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Gary Jenkins
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Dear Gary,

THE STATE HOSPITAL: ANNUAL OPERATIONAL PLAN 2019/20

Thank you for submitting your Annual Operational Plan (AOP), setting out your operational priorities and key actions for 2019/20. I would like to take this opportunity to thank you and your team for all the hard work that has gone into the preparation of the AOP over the last few months.

As detailed in the guidance we issued in February 2019, the AOP is intended to support NHS Boards and their partners to deliver safe, effective and accessible treatment and care, and provides the basis on which the Scottish Government will hold Boards to account for their contribution over the year to delivering the Cabinet Secretary's priorities including waiting times improvement; investment in mental health; and achieving greater progress and pace in the integration of Health and Social Care.

In responding to your AOP, I would like to take the opportunity to reinforce the importance of adopting a whole system approach to implementation. This will necessitate a clear focus on interagency and integrated working with your key partners and stakeholders across the health and care system, always maintaining the primacy of patient safety as an underpinning principle.

We recognise that this is essentially a one year plan, focusing on 2019/20 at this stage. For next year, we will want to move to align the AOP with the three year planning horizon set out in the Medium Term Financial Framework to ensure that we have clear visibility of the significant change processes that are underway across the system and to ensure that AOPs fully support and reflect the service reform agenda. We will be in touch with you over the next few months to take forward this development process.

Your financial plan sets out an indicative breakeven position in each year of the three year planning cycle to 2021-22, along with detail of your planning assumptions and approach. We are content to approve the plan, with the expectation that the Board delivers breakeven in 2019-20. We will use the three-year finance plan as the basis of our discussions with you throughout 2019-20 and into future years.

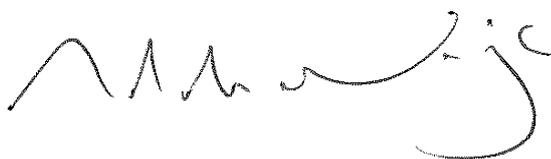
We expect plans for the £15 million National Boards' efficiency saving to be fully developed in collaboration with your National Board partners by the end of June 2019. We expect this to include any adjustment to the baseline position for 2019-20 as well as allocation of the shortfall from 2018-19. It is therefore essential that planning assumptions are aligned across National Boards and with the approach agreed by the National Boards' Directors of Finance Group.

In view of this, following the first quarter of the financial year, we will be asking for an update on the financial position, including progress in the identification and delivery of savings. We will further discuss the specifics of what is required, including timescales, with your Director of Finance.

As previously stated, the finalised AOP will be used as the basis for engagement with the Board over the coming year and we look forward to working with you to deliver ongoing improvement of safe and accessible treatment and care. I am particularly interested in hearing about progress on the ambitious actions around workforce and the new Clinical Service Delivery Model. These have the potential to transform how services are delivered in a sometimes challenging environment.

If you have any questions about this letter, please contact Teresa Medhurst in the Mental Health Directorate in the first instance (Teresa.Medhurst@gov.scot).

Yours sincerely,



Malcolm Wright
Director-General for Health & Social Care and Chief Executive of NHSScotland