

P145 **MANAGING A DEFICIT**Barbara Gale *St Nicholas Hospice Care, Bury St Edmunds, UK*

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Introduction In 2009, a year of global financial uncertainty, a hospice faced a £500k deficit. Trustees and management agreed that this was not sustainable and that spending needed to match income.

Process Before deciding where to cut costs the management team undertook a mapping process for all the service activities required by patients and families. The key activities were then analysed in relation to cost.

Staff piloted two methods of activity mapping – a service blueprint and a resource activity map. The service blueprint was found to be more user friendly and facilitated cross department discussions. In addition to this the last 3 years cost and activity data was examined.

Methods The process of mapping services highlighted how some activity could be done by different staff or even volunteers, and it encouraged cross departmental discussions rather than silo thinking. Gaps in IT systems and processes were clear.

The results showed a trend of increasing costs but not matched by increasing income. If the trend continued it was clear the organisation risked running out of cash within 4 years.

Trends in activity data showed increasing community activity and home deaths alongside increasing ward costs in decreasing hospice ward deaths.

The whole process was underpinned by a complex communications strategy externally and internally.

Results This evidence enabled the management team to make £500 000 of savings by closing four beds, making three redundancies, terminating fixed term contracts, freezing vacancies, all non-essential training and expenditure.

Surplus ward staff were transferred into the community team.

The hospice is now in a strong financial position and is investing in new posts in fundraising and clinical areas.