



Blood and Transplant

Strategic Plan 2008/11

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Section One: Introduction and Priorities for 2008/09

1. NHSBT was established as a Special Health Authority in England and Wales in October 2005 with responsibilities across the United Kingdom in relation to organ transplantation. Its remit is to provide a reliable, efficient supply of blood, organs and associated services to the NHS.
2. NHSBT provides products and services in four key areas:
 - Blood Components,
 - Specialist Services,
 - Organ Donation, and
 - Fractionated Products.
3. This document sets out:
 - Our strategic objectives over the period 2008/09 to 2010/11,
 - Our priorities for 2008/09,
 - Our plans to achieve the above,
 - The outcomes we expect to deliver, and
 - The metrics by which we will measure our success.
4. Our strategic objectives over the period 2008/09 to 2010/11 are as follows:
 - a) Blood Components
To provide a sustainable supply of blood component products and services that meet all safety, quality, service provision and compliance standards, as efficiently as possible, via the modernisation of the blood component supply chain.
 - b) Specialist Services
To move Specialist Services towards financial sustainability, while maintaining quality, service provision and compliance standards.
 - c) Organ Donation
To identify and refer increasing numbers of potential donors and to increase the number of actual donors, enabling an increase in the number of transplants.
 - d) Fractionated Products
To achieve financial viability while continuing to meet all quality, service provision and compliance standards.
 - e) An Organisation fit for Purpose
To establish NHSBT as an acknowledged, effective and efficient provider of products and services, focused on service to donors and customers, flexible to meet changing needs and ambitious to succeed.

5. To successfully deliver these objectives we will undertake a demanding programme of work over the next three years – a programme that will require significant levels of progress in the coming twelve months. The underpinning work-plan for 2008/09, which contains the detailed activities and initiatives through which this progress will be delivered, is attached as Appendix One.
6. Our priorities for action in 2008/09 are as follows:
 - i. To provide a stable supply of blood component products, collecting sufficient blood to meet demand while maintaining stocks of all blood group types at or above target, through successful delivery of a series of donor service initiatives.
 - ii. Implement year-one of our strategic blood supply change programme. Specifically:
 - Complete the preparation for the medium to long-term transformation of blood collection (additional donor marketing and communications activity, improved session convenience and commencing the operational improvement programme),
 - Open the new blood centre at Filton, Bristol on time and within budget, completing the consolidation of activity within the South West and West,
 - Commence delivery of the Processing and Testing (PT) operational improvement programme. Plan the delivery of an updated replenishment model; test and confirm the efficiency and effectiveness of the new PT processes within Filton; and ensure that good practice is defined in preparation for consolidation at other PT sites,
 - Commence the estates optimisation programme, relinquishing the lease on Aztec West and developing an estates strategy,
 - Continue to implement agreed blood safety initiatives, expanding production of platelets by component donation from 60% to 80%, reducing demand for red cells through support of Better Blood Transfusion III and implementing production of cryoprecipitate for children via the importation of virus inactivated plasma. In addition, we will evaluate a number of potential future blood safety interventions.
 - iii. Implement 'year-one' of the specialist services strategic programme, growing sales volumes by 5%, delivering the consolidation programme, completing the move of Tissue Services and Reagent Production to a single site at Liverpool, while planning delivery of further changes programmed for 2009/11.
 - iv. Establish NHSBT as an Organ Donor Organisation and begin the implementation of the ODTF recommendations as they relate to NHSBT. In 2008/09 the levels of organ and cornea donation will increase by 0.6% and 3.7% respectively and the foundations will be laid for a fundamental change to Donor Referral, Donor Co-ordination and Organ Retrieval, supported by the development of a major publicity awareness campaign.

- v. Progress the fractionated products strategic programme by increasing capacity utilisation (by 4%) through contract fractionation (Gammacon), securing sales of Optivate and Replene products in Europe and growing sales by 13%. We will also remain prepared for any future potential ownership issues arising out of ministerial consideration of the outline business case.
 - vi. Maintain and, where appropriate, improve compliance with standards and improve customer and donor satisfaction with service levels.
 - vii. Deliver the 2008/09 financial plan and balance the income and expenditure account, including a reduction in grant in aid funding for fractionated products of 41%, delivery of the blood component cost reduction targets of £10.2m, working within agreed blood component prices and reducing the gap between income and expenditure in specialist services from £23.7m to £17.6m.
 - viii. Implement a unified management structure and develop systems for NHSBT, which further consolidate the benefits from the 2005 merger and establish NHSBT as the Organ Donation Organisation. These changes will ensure we are fit for purpose for future clinical and organisational challenges.
7. Progress against this plan will be monitored through a clear performance management framework based on our Performance Scorecard (see section three), which focuses on the key performance measures and targets related to the strategic outcomes.
 8. The following pages (section two) outline the broader context in relation to each of our strategic objectives and describes:
 - The challenges that we must address over the next three years to enable continued successful delivery of the high-quality services that our customers require,
 - The strategic objectives, supporting activities and associated performance measures and targets to be achieved over the 2008/11 period, plus
 - The individual initiatives through which they will be delivered.
 9. Section three summarises the key corporate financial headlines over the 2008/11 period and our approach to performance management and assurance.

Section Two: Strategic Objectives for 2008/11

a) Blood Components

Strategic Objective: To provide a sustainable supply of blood component products and services that meet all safety, quality, service provision and compliance standards, as efficiently as possible, via the modernisation of the blood component supply chain.

10. NHSBT manufactures and supplies blood components to the NHS. In order for the blood component supply chain to continue to serve patients effectively and deliver an efficient service for the NHS, it must fundamentally change in response to three key challenges:

- The falling numbers of blood donors (outstripping the fall in demand for blood),
- Rising costs, and
- Over-capacity within Processing and Testing, coupled with an inappropriate infrastructure.

The falling numbers of blood donors (outstripping the fall in demand for blood)

11. The decline in demand for blood, driven partly as a result of increased efficiency in its use by hospitals, continues. However, both the number of donors bled and the active donor base has fallen at a faster rate than the decline in demand for blood. The table below illustrates this trend over the last five years since the end of 2001/02.

The number of donors bled, active donors and red cell issues

Percentage change in active whole blood donor base			-19.6%				Ave/year -3.9%
Percentage change in whole blood donors bled			-17.2%				Ave/year -3.4%
Percentage change in red cell issue levels (demand)			-15.1%				Ave/year -3.0%
	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	
No of active whole blood donors (m)	1.82	1.69	1.63	1.61	1.54	1.46	
No of whole blood donors bled (m)	2.38	2.33	2.30	2.16	2.04	1.97	
Red cell issue levels (m)	2.21	2.19	2.16	2.03	1.94	1.87	

12. Research evidence confirms that the blood donor base will continue to decline. The situation is not yet critical, but it will become so if we are unable to reverse the established trends. Scenario planning suggests that a shortfall of between 100,000 and 300,000 units could arise by 2011/12 unless decisive action is taken now.

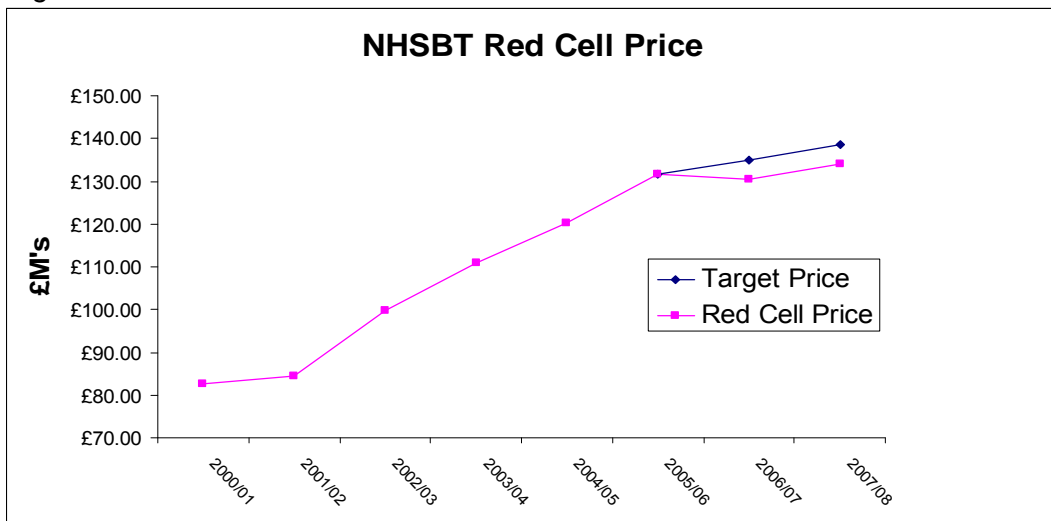
13. Donor surveys indicate that many donors would like to donate during evenings and weekends. However, very few donor sessions currently operate after 7.30 pm and there are only a limited number operating at the weekend. It is also clear that we will need to strike an appropriate balance between those donors who wish to 'drop in' to donate blood and those who would like to make an appointment in advance.

14. During 2007/08, we met just under 100% of requests for red cell and platelet products. Progress was also made in delivering the first steps of the modernisation of blood collection activity. However, blood stocks were consistently below the optimal target and the level of stock within some blood group types required specific action, in conjunction with hospital colleagues, to avoid activation of the emergency blood management arrangements. In addition, the ability of the donor panel to meet demand (currently at c91%) remained significantly below the target of 100%, indicating a potential problem in meeting demand in the future.

Rising costs

15. The unit cost of red cells increased significantly during the period 2001 to 2006, predominantly as a result of implementing new and expensive blood safety requirements, coupled with the impact of reduced demand. The price of a unit of red cells rose from £84.56 in 2001/02 to £131.80 in 2005/06 (see figure one).

Figure one – NHSBT Red Cell Price



16. In response, we have delivered a significant cost reduction programme (£c38m) during 2006/07 and 2007/08. This has stabilised the price of blood with prices in each of the last two financial years being significantly below the target of 'inflation only rises' from the 2005/06 baseline price (see table below).

Financial Year	Target Price	Actual Price	+/- Target Price
2005-06 baseline	n/a	£131.80	
2006-07	£135.02	£130.52	£-4.50
2007-08	£138.61	£133.99	£-4.62

17. NHSBT remains committed to keeping red cell prices as low as possible, while also taking action to maintain continuity of safe supply.

18. Whilst we have made good progress in delivering efficiencies within the blood component supply chain, there are significant opportunities available to further reduce costs, as we are still markedly behind many of our European counterparts in terms of collection and processing productivity.

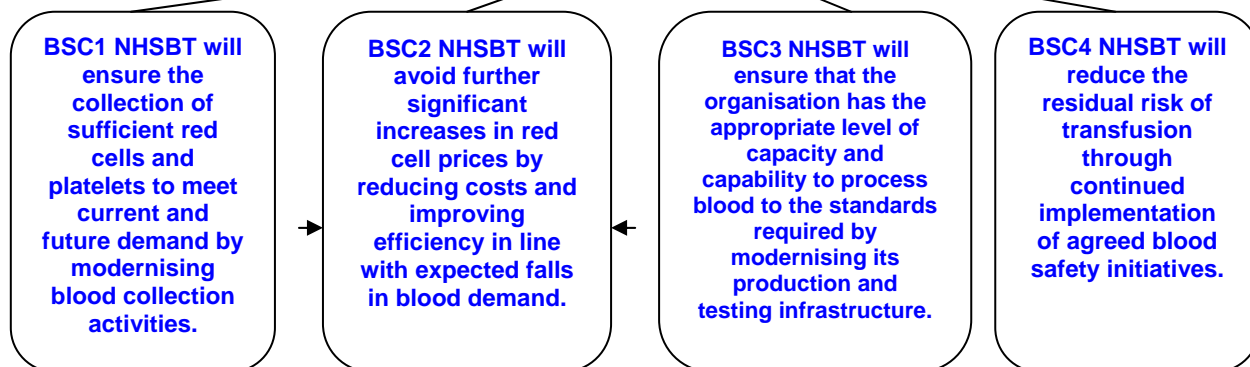
19. There is significant variability in our blood collection productivity levels across the country, with a gap of c32% between the highest and lowest performing blood collection teams. In addition, an estimated 40% of our blood collection staff time is spent on non-donor contact.

Over-capacity within Processing and Testing, coupled with an inappropriate infrastructure

20. There is excess capacity of c35% in Testing and c40% in Processing based on productivity benchmarking (using a 2001/02 baseline). This excess capacity, although linked to some extent to contingency planning, has arisen as a result of the decline in demand for blood component products. We processed and tested c16% less units per day in 2006/07 than we did 6 years ago. The level of excess capacity is likely to continue to increase (if not addressed) as product demand is expected to reduce further over coming years. There are, therefore, significant opportunities for operational improvement, removing variations and standardising processes.
21. Our challenge is to provide a robust and flexible manufacturing infrastructure that can deliver the level of service customers expect, respond effectively to future safety and regulatory standards and reduce operating costs to meet our pricing targets in the face of declining demand for blood components.
22. Taking these constraints into account therefore, consolidations that take place in order to address over-capacity will also ensure that compliance is achieved with best value for NHSBT and its customers.
23. During 2007/08, good progress has been made in the South West, with the consolidation of Testing and Donor Records into Southmead being completed as part of the phased implementation of consolidation. Detailed planning is also underway for the consolidation of Processing, including development of logistical support. The Filton new build is being delivered on programme and is forecast to remain within budget.
24. Against this backdrop, we will pursue initiatives within four Blood Supply Chain (BSC) strategic activities to effectively deal with the challenges outlined above:
- a) BSC1 - ensure the collection of sufficient red cells and platelets to meet current and future demand by modernising blood collection activities,
 - b) BSC2 - avoid further significant increases in red cell prices by reducing costs and improving efficiency in line with expected falls in blood demand,
 - c) BSC3 - ensure that the organisation has the appropriate level of capacity and capability to process blood to the standards required by modernising its production and testing infrastructure,
 - d) BSC4 - reduce the residual risk of transfusion through continued implementation of agreed blood safety initiatives.
25. The following pages capture our high-level activities, key outcome measures and initiatives planned over the 2008/11 period.

Strategic Objective measures and targets (level 1)	2007/08	2008/09	2009/10	2010/11
Percentage of product requests met	>99.9%	>99.9%	>99.9%	>99.9%
Number of weekdays where red cell stocks (for any blood group) are below the three day alert level	Ave c7 days / month	0	0	0
Number of days where platelet stocks are 100 below agreed stock level	Ave c2 days / month	0	0	0
Number of 'critical' regulatory non-compliances	0	0	0	0
Unit price of red cells	£133.99	£139.72	£140.00	£140.00

Strategic Objective: To provide a sustainable supply of blood component products and services that meet all safety, quality, service provision and compliance standards, as efficiently as possible, via the modernisation of the blood component supply chain.



Strategic Activity measures and targets (level 2)	2007/08	2008/09	2009/10	2010/11
BSC1a Percentage of blood collection target achieved	100%	100%	100%	100%
BSC1b/1c Percentage of blood donors very / totally satisfied	63%	65%	68%	73%
BSC2 Income and expenditure position (cost reduction target reflected within financial plan)	£0m (£10.5m)	£0m (£10.2m)	£0m (£11.1m)	£0m (£15.4m)
BSC3a Productivity within Processing and Testing - number of red cell (equivalent) units per WTE	5,200 / WTE	5,300 / WTE	6,300 / WTE	7,000 / WTE
BSC3b Percentage of external non-compliances with overdue actions	14%	0%	0%	0%
BSC3c Percentage of hospitals very / totally satisfied with overall service	50%	53%	56%	60%
BSC4 Year on year reduction in red cell issues	1.820m	1.765m (-3.0%)	1.724m (-2.3%)	1.700m (-1.4%)

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
BSC1 NHSBT will ensure the collection of sufficient red cells and platelets to meet current and future demand by modernising blood collection activities.				
1a) Redress the decline in blood collection focusing on targeted donor marketing and communications activities.				
<ul style="list-style-type: none"> Short term initiatives focused on retention and frequency. 	Plan and begin	Complete short-term initiatives	Embed in operations	Ongoing
<ul style="list-style-type: none"> Medium to long-term initiatives focussed on defined sections of the donor population and on areas where collection rates are currently poor (London and North West). 		Plan segments and target areas	Implement	Embed in operations
1b) Increase donor satisfaction through improved session convenience.				
<ul style="list-style-type: none"> Decoupling panels. 		Plan	Implement	
<ul style="list-style-type: none"> Revised opening times and more accessible locations. 		Plan approach, Retail partner pilot, Double RC feasibility	Plan and Implement	Ongoing
1c) Increase operational productivity (and improve donor experience) through the implementation of a donation operational improvement programme.	Plan resource	Redesign, pilot and roll out processes	Ongoing Roll out new processes	Ongoing Roll out new processes
1d) Develop plans to import red cells as an important aspect of NHSBT contingency planning.		Feasibility Study	TBD	TBD
Key (level 3) outcome-measures:				
<ul style="list-style-type: none"> Reduction in "do nothing" shortfall 		50k	120k	300k
<ul style="list-style-type: none"> Donation Frequency 	1.32	1.41	1.43	1.56

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
BSC2 NHSBT will avoid further significant increases in red cell prices by reducing costs and improving efficiency in line with expected falls in blood demand.				
2a) Reductions in supply chain costs related to the continued decline in blood component demand.		£4.6m	£3.9m	£2.2m
2b) Reductions in cost and efficiencies from increasing capacity utilisation through consolidation and productivity improvements within Processing and Testing and by implementing best practice (linked to 3a).		£0.3m	£2.8m	£4.2m
2c) Implementation of an operational improvement programme to deliver greater productivity in blood collection (linked to 1c above).		£1.4m	£0.9m	£3.6m
2d) Procurement savings.		£2.5m	£3.1m	£2.0m
2e) Release of non-recurring safety funding in prices.		£1.4m	£0.4m	£0.4m
2f) Efficiencies delivered from within NHSBT support functions.				£3.0m
TOTAL COST REDUCTION PROGRAMME	£10.5m	£10.2m	£11.1m	£15.4m

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
BSC3 NHSBT will ensure that the organisation has the appropriate level of capacity and capability to process blood to the standards required by modernising its production and testing infrastructure.				
3a) Increasing capacity utilisation through consolidation, productivity improvements and by implementing best practice.				
<ul style="list-style-type: none"> Complete the consolidation in the South West (SW) on-time and to budget. 	Ongoing	Filton Build complete full operational by year end	Benefits realised	
<ul style="list-style-type: none"> Develop logistics infrastructures in the SW to support consolidations in the region. 		Plan and implement	Ongoing	Ongoing
<ul style="list-style-type: none"> Consolidation in the South East (SE) and North: <ul style="list-style-type: none"> Move Tooting Processing into Colindale. Move Brentwood and Tooting Testing into Colindale / Filton. Move Leeds Testing to Sheffield. Move Leeds Processing to Sheffield. 		Plan	Consult April to Sept Implement from October	Complete April
<ul style="list-style-type: none"> Develop logistics infrastructures in the SE and North to support planned consolidations in the regions. 		Plan	Implement	Implement April to Sept
<ul style="list-style-type: none"> Operational improvement programme linked to consolidation. 		Plan	Implement	Ongoing
<ul style="list-style-type: none"> Replenishment model – improvements to the distribution of blood components to hospitals and NBS stock holding units. 		Plan and begin pilot	Implement	Complete end Q1
<ul style="list-style-type: none"> Estates optimisation - improvements in space utilisation. 		Commence Vacate Aztec West	Ongoing	Ongoing
3b) Initiatives which contribute to delivering 'compliance' targets.				
<ul style="list-style-type: none"> Reinforce a compliance culture through increased self-inspection resource to identify and correct problems in advance, ensuring all major non-compliances are managed effectively and within defined timescales. 		Recruit and train staff Increase internal inspection	Ongoing	Ongoing
<ul style="list-style-type: none"> Plan for non-compliance - to reduce the percentage of external non-compliance with overdue actions from c14% to 0% in line with the targets above. 	Plan	Implement / 0%	Ongoing / 0%	Ongoing / 0%
3c) Implementation of improved service to hospitals.				
<ul style="list-style-type: none"> Develop process maps for all NBS / hospital service interactions and identify improvements that add value to the customer. 		Process maps Q1 Implement quick wins	Ongoing Improvements	Ongoing Improvements
<ul style="list-style-type: none"> Improve hospital customer satisfaction scores with respect to NBS decision making and strength of partnership through a programme of pro-active interactions with key customers. 		Establish and begin programme	Ongoing	Ongoing
<ul style="list-style-type: none"> Implement initiatives to improve performance related to the level of component ordering/despatch errors demonstrated through a reduction in complaints and an improvement in the top box score for accuracy of delivered orders. 		Complete audit implement improvements	Ongoing	Ongoing
<ul style="list-style-type: none"> Increase hospital satisfaction with service from non NBS drivers – initiate a pilot of platelet issue via NBS drivers and define customer centric performance measures for the courier contract. 		Define measures Complete pilot	TBD	TBD
<ul style="list-style-type: none"> Provide hospitals with comparative data sets on red cells, platelets and frozen components to assist hospitals in meeting CMO BBT3 and compliance requirements. 		Every 6 months Refine and develop datasets	Every 6 months Refine and develop datasets	Every 6 months Refine and develop datasets

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
BSC4 NHSBT will reduce the residual risk of transfusion through continued implementation of agreed blood safety initiatives.				
4a) Ongoing implementation of blood safety initiatives:				
<ul style="list-style-type: none"> Continued implementation of expanded platelet production by component donation (baseline production at 60%). 	Agree funding for 80%	80% by March	80%	80%
<ul style="list-style-type: none"> NHSBT will continue to lead the CMO's BBT initiatives introducing new steps to: <ul style="list-style-type: none"> Reduce inappropriate use of blood components Reduce inappropriate usage of O negative red cells Reduce inappropriate use of Platelets and FFP 	RC demand (1.820m)	RC demand -3.0% (1.765m)	RC demand -2.3% (1.724m)	RC demand -1.4% (1.700m)
	-3%	-3%	-3%	-3%
	-3%	-3%	-3%	-3%
<ul style="list-style-type: none"> Reduction in errors resulting in ABO incompatible red cell transfusions reported to SHOT by continuing education, training and audit; exploring new approaches to error reduction in conjunction with NPSA, NBTC and SHOT. 	10 (2005)	10	9	8
<ul style="list-style-type: none"> Develop new over-arching measure for monitoring of blood safety (including donor safety). 		Develop	Implement	
<ul style="list-style-type: none"> Extend the use of imported virus inactivated plasma from low risk BSE countries for the preparation of cryoprecipitate for children. 	NCG funding and plan	10k units imported	Ongoing	Ongoing
4b) Ongoing evaluation of further potential blood safety plans (see paragraphs 26/27 below):				
<ul style="list-style-type: none"> Implications of red cell prion filtration – NHSBT will continue to participate in the UK Blood Services Prion Reduction Working Group. 	Ongoing	Option appraisal to SaBTO April Ongoing evaluations	Ongoing evaluations plus other actions agreed with the DH	Ongoing evaluations plus other actions agreed with the DH
<ul style="list-style-type: none"> Implications of a licensed test for vCJD - NHSBT will continue to participate in the UK Blood Services Prion Assay Working Group 	Ongoing	Option appraisal to SaBTO by 30 April Ongoing evaluations	Ongoing evaluations plus other actions agreed with the DH	Ongoing evaluations plus other actions agreed with the DH
<ul style="list-style-type: none"> Further testing and processing initiatives to reduce TRALI 	Screening of female potential platelet donors	Production of male donor cryo Option appraisal of PAS vs. testing of platelet donors	100% male FFP and suspend 100% platelet pools in male plasma	Ongoing
<ul style="list-style-type: none"> Evaluate whether bacterial screening or pathogen inactivation should be implemented 	Ongoing	Clinical study Paper to SaBTO	Actions as agreed with the DH	Actions as agreed with the DH

26. We will work with the DH ESOR department to ensure appropriate briefings to the Board and the Advisory Committee on the Safety of Blood, Tissues and Organs (SaBTO) on the above blood safety matters.

27. It should be noted, that there is no provision (financial or otherwise) for implementation of any of these additional safety interventions, which we could be required to implement during this planning cycle. If implementation is mandated by the DH for one or all of them, then an assessment will be required to establish the impact of pursuing an initiative against the achievement of other objectives within this plan.

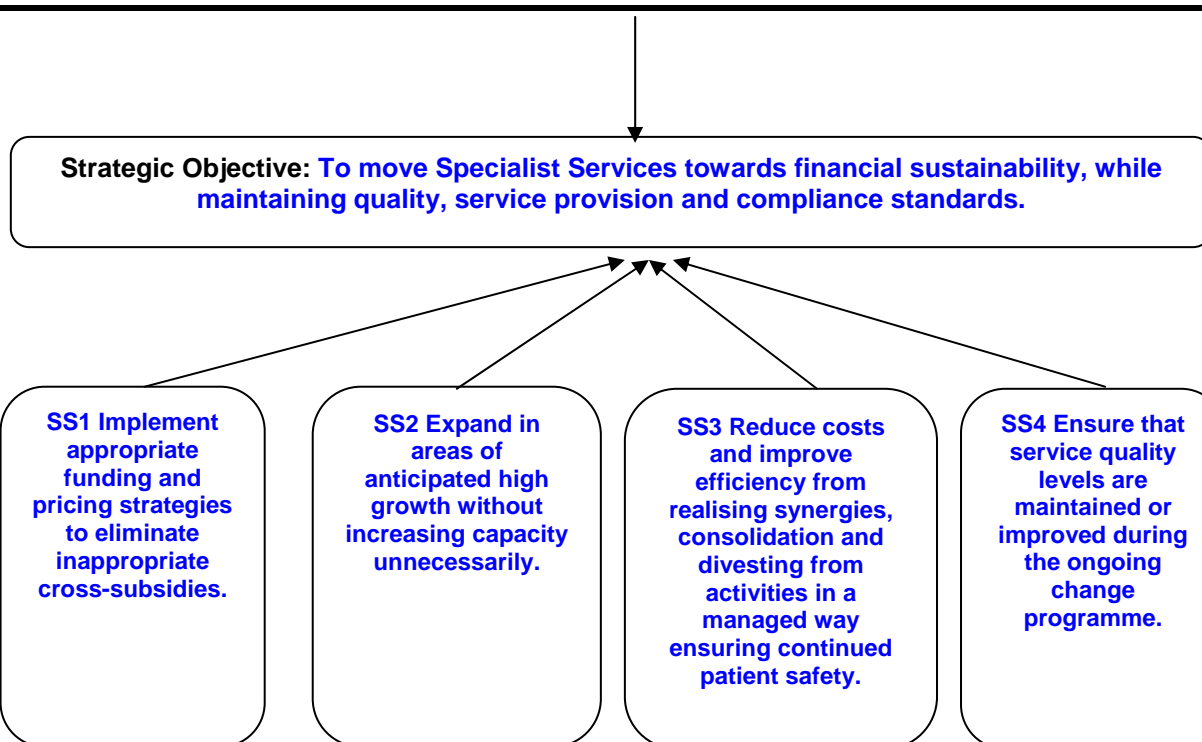
b) Specialist Services

Strategic Objective: To move Specialist Services towards financial sustainability, while maintaining quality, service provision and compliance standards.

28. NHSBT Specialist Services comprises a varied portfolio. Some activities provide essential support to the blood component supply chain and / or the organ donation supply chain, while others are effectively stand-alone patient-facing services.
29. Demand for many of these specialist services continues to grow, however, they are currently subsidised by income from the provision of blood component products in the region of £24m.
30. Our challenge for the future is to ensure the provision of key services while achieving financial sustainability, thereby reducing the level of inappropriate cross-subsidy from blood component income.
31. Against this backdrop, we will continue to pursue initiatives within four Specialist Services (SS) strategic activities to effectively deal with the challenges outlined above.
 - a) SS1 - implement appropriate funding and pricing strategies to eliminate inappropriate cross-subsidies,
 - b) SS2 - expand in areas of anticipated high growth without increasing capacity unnecessarily,
 - c) SS3 - reduce costs and improve efficiency from realising synergies, consolidation and divesting from activities in a managed way ensuring continued patient safety,
 - d) SS4 - ensure that service quality levels are maintained or improved during the ongoing change programme.
32. In 2007/08 the consolidation of the Cambridge Platelet Immunology (PI) and the Bristol Platelet and Granulocyte Immunology (PGI) services into Bristol was completed; with the consolidation of Tissue Services into Liverpool, Red Cell Immunohaematology from Southampton to Bristol and Reagents from Birmingham to Liverpool well progressed. BBMR donor numbers remained ahead of target and performance exceeded service levels in Histocompatibility and Immunogenetics and in Ante-Natal.
33. The following pages outline the high-level activities, key outcome measures and initiatives planned over the 2008/11 period that will build on this level of progress.

Strategic Objective measures and targets (level 1)	2007/08	2008/09	2009/10	2010/11
Overall Specialist Services funding gap	£23.7m	£17.6m	£13.4m	£10.3m
Number of 'critical' regulatory non-compliances	0	0	0	0

Please note this includes an R&D funding gap of £3m and IBGRL research activities



Strategic Activity measures and targets (level 2)	2007/08	2008/09	2009/10	2010/11
SS1 Contribution to reduced funding gap (pricing)		£5.4m	£1.4m	£1.4m
SS2 Contribution to reduced funding gap (growth)		£0.0m	£0.8m	£0.7m
SS3 Contribution to reduced funding gap (cost reduction)		£0.7m	£2.0m	£1.0m
Total Contribution 1+2+3 (£m)		£6.1m	£4.2m	£3.1m
SS4 Maintenance of service quality				
4.a Percentage of external non-compliances with overdue actions	7%	0%	0%	0%
4.b SLA Compliance (RCI)	95.0%	95.0%	95.0%	95.0%
4.c Tissues: orders met on time in full (OTIF)	96.0%	98.5%	98.5%	98.5%

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
SS1 Implement appropriate funding and pricing strategies to eliminate inappropriate cross-subsidies.				
• Implement RCI Reference price increase (20%).	0%	6.7%	6.7%	6.6%
• Implement H&I Immunogenetics price increase (20%).	0%	6.7%	6.7%	6.6%
• Implement H&I Support for Stem Cells price increase (20%).	0%	6.7%	6.7%	6.6%
• Implement H&I Support for Solid Organs price increase (15%).	0%	3.6%	5.7%	5.7%
• Implement RCI Reagents price increase (20%).	0%	7.8%	6.1%	6.1%
• Implement Stem Cells price increase (40%).	0%	8.0%	16.0%	16.0%
• Implement Tissues price increase (25%).	0%	10.0%	10.0%	5.0%
• Implement BBMR price increase (20%).	0%	13%	3.5%	3.5%
• Obtain GIA funding from DH to cover full costs of BBMR.	£0k	£326k	£10k	£10k
• Obtain GIA funding from DH to cover full costs of CBB.	£0k	£1,068k	£70k	£30k

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
SS2 Expand in areas of anticipated high growth without increasing capacity unnecessarily.				
• Increase H&I referrals to support the increase in solid organ and stem cell transplantation.	Baseline	5%	5%	5%
• Increase Clinical Stem Cell procedures through increased business development.	Baseline	5%	5%	5%
• Increase the number of Cord Blood units held in stock	10,000	12,500	14,500	16,500
• Increase the proportion of Black and Minority Ethnic (BME) Cord Blood units held in stock.	39.6%	41%	42%	43%
• Increase Tissue sales through increased marketing and product development.	Baseline	5%	5%	5%
• Introduce foetal genotyping from maternal blood.		Plan	10,000pa	40,000pa

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
SS3 Reduce costs and improve efficiency from realising synergies, consolidation and divesting from activities in a managed way ensuring continued patient safety.				
<ul style="list-style-type: none"> • Consolidate RCI reference services. <ul style="list-style-type: none"> ○ Southampton to Filton. ○ Manchester to Liverpool. ○ Plan alternatives for Cambridge (Addenbrookes or Colindale). 	Move to Southmead Complete	Move to Filton		
		Plan	Complete move by October	
		Plan	Implement	Complete move by April
<ul style="list-style-type: none"> • Consolidate Reagent services. <ul style="list-style-type: none"> ○ Birmingham to Liverpool. ○ Cambridge to Liverpool. 	Underway	September		
	Underway	September		
<ul style="list-style-type: none"> • Consult with hospitals affected by divestment of routine ante natal services, and plan alternatives for each. Complete by 2010/11. 		Consult	Commence divestment	Complete divestment April
<ul style="list-style-type: none"> • Consolidate BBMR, H&I, SCI and CBB services in one location. <ul style="list-style-type: none"> ○ Transfer Cord Blood Bank (CBB) from Edgware to Filton. ○ Donor-facing H&I activities from Colindale to Filton. 	Develop business case	Plan and consult	Co-location of Services	Complete move by April
<ul style="list-style-type: none"> • Alignment of H&I and RCI services into a single diagnostics function. 		Concept paper Early implementation	Further phased changes	Completion of restructure
<ul style="list-style-type: none"> • SCI efficiencies and growth. <ul style="list-style-type: none"> ○ Transfer SCI Cambridge to Addenbrookes Hospital. ○ Embed Manchester SCI in Liverpool. 	Plan	Complete		
		Plan	Complete	
<ul style="list-style-type: none"> • H&I efficiencies and growth. 		Review logistics for PGI		
<ul style="list-style-type: none"> • RCI efficiencies and growth. 		Develop work-force plan; clarify benefits of extended working day		

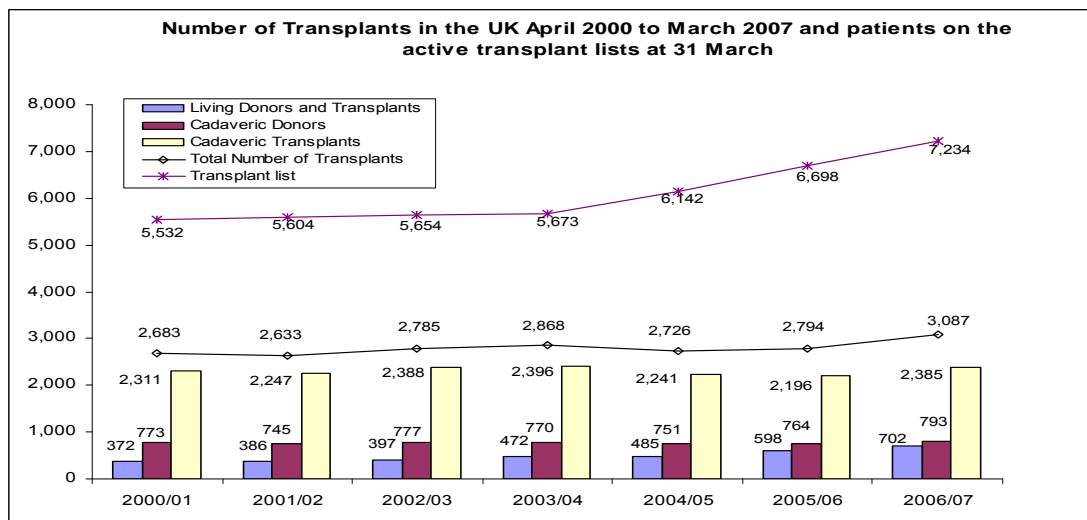
Planned Initiatives	2007/08	2008/09	2009/10	2010/11
SS4 Ensure that service quality levels are maintained or improved during the ongoing change programme.				
<ul style="list-style-type: none"> • Percentage of hospitals satisfied with overall service (RCI - top two boxes) 	57%	57%	60%	63%
<ul style="list-style-type: none"> • Achieve RCI turnaround targets. 	95%	95%	95%	95%
<ul style="list-style-type: none"> • Achieve H&I turnaround targets. 	80%	80%	80%	80%
<ul style="list-style-type: none"> • Achieve SCI turnaround targets. 	90%	90%	90%	90%

c) Organ Donation

Strategic Objective: To identify and refer increasing numbers of potential donors and to increase the number of actual donors, enabling an increase in the number of transplants.

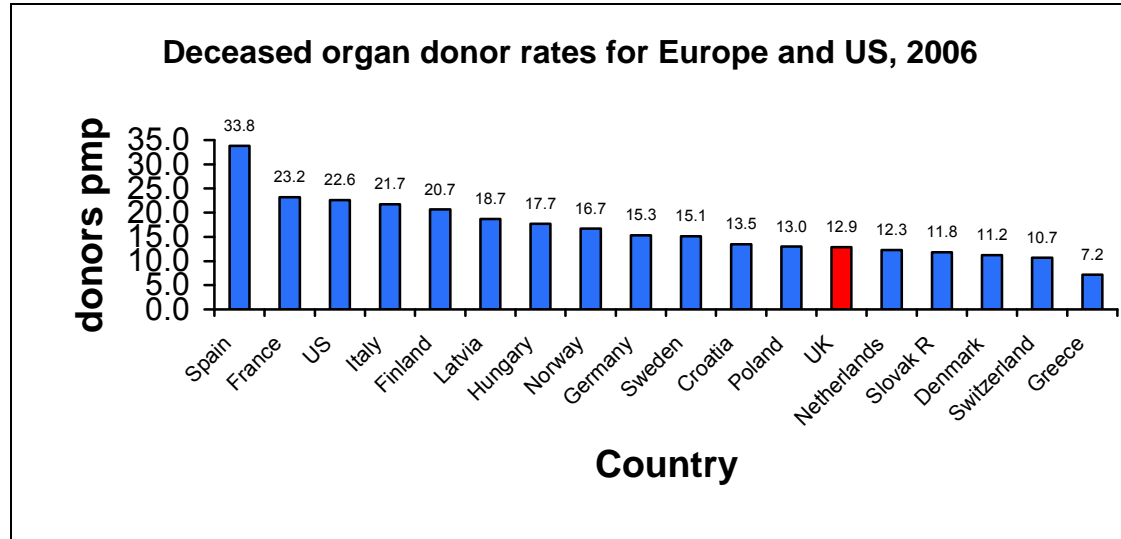
34. NHSBT is one of a number of NHS organisations involved in the commissioning and provision of UK transplant services. Our current role includes maintaining the register of organ donors, encouraging organ donation, facilitating the development of organ allocation policies and operating these to match available organs to recipients. We also provide a statistical audit and analysis function, covering all aspects of organ donation and transplantation.
35. Since 2001/02 there has been a 17% increase in transplantation rates, 26% increase in kidney transplants, 279% increase in non heart-beating donation and an 82% increase in living donation. The number of transplants exceeded 3,000 for the first time in 2006/07; this represented a 10% increase on the previous year.
36. The NHS Organ Donor Register (ODR) currently has over 15.0 million names, representing nearly 25% of the UK population, who have registered their wish to donate organs after their death. Approximately one million names have been added to the ODR in the last year and it is encouraging that over 90% of the public are in favour, in principle, of organ donation.
37. In addition, organ donation activity has benefited from integrated corporate services within NHSBT, the existing organ donor co-ordinator network has been strengthened and exploratory work has begun on closer working with the Authority's tissue co-ordinator network.
38. However, despite this record of achievement there are currently more than 7,500 people in the UK who need a transplant and this total continues to rise despite the significant effort being made to increase the number of donors (see figure two). The changing demographic profile within the UK is also likely to drive the demand for organs upwards.

Figure two – Number of Transplants in the UK



39. In addition, UK organ donation rates are significantly below those of some other major European countries including Spain and France. Spain has the highest organ donation rate in Europe at 34 per million of population (pmp). The UK has one of the lowest rates at c13 pmp (see figure three).

Figure three – Deceased Organ Donor Rates, Europe and US



40. To achieve a position significantly above the current UK level, other countries have adopted a systematic approach to addressing the barriers to organ donation.

41. Within the UK, the DH Organ Donation Taskforce (ODTF) has recently reviewed all of the stages in organ donation and has made fourteen recommendations. NHSBT has played a significant role in support of the Taskforce, and subsequently we have been asked by the DH to take forward a number of the recommendations.

A copy of the detailed ODTF report can be accessed at the following location:
www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_082122.

42. These recommendations, if successfully implemented, are expected to enable a c50% increase in the number of organ donors and subsequently organ transplants, by the end of a five-year period, through the:

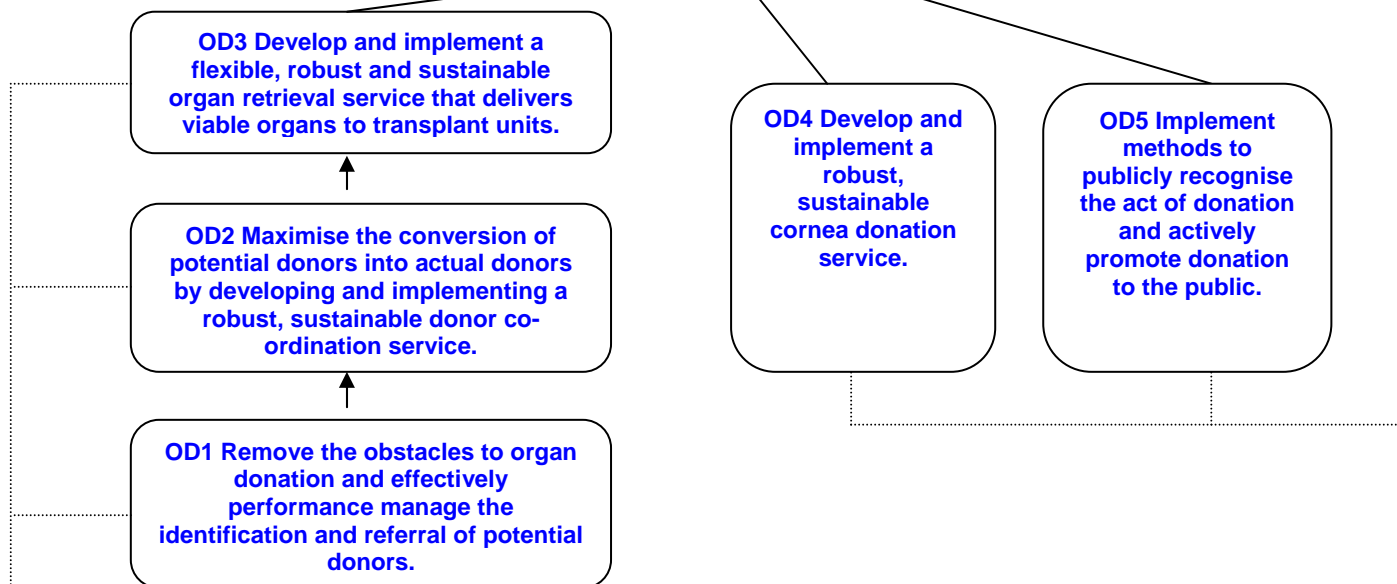
- Systematic removal of existing barriers to organ donation,
- Development of robust donor co-ordination and organ retrieval arrangements,
- Improved promotion and public recognition of organ donation.

43. The impact of these recommendations, as they relate to us, has been incorporated into plans for 2008/11 and are described in the work-plan below.

44. Some of the ODTF recommendations fall outside our remit and the successful delivery of the overall benefits will require effective integration and oversight of the entire work programme through an over-arching NHS framework. It has recently been announced that Professor Sir Bruce Keogh, NHS Medical Director, will have overall responsibility for implementation of the ODTF findings.

Strategic Objective measures and targets (level 1)	2007/08	2008/09	2009/10	2010/11
Number of Organ Donors	1,620	1,630	1,668	1,754
Cumulative percentage increase in deceased organ donation Please note: future year targets 2011/12 = 35% & 2012/13 = 50%	0%	2%	8%	20%
Number of Organ Transplants	3,202	3,235	3,401	3,665
Number of Cornea Donors	1,880	1,950	2,250	2,250
Number of Cornea Transplants	2,470	2,730	3,000	3,000

Strategic Objective: To identify and refer increasing numbers of potential donors and to increase the number of actual donors, enabling an increase in the number of transplants.



Strategic Activity measures and targets (level 2)	2007/08	2008/09	2009/10	2010/11	
OD1 Percentage of patients where Brain Stem Death (BSD) is a possible diagnosis that following identification, testing and referral are suitable donors	70%	76%	78%	80%	
OD2 Percentage of HB donor families approached that consent to / authorise donation within the ICUs	61%	63%	66%	69%	
OD3 Number of transplantable organs per donor	Heart-beating	3.91	3.91	3.95	3.95
	Non Heart-beating	2.35	2.35	2.40	2.45
OD4 Percentage of corneas that is sufficient to meet demand	84%	91%	100%	100%	
OD5 Number of people registered on the Organ Donor Register (ODR)	15.0m	15.7m	16.3m	16.9m	

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
OD1 Remove the obstacles to organ donation and effectively performance manage the identification and referral of potential donors.				
<ul style="list-style-type: none"> Implement clinical "Donor Champions" and an Organ Donation Committee within donating hospitals (ODTF 4). 	0 / 0%	51 / 19%	155 / 58%	195 / 73%
<ul style="list-style-type: none"> Implement effective performance management within all donating hospitals (ODTF 6). 	0%	0%	100%	100%
<ul style="list-style-type: none"> Implement financial reimbursement to all hospitals for the additional costs incurred when facilitating a potential or actual donor (ODTF 8). 		100%	100%	100%
OD2 Maximise the conversion of potential donors into actual donors by developing and implementing a robust, sustainable donor co-ordination service.				
<ul style="list-style-type: none"> Implementation of a centrally employed Donor Transplant Co-ordinator network (ODTF 9). 		4 teams in place (not fully operational)	12 teams in place, 4 teams fully operational	All 12 teams in place and fully operational
<ul style="list-style-type: none"> Improve, and streamline, the process of donor registration through the introduction of an electronic (web-based) system (ODTF 9). 		Pilot system by March		
<ul style="list-style-type: none"> Maintain and increase the current level of investment in Living Donor schemes (Live Donor Co-ordinators). 	26	30	30	30
OD3 Develop and implement a flexible, robust and sustainable organ retrieval service that delivers viable organs to transplant units.				
<ul style="list-style-type: none"> Implement nationally commissioned Organ Retrieval Teams (ODTF 10). 		Prepare and deploy framework Develop capability	7 teams part year effect	7 teams full, 2 'new' teams part year effect
OD4 Develop and implement a robust, sustainable cornea donation service.				
<ul style="list-style-type: none"> Review eye retrieval units - performance manage each against a target of retrieving 70% of all donated corneas by 2011/12, whilst achieving an annual quality indicator of 70% retrieved corneas suitable for transplantation. 		3 Units	6 Units	8 Units
OD5 Implement methods to publicly recognise the act of donation and actively promote donation to the public.				
<ul style="list-style-type: none"> Develop and implement a national public awareness campaign. 		Plan and develop	Implement	
<ul style="list-style-type: none"> Promote organ donation and the "gift of life" to the general public via targeted marketing campaigns (ODTF 13). 		Ongoing	Ongoing	Ongoing
<ul style="list-style-type: none"> Promote organ donation and the "gift of life" specifically to the BME population via targeted marketing campaigns (ODTF 13). 		Develop and implement campaigns	Ongoing	Ongoing
<ul style="list-style-type: none"> Promote public recognition of individual organ donors through national memorials, local initiatives and personal follow up to all donor families (ODTF 12). 		Commission research	Implement	Ongoing

d) Fractionated Products

Strategic objective: To achieve financial viability while continuing to meet all quality, service provision and compliance standards.

45. NHSBT manufactures and supplies a number of blood products to the NHS and to overseas markets (via its Operating Division, BPL). BPL operates in competitive national and international markets. The global market for plasma products has a direct impact on the local, national market in terms of overall supply of plasma and products, and on prices. BPL operates in a particular environment that is defined by:

- The requirement to source its raw material (plasma) from the US, due to the risk of vCJD in the UK population. This has a significant impact on the cost of goods and on output volumes,
- A requirement to supply the domestic market preferentially and ensure sufficiency of supply in times of national product shortages,
- Restricted opportunity to maximise the revenue generation from its finished products due to barriers of entry in the higher priced markets such as the major Western European countries and the US.

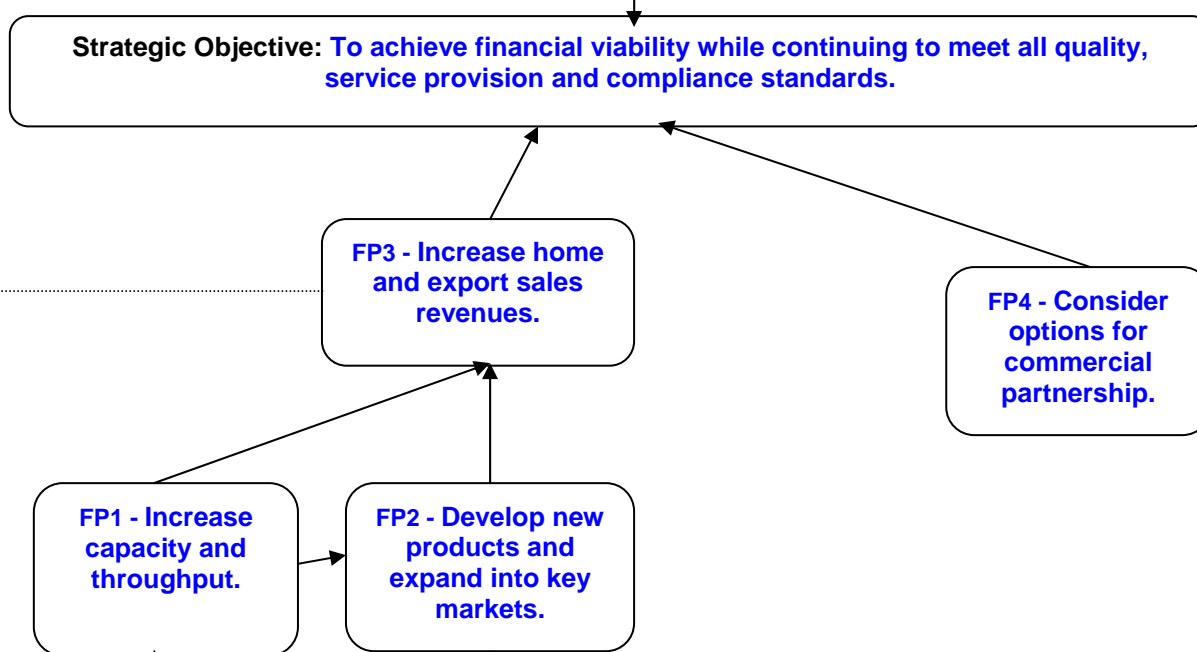
46. As a result, in recent years, we have had to rely on direct funding from the DH. The level of funding required has decreased significantly as we have secured access to other markets and achieved price increases in our main product lines comparable to higher priced markets. During the 2006/07/08 period we reduced our planned level of central funding by 58%, increased sales by the same percentage and delivered significant efficiencies.

47. The continuing challenge for us is to build on the significant level of progress made and operate efficiently, on a financially self sufficient and sustainable basis.

48. Against this backdrop, we will pursue initiatives within four Fractionated Products (FP) strategic activities to effectively deal with the challenges outlined above:

- a) FP1 - Increased capacity and throughput,
- b) FP2 - Develop new products and expand into key markets,
- c) FP3 - Increase home and export sales revenues,
- d) FP4 - Consider options for commercial partnership.

Strategic Objective measures and targets (level 1)	2007/08	2008/09	2009/10	2010/11
Cumulative reduction in central funding / grant in aid requirements (from a 2007/08 planned baseline)	-	41%	73%	100%
Number of 'critical' regulatory non-compliances	0	0	0	0



Strategic Activity measures and targets (level 2)	2007/08	2008/09	2009/10	2010/11
FP1 - Cumulative percentage increase in annual fractionation capacity	-	4%	9%	16%
FP2.1 - Launch new products	Full scale Optivate sales UK and Brazil	Optivate and Replene sales in Europe	Gammaplex sales Factor X named patient	Optivate VWD sales Factor X sales
FP2.2 - Contract fractionation and licensing out IP	Kazpharm (LO)	Gammacan (CFr) Recombinant Anti -D (LO)	Secure small scale contract fractionation	Secure large scale contract fractionation
FP3 - Cumulative percentage increase in sales revenues	£82.7m	£93.4m / 13%	£103.9m / 26%	£113.3m / 37%
FP4 - Consider Options for Commercial Partnership	OBC complete	Plan response to OBC review	TBC	TBC

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
FP1 Increase capacity and throughput.				
• Increase annual fractionation capacity.	464k L	483k L	505k L	540k L
• Average batches per week.	1.70	1.75	1.83	1.96
• Recurring revenue investment (or reduction).	0	£120k	£120k	£240k
• Capital Investment.	£5m	£6.5m	£6m	£6.5m
• Budgeted WTE.	429	432	432	435
FP2 Develop new products and expand into key markets.				
• Launch new products.	Full scale Optivate sales UK and Brazil	Optivate and Replene sales in Europe	Gammaflex sales Factor X named patient	Optivate VWD sales Factor X sales
• Launch Date.	Sept 2007	Jan 2009	Aug 2009	May 2010
• Non-recurring revenue.	£2.9m	£2.9m	£3.0m	n/a
• Capital Investment.	n/a	n/a	£0.5m	n/a
• Contract fractionation (CFr) - Licensing out BPL IP (LO).	Kazpharm (LO)	Gammafan (CFr) Recombinant Anti -D (LO)	Secure small scale contract fractionation	Secure large scale contract fractionation
• Contracts Signed.	Sept 2007	Apr 2008	Apr 2009	2010
FP3 Increase home and export sales revenues.				
• Home sales revenues.	£60m	£68.5m	£76.9m	£84.9m
• Year on Year increase in home sales revenues.	£5.1m	Inc £8.5m	Inc by £8.4m	Inc by £8m
• Export sales revenues.	£21.6m	£23.7m	£25.8m	£28.4m
• Year on Year increase in export sales revenues.	£3.6m	£2.1m	£2.1m	£2.6m
FP4 Consider options for commercial partnership.				
• Respond to the outcome of ministerial review of the OBC on ownership options.	OBC complete	Plan response to OBC review	TBC	TBC

e) NHSBT: An organisation fit for purpose

Strategic objective: To establish NHSBT as an acknowledged, effective and efficient provider of products and services, focused on service to donors and customers, flexible to meet changing needs and ambitious to succeed.

49. The formation of NHSBT has facilitated the provision of additional management support and other resources to support our work on organ donation and fractionated products. However, it is clear that the size and scope of the changes to the delivery of front line services, as laid out above, will necessitate the transformation of our organisational structure and culture in order to enable successful delivery of our strategy and to better reflect the fact that such activities are now being undertaken within a single organisation.
50. In addition, despite the level of support required to deliver key plans and the progress made to date in streamlining support services by providing them on a 'group' basis, initial analysis would suggest there is significant scope to improve the level of productivity and efficiency within support functions and consequently reduce costs, further consolidating the benefits from the 2005 merger.
51. As a result, we will fundamentally review our organisational arrangements during 2008/11, reviewing and developing structures, systems and governance arrangements. These changes will ensure we are fit for purpose for future clinical and organisational challenges. During 2008/11 we will:
- EA1: Ensure NHSBT corporate structures enable effective and efficient delivery of its strategy through the provision of appropriate organisational structures and systems.
52. Furthermore, effective and timely engagement with stakeholders is also an essential pre-requisite to the development, understanding and achievement of all aspects of activity within this plan and the underpinning work-plans. During 2008/11 we will:
- EA2: Build support for the NHSBT strategy through a programme of proactive engagement with internal and external stakeholders.
53. The strategic review and ongoing planning process have identified that a significant risk to delivery of plans is a lack of capacity and capability to effectively lead and manage multiple strategic change programmes. In addition, development of a more performance led culture will be a critical enabler to the successful implementation of our strategic plan. As a result we will:
- EA3: Improve NHSBT's capacity and capability to deliver strategic change through the deployment of appropriate resource, leadership and skill, supported by the development of appropriate performance management systems.
54. The following pages outline a summary of the plans within each of these areas.

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
EA1 Ensure NHSBT corporate structures enable effective and efficient delivery of its strategy through the provision of appropriate organisational structures and systems.				
<ul style="list-style-type: none"> NHSBT: Implementation of a revised organisation structure that integrates the new Organ Donor Organisation and demonstrates further synergies across its total supply chain. 		Organisational development plan agreed	Continue to roll out restructure	
<ul style="list-style-type: none"> NHSBT: Review of Group Services - planning delivery of cost reductions and efficiencies in support service functions in line with external benchmarks. 		Begin January 2009	Implement action plan	
<ul style="list-style-type: none"> In addition complete the realignment of support team sub-structures to enable successful delivery of strategic plans. <ul style="list-style-type: none"> Clinical: Develop an R&D strategy that recognises the need for succession planning, the opportunities presented by the creation of the National Institute for Healthcare Research and includes proposals for structuring of development. 		Develop plan	Implement plan	Implement plan
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Clinical: Review the current structure of the Clinical Directorate in the light of organisational restructure. 		New structure in Place	Complete implementation	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> HR: Implement a reorganisation of the HR Function to provide a more effective and responsive general HR and recruitment service. 		Complete		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Finance: Continue the restructure / development of Finance to improve support to the development & delivery of strategy. 		Complete		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> IT: Implement the IT organisational change to deliver the structure outlined in the IT Strategy. 		Planned Q2 underway Q3	Complete	
<p>Communications & Public Affairs – restructure CPA:</p> <ul style="list-style-type: none"> Development and introduction of a single internal communications function across NHSBT, Development and introduction of a single professional and responsive press and media function across NHSBT – with one integrated on-call team, Recruitment of staff with relevant experience to build a Public Affairs function. 		Complete restructure and Staff recruitment Develop single NHSBT magazine	Complete development of a single intranet site for the organisation	
<ul style="list-style-type: none"> Review and develop NHSBT's Governance systems. <ul style="list-style-type: none"> NHSBT: Maintenance and development of an effective emergency preparedness infrastructure and framework. 		Flu pandemic readiness assessment New SLA DH antidote service Review EP	Stock pile key consumables	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> DSM: Development of an action plan in response to NHSBT's NHSLA and Standards for Better Health Self-assessments. 		Agree & implement		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> DSM: Implementation of the findings from the review of risk management systems and processes. 		Plan & Implement		
<ul style="list-style-type: none"> <ul style="list-style-type: none"> DSM: Development of an integrated NHSBT Sustainable Development Action Plan. 		SDAP by December	Implement	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Finance: complete benchmarking analysis with NHS SBS and develop an action plan. 		Complete by March	Implement action plan	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> Clinical: Review Clinical Governance arrangements, including Clinical Audit, with a view to improving the integration of Clinical Governance issues within NHSBT's management arrangements. 		Review complete Implement changes		

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
EA1: Ensure NHSBT Corporate structures enable effective and efficient delivery of its strategy through the provision of appropriate organisational structures and systems.				
<ul style="list-style-type: none"> Review and develop NHSBT's systems in support of key strategic deliverables. <ul style="list-style-type: none"> IT: Pulse database consolidation and move to new hardware. 		Completed by mid-year		
<ul style="list-style-type: none"> IT: Continue to renew the components of PULSE with business support. 		Complete Pulse 16.1 live	Pulse 17.1 live	Pulse components completely renewed
<ul style="list-style-type: none"> IT: Replacement of the telecommunications system. 		Procured & 50% deployed	Complete	
<ul style="list-style-type: none"> IT: Implement the new standardised Laboratory Information Management System (Hematos) in line with project milestones 		Conversion of H&I labs BBMR CBB & SCI	Hematos fully deployed	
<ul style="list-style-type: none"> IT: Session infrastructure replacement. 		Replaced		
<ul style="list-style-type: none"> IT: Filton infrastructure - Enterprise print management system procured and deployed. 		Completed		
<ul style="list-style-type: none"> IT: NBS Data warehouse. 		Development and deployment commences	Complete	
<ul style="list-style-type: none"> IT: ODO system commissioned and deployed. 		Initial deployment	Ongoing	Ongoing
<ul style="list-style-type: none"> IT: Secure corporate data on NHSBT laptops and removable media. 		Complete		
<ul style="list-style-type: none"> IT: Upgrade core IT infrastructure components - Active Directory, Data centre SAN, Microsoft Exchange and Core Network, Web Services Components. 		Active Directory complete Other activities commence	SAN, Microsoft Exchange, Web services and core network complete	
<ul style="list-style-type: none"> IT: & UKT: Development of a system for the 35 outstanding transplant-related datasets. 		Initial Analysis	Complete	
<ul style="list-style-type: none"> Finance: Upgrade Oros ABC software to SAS ABM to enable improved performance reporting, drill down access, improved model automation and data integration. Complete ABC iteration 4 including UKT. 		Implement upgrade Output by October	Qtrly Production	Qtrly Production
<ul style="list-style-type: none"> Finance: implementation of Intelligent invoice processing. 		Complete Feasibility study	Implement	Ongoing use
<ul style="list-style-type: none"> Finance: Integration of core systems into billing processes / completing the review of Debtors processes. 	Ongoing	Complete September	Ongoing use	Ongoing use
<ul style="list-style-type: none"> Finance: Progress ESR Benefits Realisation. 		Implement E-expenses Oct & ADI upload Dec	Complete Rostering Pilot	Implement Managers self-service
Level 3 performance measures:				
<ul style="list-style-type: none"> Maintain the availability of key IT services (% availability). 		≥99.95%	≥99.95%	≥99.95%
<ul style="list-style-type: none"> Maintain customer satisfaction with services offered at the desktop. 		≥70%	≥70%	≥70%
<ul style="list-style-type: none"> Better Payment Practice Code by volume and value. 		≥92.00%	≥92.00%	≥92.00%
<ul style="list-style-type: none"> Number of debtor days. 		20	20	20

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
EA2 Build support for the NHSBT strategy through a programme of proactive engagement with internal and external stakeholders.				
<ul style="list-style-type: none"> HR: continued development of more effective consultative structures and an effective policy framework, developed in partnership. 		First phase revisions in place	Ongoing policy review	Ongoing policy review
<ul style="list-style-type: none"> HR: increase the response rate for the staff survey. 		45% response	55% response	60% response
<ul style="list-style-type: none"> HR: implement a new single Equality scheme. 		Scheme adopted	Ongoing	Ongoing
<ul style="list-style-type: none"> Communications & PA: Build on progress made in strategic stakeholder engagement on NBS review and launch of ODTF report so that this becomes part of business as usual across NHSBT. 	Engage ment plans in place	Developed	Embedded	
<ul style="list-style-type: none"> Finance: Ensure that sufficient funding is generated, effectively managed and made available in line with planned requirements. This includes support to the NCG for Blood process and submission of revenue, brokerage and capital GIA bids in line with the DH planning timetable. 	NCG Autumn	NCG Autumn	NCG Autumn	NCG Autumn
	Fin Plan Mid Dec 2007	Fin Plan Mid Dec 2008	Fin Plan Mid Dec 2009	Fin Plan Mid Dec 2010
<ul style="list-style-type: none"> Finance: Continued delivery of a supplier development programme. 	6 key suppliers	10 key suppliers	15 key suppliers	20 key suppliers
<ul style="list-style-type: none"> DSM: establish process for self-regulation in line with DH gateway arrangements. 		Complete		
<ul style="list-style-type: none"> DSM: Effective development and deployment of an NHSBT planning framework, working within DH guidelines and frameworks. 		DH Planning Deadline achieved	DH Planning Deadline achieved	DH Planning Deadline achieved
<ul style="list-style-type: none"> Clinical: Engage stakeholders on the implementation, success monitoring and roll out of BBTIII and relevant and influential clinical audit outcomes and systematic reviews. 		Ongoing	Ongoing	Ongoing
<ul style="list-style-type: none"> Clinical: Engage with clinical colleagues in NHS Hospital Trusts involved in transplantation, to help ensure the successful implementation of the Organ Donation Taskforce recommendations. 		Appoint to key clinical posts within NHSBT	Ongoing	Ongoing
<ul style="list-style-type: none"> E&L: Develop an outline Estates and Logistics strategic plan in line with 'internal' stakeholder requirements. 		Initial plan By March		Updated by September
<ul style="list-style-type: none"> o E&L: Survey estates utilisation, suitability, cost and condition against internal stakeholders' needs. 		Complete survey	TBD	TBD
<ul style="list-style-type: none"> o E&L: Develop and implement 5 year estates investment plans to meet internal stakeholders' needs. 		Commence	Ongoing	Ongoing
<ul style="list-style-type: none"> o E&L: Review warehouse operations models against internal stakeholders' needs and propose improvements. 		Complete review	TBD	TBD

Planned Initiatives	2007/08	2008/09	2009/10	2010/11
EA3: Improve NHSBT's capacity and capability to deliver strategic change through the deployment of appropriate resource, leadership and skill, supported by the development of appropriate performance management systems.				
<ul style="list-style-type: none"> HR: Continued support for strategic workforce change to ensure successful implementation of change projects. 		Ongoing	Ongoing	Ongoing
<ul style="list-style-type: none"> HR: To develop more effective HR structures and systems, supported by the development of a system of KPIs. 		KPIs in place	Ongoing improvement	Ongoing improvement
<ul style="list-style-type: none"> HR: In conjunction with relevant directors, implement programmes to achieve a significant and sustainable reduction in areas with high absence levels. Particular target areas within Donor Services and Estates & Logistics. 		DS 1.25% E&L 2% Baseline reductions	DS 2% E&L 3%	DS 2.5% E&L 4%
<ul style="list-style-type: none"> HR: To implement a revised appraisal and PDR process and achieve 85% penetration of this system by 2011. 		New system in place	70%	85%
<ul style="list-style-type: none"> HR: Implement improved control and monitoring systems for the management of agency / temporary staffing. 		Controls in place		
<ul style="list-style-type: none"> HR: to ensure that an effective Leadership and Management Development programme is designed and implemented in support of strategic priorities. 		New programme in place	Ongoing	Ongoing
<ul style="list-style-type: none"> IT: Continue to ensure that effective programme management structures are available to support business change in all operating divisions, including the provision of appropriate resources, standards and governance frameworks. 		Ongoing	Ongoing	Ongoing
<ul style="list-style-type: none"> IT: Continue to ensure that suitable and sufficient Project Management resources are available to deliver NHSBT initiatives, and that appropriate project management standards and methods are developed and deployed. 		Ongoing	Ongoing	Ongoing
<ul style="list-style-type: none"> DSM: Development of improved performance management systems, frameworks and processes. 		Phase 1 complete. Begin implementation	Implementation complete	
<ul style="list-style-type: none"> Clinical: Review Clinical Directorate workforce requirements and geographical spread in light of NBS strategy review – appoint to new clinical posts, and joint posts in Transfusion Microbiology (with HPA), Tissue Services (Wrightington Hospital), and in Nottingham, Liverpool, Kings and St Mary's London. Review arrangements in Birmingham and Manchester. Implement new contract for non-consultant grade doctors in line with national agreements and develop. 		On-going	On-going	On-going
<ul style="list-style-type: none"> Clinical: Provide support for the replacement of the Chair of UK JPAC, and assist with the review of JPAC modus operandi. 		Appoint new Chair of JPAC	Complete review	New arrangements in place

Section Three: Financial Overview, Performance and Assurance

NHSBT Financial Summary - Revenue Account

55. Overall, this strategic plan outlines a balanced income and expenditure position over the 2008/11 period, in line with our statutory requirement to demonstrate a break-even position. The table below summarises the key movements in income and expenditure over the 2008/11 period.

NHSBT Revenue Statement Key movements	2008/09 £m	2009/10 £m	2010/11 £m	Total £m
Opening Expenditure Position (2007-08 plan)	463.0	491.8	520.6	463.0
Estimated cost pressures and developments	36.3	42.9	32.8	112.1
Estimated one time costs / Transition costs	7.3	1.2	(12.3)	(3.8)
Estimated cost reduction programme	(14.9)	(15.3)	(22.1)	(52.3)
Net expenditure (reduction) / increase	28.8	28.8	(1.6)	56.0
Estimated Total Expenditure [A]	491.8	520.6	519.0	519.0
Opening Income Position	463.0	491.8	520.6	463.0
Baseline Cash Limit [GIA] (reduction) / increase	(6.4)	(2.9)	(2.7)	(12.0)
ODTF Funding	7.7	21.4	11.2	40.3
One time costs / Transition cost funding	7.3	1.2	(12.3)	(3.8)
Movement in income from devolved administrations	0.0	0.1	0.1	0.2
Movement in income from product and service sales	20.1	9.1	2.2	31.4
Net income (reduction) / increase	28.8	28.8	(1.6)	56.0
Estimated Total Income [B]	491.8	520.6	519.0	519.0
Net Income & Expenditure position [A-B]	(0.0)	(0.0)	(0.0)	(0.0)

Revenue Investment Plans

56. The financial plan outlines growth in revenue funding totalling £56.0m over the 2008/11 period. This includes additional revenue funding in support of our strategic activities with the following areas of material investment:

- Organ Donation - £41.0m investment over the 2008/11 period

This is predominantly (£40.3m) attributable to phased revenue expenditure to commence the programme of work to deliver those recommendations of the ODTF that we have been asked by the DH to take forward. The table below summarises this over the 2008/11 period.

Organ Donation Planned Initiatives	2008/09	2009/10	2010/11
<ul style="list-style-type: none"> OD1: Implement clinical "Donor Champions", Organ Donation Committees and effective performance management (ODTF 4&6) 	£0.6m	£3.2m	£4.0m
<ul style="list-style-type: none"> OD1: Implement financial reimbursement to all hospitals for the additional costs incurred when facilitating a potential or actual donor (ODTF 8) 	£2.4m	£2.6m	£3.0m
<ul style="list-style-type: none"> OD2: Implementation of a centrally employed Donor Transplant Co-ordinator network (ODTF 9) 	£1.9m	£8.9m	£12.8m
<ul style="list-style-type: none"> OD3: Implement nationally commissioned Organ Retrieval Teams (ODTF 10) 	£0.3m	£9.7m	£19.4m
<ul style="list-style-type: none"> OD5: Promote organ donation and identify appropriate methods of public recognition (ODTF 12&13) 	£1.0m	£4.1m	£0.4m
<ul style="list-style-type: none"> EA1: Establish a UK wide Organ Donor Organisation (ODTF 1&2) 	£1.5m	£0.6m	£0.7m
TOTAL INVESTMENT	£7.7m	£29.1m	£40.3m

- Fractionated Products - £18.4m increase in costs over the 2008/11 period

This relates to growth in costs to enable an increase in sales of c37%. The value of sales planned in excess of these costs will enable NHSBT to eliminate our grant in aid funding requirement for fractionated products by the end of this three-year planning cycle.

- Blood Components and Specialist Services – net cost reduction of £3.4m

The impact of cost reduction plans over the 2008/11 period (£40.3m – see strategic activities BSC2 and SS3) plus an overall reduction in the level of non-recurring costs in baseline (£3.8m) offsets the impact of forecast cost pressures and developments (£40.7m).

We will require significant levels of non-recurring funds, prudently estimated at £39.0m over the 2008/11 period, to cover the potential cost of reorganisation, change management support and other non-recurring costs associated with delivery of the strategic change programmes within these areas. The table below outlines our approach to funding these costs

Transition funding plan	2007/08 (X)	2008/09	2009/10	2010/11 (Y)	Movement (X-Y)
Expenditure	£9.0m	£16.3m	£17.5m	£5.2m	–£3.8m
<i>Funded via:</i>					Total 2008/11
<ul style="list-style-type: none"> Prices 	£9.0m	£9.0m	£4.0m	£3.0m	£16.0m
<ul style="list-style-type: none"> Brokered funding 		£7.3m	£13.5m	£2.2m	£23.0m
TOTAL		£16.3m	£17.5m	£5.2m	£39.0m

Capital Investment Plans

57. During 2008/11, we are planning to deliver a capital investment programme totalling £61.8m. These plans are largely centred on the consolidation plans within the blood supply chain, BPL's ongoing capital investment plan, plus rolling equipment replacement and renewal programmes.

Capital Expenditure Plan	2008/09	2009/10	2010/11
• BSC: Complete the South West Regional Restructuring - Bristol Filton New Build	£7.8m	£0.6m	-
• BSC: South West Regional Restructuring - minor equipment	£4.2m	-	-
• Specialist Services – replacement LIMS	£0.2m	-	-
• Fractionated Products (BPL) Capital Programme	£6.5m	£6.5m	£6.5m
• Minor Capital Programme – equipment replacement and estate works	£8.7m	£10.8m	£10.0m
TOTAL	£27.4m	£17.9m	£16.5m

58. The appropriate level of capital charges on our fixed asset base, in the form of interest and depreciation, are included within the Income and Expenditure account.

59. We will be working closely with our DH partners to progress and deliver this capital programme in a timely manner, with plans being progressed in conjunction with the DH Business Support Unit and Capital Investment Branch where necessary.

Arm's Length Bodies Review Targets

60. The level of cost reduction and efficiency savings planned demonstrates that we are on track to significantly exceed the overall cost reduction objectives set by the Arm's Length Bodies Review (ALBR).

61. ALBR targets to be achieved by 2008/09 (from a baseline of the 2005/06 plan) are as follows:

- A reduction in baseline grant in aid funding of £11.0m.

£23.1m will have been achieved by the end of 2008/09 (£7.1m 2006/07, £9.6m 2007/08 and £6.4m in 2008/09).

- Total cost reduction savings of £27.0m.

£65.0m will have been achieved by the end of 2008/09 (£32.3m 2006/07, £17.8m 2007/08 and £14.9m in 2008/09).

- A reduction in funded establishment of 153 WTE.

560 WTE will have been achieved by the end of 2008/09
(284 WTE 2006/07, 183 WTE 2007/08 and 93 WTE in 2008/09).

Performance and Assurance

62. We adopt an integrated approach to planning, performance, governance and assurance. This means that each strategic objective has been subject to risk evaluation and assessment and that supporting activities and work plans (and their respective controls) have been developed to mitigate the risks of failing to achieve these objectives. Such risks are captured within our Strategic Risk Register and this forms a key aspect of the Authority's Assurance Framework (appendix three).
63. Progress against delivery of this plan will be reported each month to the NHSBT Executive Management Team and NHSBT Board, using the Authority's Performance Scorecard (see page 31 below) as the basis of an exception report. This will be supplemented by a full review of progress against the detailed work-plan at the end of each quarter.
64. These quarterly reviews of progress against the work plan will form the basis for the Authority's formal accountability review arrangements with DH sponsors.
65. Major risks to delivery of plans, which arise in-year, are captured within our Programme Governance arrangements and as part of each Functional Management Team's ongoing review of performance and management of risk. Risks are escalated, as appropriate, for resolution via the performance review process.
66. This work is subject to scrutiny by the Governance and Audit Committee (GAC), the Board Programme Assurance Committee (B-PAC) and the Authority's Internal Auditors. As part of the planning process the GAC provides an opinion on the robustness of the Assurance Framework, and its alignment with the activities within this strategic plan.
67. Our integrated planning, performance and governance system, and its associated frameworks and scorecards, are managed on behalf of the CEO by the Directorate of Strategy Management(DSM).

NHSBT 2008/09 Performance Scorecard

		Level	Description	2007/08	2008/09
Blood Components	Sufficient Supply	Objective	Percentage of Product requests met	>99.9%	>99.9%
		Objective	Number of weekdays where red cell stocks (for any blood group) are below the three day alert level	c7 days / month	0
		Objective	Number of days where platelet stocks are 100 below agreed stock level	c2 days / month	0
	Modernise Blood Collection	BSC1a	Percentage of blood collection target achieved	100%	100%
		BSC1b/1c	Percentage of blood donors very / totally satisfied	63%	65%
	Cost Reduction and Efficiency	Objective	Unit price of red cells	£133.99	£139.72
		BSC2	Income and expenditure position (cost reduction target reflected within financial plan)	£0m (£10.5m)	£0m (£10.2m)
	Capacity to process to required standards	Objective	Number of 'critical' regulatory non-compliances	0	0
		BSC3a	Productivity within Processing and Testing - number of red cell (equivalent) units per WTE	5,200 / WTE	5,300 / WTE
		BSC3b	Percentage of external non-compliances with overdue actions	14%	0%
		BSC3c	Percentage of hospitals very / totally satisfied with overall service	50%	53%
	Blood Safety	BSC4	Year on year reduction in red cell issues	1.820m	1.765m (-3.0%)
BSC4a		Increase platelet production by component donation	60%	80%	

Specialist Services	I&E Gap	Objective (SS1-3)	Overall Specialist Services funding gap - managed through delivery of the financial plan	£23.7m	£17.6m
	Service quality maintained	Objective	Number of 'critical' regulatory non-compliances	0	0
		SS4	Percentage of external non-compliances with overdue actions	7%	0%
		SS4	SLA Compliance (RCI)	95.0%	95.0%
		SS4	Tissues: orders met on time in full (OTIF)	96.0%	98.5%

Organ Donation	Organ Donation	Objective	Number of Organ Donors	1,620	1,630
		Objective	Cumulative percentage increase in deceased organ donation	-	2%
		Objective	Number of Organ Transplants	3,202	3,235
		OD1	Percentage of patients where Brain Stem Death (BSD) is a possible diagnosis that following identification, testing and referral are suitable donors	70%	76%
		OD2	Percentage of Heart-beating donor families approached that consent to / authorise donation within the ICUs	61%	63%
		OD3	Number of transplantable organs per donor – Heart-beating	3.91	3.91
		OD3	Number of transplantable organs per donor - Non Heart-beating	2.35	2.35
		OD5	Number of people registered on the Organ Donor Register (ODR)	15.0m	15.7m
	Cornea Donation	Objective	Number of Cornea donors	1,880	1,950
		Objective	Number of Cornea transplants	2,470	2,730
		OD4	Percentage of corneas that is sufficient to meet demand	84%	91%

Fractionated Products	I&E Gap	Objective	Cumulative reduction in central funding / grant in aid requirements (from a 2007/08 planned baseline)	-	41%
		FP1	Cumulative percentage increase in annual fractionation capacity	-	4%
		FP3	Cumulative percentage increase in sales revenues	£82.7m	£93.4m / 13%
	Compliance	Objective	Number of 'critical' regulatory non-compliances	0	0