-

- Approve/verify the training package including establishing University and Trust educational support. This is likely to be in partnership with Telford College of Art and Technology.
- Gain approval by the Quality and Safety Committee for the new role and training package.
- Identify and select candidates within the current workforce.
- Recruit Theatre Support Assistants (TSA Band 2) to backfill the substantive posts of the candidates selected for Band 3/4 training.

The Band 3/4 role has been discussed at Director level and is supported in principle as part of the strategic workforce development for operating theatres.

The introduction of a four day working week for full-time theatre staff across all areas would accommodate session overruns within the scheduled working day and significantly reduce overtime pay costs. It would also address issues relating to work-life balance.

3.3 Staffing requirements to accommodate additional theatre activity

To support provision of 12.5 theatre lists within the new theatre build the following additional resource is required.

3.3.1 Consultant Anaesthetist

The breakdown of a 10 PA Consultant Anaesthetist contract is identified below.

Activity	**PAs**	**SPAs**
6 x Clinical Operating sessions @ 1.25 PAs per session (allowing time for pre and post operative assessment)	7.5	
Emergency On Call	1.0	
SPA		1.5
Total	**8.5**	**1.5**

The number of Anaesthetists required to deliver 12.5 theatre sessions are identified below.

Medical Staffing	Sessions	WTE Required
Consultant Anaesthetist	12.5	2.1

3.3.2 Theatre Nursing

12.5 sessions (Theatres plus Recovery)

Band	WTE Required
7	1
6	1
5	8.19
2	4

3.3.3 Development of new Band 3/4 role – Theatre Assistant Practitioner

Implementation of this role would initially be a pilot scheme. Practitioners undertaking the training will qualify as a Band 3 Assistant Theatre Practitioner which is in line with national guidance.

The training and competency package will need to be approved by the Quality and Safety Committee. It is anticipated that the training will be linked to Telford College of Art and Technology and will interface with the existing NVQ 2 and 3 theatre programmes. This will not incur training costs.

This project would require over-recruitment of four posts at Band 2 for nine months.

Therefore part year effect after 9 months training band upon qualification.

Potential saving when recruiting Band 3 post into a Band 5 funded post is £8,907 per post - total for four posts equates to £35,628; however, this will not be realised until at the earliest 2012/13 and then potentially in part only. If successful it is envisaged that out of a complement of 78 Band 5s, 20 could be converted to Band 3/Band 4 posts over a 5-6 year period.

It is anticipated that upon qualification in year one a percentage of the Band 3 Practitioners will undertake foundation degree level training to enable them to progress to a Band 4 post. This incremental educational programme will be a key component of the theatre workforce plan. This will be evaluated on an annual basis.

3.4 To support the 6 sessions of proposed new services identified above the following resource will be required:

Table 3 = 6 sessions (Theatres and Recovery) – Proposed new Services

Band	WTE Required
6	0.5
5	3.76
2	1.87
Consultant Anaesthetist	1.0

3.5 Recruitment Strategy

To support the ongoing recruitment and training programme the Head Nurse for Division 1 has established a Resource Group to design, develop and monitor recruitment/education processes which will meet monthly and report to the Divisional Business Forum.

3.6 Retirement Profile

Critical Care Directorate has established a retirement profile for 2010 – it is not yet a key factor and has not been taken into consideration at this time.

4. COMBINED OBJECTIVES

1. Deliver a safe, high quality sustainable service to patients

2. Facilitate delivery of the 2010/11 activity plan and future years' activity. Drivers will include increased activity due to demographic changes in Wolverhampton (increasing elderly population), increased number of GPs in Wolverhampton and the transfer of services due to Cancer Network recommendations

3. Support the organisation in delivery of both locally and nationally agreed access targets including 18 weeks cancer standards

4. Provide capacity to flex to meet unforeseen demand and support planned theatre maintenance and cleaning whilst minimising impact on patients and Trust operational performance

5. Ensure an appropriately skilled workforce is in place for the opening of the new theatres in March 2011

6. Develop the unqualified theatre workforce to support a sustainable theatres workforce plan

7. Improve the work life balance of the operating theatres workforce

5. Income Generation

5.1 Income to support mainstreaming the 12.5 sessions is already accounted for within the financial envelope of the 2010/11 plan and agreed developments.

5.2 Income to support the 6 further sessions will be secured within the 2011/12 contracting round and subsequent service developments agreed with Commissioners.

6. PUBLIC CONSULTATION

N/A

7. EQUALITY IMPACT ASSESSMENT

Currently, elements of the theatre workforce are working a four-day week. Increasing the theatre establishment will facilitate a four-day working week for all.

8. BENEFITS

Benefit	*Measure and approach*	*Date benefit will be realised*	*Responsible for Review*
Increased operating theatre capacity to deliver 2010/11 Activity Plan pressure within standard hours .	*Move out of hours planned sessions into Monday – Friday working day (12.5 sessions)*	*Upon completion of new build and appointment of staffing establishment*	*Divisional and Critical Care Services Directorate Management Teams*
Increased operating capacity to deliver the growth in elective activity modelled into the LTFM. The key assumptions around this growth are outlined in 2.1 above	*Utilisation of balance of available theatre capacity supported by approved business cases*	*Upon completion of new build and appointment of staffing establishment*	*Divisional and Critical Care Services Directorate Management Teams*
Theatre workforce:- Improve work life balance and reduce stress *Improve morale* *Aid retention and recruitment of staff*	*Improved retention* *Reduce sickness absence* *Reduce overtime costs*	*Upon completion of new build and appointment of staffing establishment*	*Divisional and Critical Care Services Directorate Management Teams*
Increased Recovery Room facilities will alleviate capacity pressures and compromised quality patient care	*Ability to cohort patients, reduce delays and disruptions to scheduled operating lists* *Support a reduction in cancelled operations and overrunning of lists*	*Upon completion of new build and appointment of staffing establishment*	*Divisional and Critical Care Services Directorate Management Teams*
New Band 3 Role will contribute to the delivery of a future proof service within the theatres of Critical Care Directorate	*Creating an appropriate training and competency package. Aiding recruitment and retention of staff*	*Upon completion of the first cohort*	*B Morgan, Matron, Critical Care Services*
Improved morale within unqualified workforce through development opportunities *Enhance the workforce plan regarding predicted future trained staff deficits*	*Retention of staff* *Continued supply of suitable candidates from existing local workforce* *Maintain the theatre establishments*	*July 2011*	*B Morgan, Matron, Critical Care Services*

9. RISK MANAGEMENT APPROACH (of the preferred option) –

Risks	***Consequence***
Failure to open twin theatres on the 4th May 2011 as scheduled	*Unable to deliver a safe, high quality service* *Sustained pressure on the existing workforce resulting in loss of trained , experienced staff and continued additional expense on overtime and WLI* *Increased challenge to deliver contracted activity in an efficient and sustainable way and to the highest quality*
Failure to recruit the establishment required	*Unable to deliver a safe, high quality service* *Sustained pressure on the existing workforce resulting in loss of trained , experienced staff and continued additional expense on overtime and WLI*
There is a national shortage of trained theatre staff and recruitment may not yield the required additional nursing/ODP establishment.	*There would be insufficient theatre staff to accommodate these sessions and deliver the activity required.*
No band 5 vacancies for band 3 practitioners at the time of qualifying	*There may be a departmental cost pressure until posts become available*
Failure to complete band 3 training and no band 2 post available	*Training contract will not guarantee a band 2 theatre post but will offer band 2 within RWHT*

10. DETAILED IMPLEMENTATION PLAN

Key Actions - Theatres	Person responsible	Timescale
Business Case Approval by Trust Board	L. Grant	14th June 2010
Planning Application approval	G Penn	29th August 2010*
Tender approval for modular unit and supporting structure	G. Penn	19th August 2010
Construction off site	G. Penn/Capital Team	29th November 2010
Construction on site	G. Penn/Capital Team	23rd July 2010 – 27th January 2011
Procurement of Equipment	M. Washer	14th January 2011
Handover and Commissioning	G. Penn/Capital Team	April 2011
Theatres operational	M. Washer	4th May 2011

Key Actions - Staffing	Person responsible	Timescale
Recruitment to 12.5 sessions for new theatre/recovery build (Nursing and consultant)	B Morgan, M Clancy	Ongoing to May 2011
Establish Trust training and competency package (Band 3)	B Morgan, C Luesby	January 2011
Present training/competency package to the Quality & Safety Committee	B Morgan	February 2011
Interview Band 3 candidates from current band 2 workforce	B Morgan, M Clancy	February 2011
Recruit band 2 to backfill band 3 candidates	M Clancy	April 2011
Establish a joint Education/Human Resources/Theatre Recruitment Group. Strategy to include adverts, innovative road shows, regular meetings, monitor progress, access talent pool and ensure exit strategy	R Baker, B Morgan, K Evans, L Fieldhouse	January 2011

11. EXIT STRATEGY

- Reduce theatre staffing establishment through internal transfer to other Directorates or natural wastage. Retirement profile established
- Cease Band 3 training programme following the first cohort
- Sell one/two of the modular theatres

AGREED BY:

	Date
IT Strategy Group	-
Medical Procurement Group	13/05/2010
Capital Equipment Review Group	02/06/2010
Division One	
Estates & Facilities	-
Procurement	-
Others – please state	

	Date
Medicines Management	-
NICE Implementation Group	-
Division Two	-
Human Resources	-
Education	-

APPROVED BY:

Divisional Director..... Divisional Manager ..... 8/11.

Divisional Accountant..... Head of Nursing .....

APPROVED BY:

Contracting & Commissioning .....Name.....Date.....

APPROVED BY

Trust Management Team .....Name.....Date.....

APPROVED BY

Trust Board ....Name.....Date.....

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THE ROYAL WOLVERHAMPTON HOSPITALS NHS TRUST

BC Ref : 00130

Business Case / Service Change Costing : Additional Theatre Capacity

CAPITAL COST:-	Capital £ Year 1	Life Years	Capital £ Year 2	Life Years	Total Captial £
TOTAL CAPITAL	*0*		*0*		*0*

ACTIVITY & OTHER INCOME:-	Activity Year 1	Activity Year 2 FYE	Tariff Year 1	Tariff Year 2 FYE	Income Year 1	Income Year 2 Recurring
Description			£	£	£	£
5.1 Income to support mainstreaming the 12.5 sessions is already accounted for within the financial envelope of the 2010/11 plan and agreed developments						
5.2 Income to support the 6 further sessions will be secured within the 2011/12 contracting round and subsequent service developments agreed with Commissioners						
TOTAL INCOME					0	0

REVENUE COST:-

Note: All entered as minus values (-£) *based on 10/11 pay rates*

Pay Costs Description	Department	Date wef	Pay Band	PAs/ Other	Cost per WTE £	WTE	Spend Year 1 1 Apr 11 £	Year 2 Recurring £
EXISTING ACTIVITY IN 10/11 PLAN								
Pay - Direct Clinical								
Theatre Staffing - 12.5 sessions								
Consultant Anaesthetist			Bottom point		92,455	2.10	194,156	194,156
Qualified Nurses, Band 7			Band 7, bottom point		55,961	1.00	55,961	55,961
Qualified Nurses, Band 6			Band 6, bottom point		40,218	1.00	40,218	40,218
Qualified Nurses, Band 5			Band 5, bottom point		33,343	8.19	273,079	273,079
Unqualified Nurses, Band 2			Band 2, bottom point		21,303	4.00	85,212	85,212
Note : There is a saving on unplanned/unfunded overtime of circa £244k								
Total Pay Costs increase to improve quality						**16.29**	**648,626**	**648,626**
NEW ACTIVITY								
Pay - Direct Clinical								
Theatre Staffing - 6 sessions								
Consultant Anaesthetist			Bottom point		92,455	1.00	92,455	92,455
Qualified Nurses, Band 6			Band 6, bottom point		40,218	0.50	20,109	20,109
Qualified Nurses, Band 5			Band 5, bottom point		33,343	3.76	125,370	125,370
Unqualified Nurses, Band 2			Band 2, bottom point		21,303	1.87	39,837	39,837
Implement Theatre Assistant Practioner Role								
Backfill posts at Band 2 for training - 9 months in yr1			Band 2, bottom point		21,303	4.00	63,909	85,212
Conversion of Band 2 posts to Band 3 Theatre Practitioner -					3,133	4.00	3,133	12,532
Part year effect in year 1. 9 months training, new band after qualification								
Saving from recruiting Band 3 to Band 5 role					(8,907)	2.00	(17,814)	(17,814)
Total Pay Costs						**17.13**	**326,998**	**357,700**

Non Pay Costs

Non Pay - Direct Clinical	Unit cost	Activity		
EXISTING ACTIVITY IN 10/11 PLAN				
5th Urologist				
Theatre and Anaesthetic non pay costs (@ £290 per case)	290	20	5,800	5,800
Theatre - access sheaths (@ £111 per patient)	111	20	2,220	2,220
Theatre laparoscopy kit costs (@ £750 per case)	750	20	15,000	15,000
6th Colorectal Surgeon				
Theatre and Anaesthetic non pay costs (average across cases - £385 per case)	385	515	198,275	198,275
3rd Breast Surgeon				
Theatre and Anaesthetic non pay costs (@ £185 per case)	185	504	93,240	93,240
Theatre - breast consumables	1,000	168	168,000	168,000
Theatre - instrumentation			6,000	6,000
General Surgeon Spec Doctor				
Theatre and Anaesthetic non pay costs (@ £391 per case)	391	94	36,559	36,559
Gynaecology - additional 2 sessions				
Theatre and Anaesthetic non pay costs			15,000	15,000
Orthopaedics - Spinal Surgeon				
Theatre and Anaesthetic non pay costs (@ £750 per case)	750	110	82,500	82,500
Spinal Injections	25	352	8,800	8,800
Subtotal existing activity			**631,394**	**631,394**

NEW ACTIVITY					
Breast Surgeon (Breast Reconstruction)					
BSSU Ward costs (drugs, consumables etc @ £40 per patient)		40	252	10,080	10,080
Theatre and Anaesthetic non pay costs (@ £185 per case)		185	504	93,240	93,240
Theatre - breast consumables		800	210	168,000	168,000
Colorectal Surgeon					
Theatre and Anaesthetic non pay costs	Major Open	600	126	75,600	75,600
	Laparoscopic	1,150	84	96,600	96,600
	Day cases	150	210	31,500	31,500
Urology					
Theatre and Anaesthetic non pay costs (@ £290 per case, 2 per week)		290	84	24,360	24,360
Theatre - access sheaths (@ £111 per patient)		111	84	9,324	9,324
Theatre laparoscopy kit costs (@ £750 per case)		750	84	63,000	63,000
Shrewsbury IOG					
Theatre costs (@ £500 per inpatient)		500	18	9,000	9,000
Subtotal new activity				580,704	580,704
TOTAL NON PAY COSTS				1,212,098	1,212,098
TOTAL CLINICAL AND CLINICAL SUPPORT COSTS		33.42		2,187,721	2,218,423
TOTAL CONTRIBUTION TO TRUST OVERHEADS AS PERCENTAGE (Should be 20% or above)				2,187,721	2,218,423
OVERHEAD COSTS:-					
TOTAL OVERHEAD COSTS					
TOTAL EBITDA MARGIN AS PERCENTAGE (Should be 10% or above)				2,187,721	2,218,423
CAPITAL CHARGES:- *Note: All entered as minus values (-£)*					
TOTAL COST OF CAPITAL				0	0
NET SURPLUS MARGIN AS PERCENTAGE (Should be 3% or above)				2,187,721	2,218,423

Divisional Accountant

Name:
Date:

Divisional Manager / Director

Name:
Date: