

## Corporate Performance Report 2013/14

December 2013

**OUR VISION:**

To be known as one of the top ten hospital Trusts in England and the Kent hospital of choice for patients and those close to them

**OUR MISSION:**

To provide safe, patient focused and sustainable health services with and for the people of Kent. In achieving this we acknowledge our special responsibility for the most vulnerable members of the population we serve

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## PERFORMANCE SCORECARD

### Key National Targets

Monitor		XL			
Domain	Metric Name	T	MTD	QTD	YTD
Monitor Total	Monitor Governance Score				
Monitor		XL			
Domain	Metric Name	T	MTD	QTD	YTD
Safety	Cases of CDiff (Cumulative)				
Effectiveness	A&E: Time in A&E (%)				
Productivity	Cancer: 2WW (All)				
	Cancer: 2WW (Breast)				
	Cancer: 31D (Diag - Treat)				
	Cancer: 31D (2nd Treat - Surg)				
	Cancer: 31D (Drug)				
	Cancer: 62D (GP Ref)				
	Cancer: 62D (Screening Ref)				
	RTT: Admitted (%)				
	RTT: Non-Admitted (%)				
	RTT: Incompletes (%)				
	DM01: Diagnostic Waits				

### Internally Monitored Indicators

Quality		XL			
Domain	Metric Name	T	MTD	QTD	YTD
Safety	HSMR			81.3	82.4
	Crude Mortality (per 1000) EL		0.47	0.29	0.2
Effectiveness	Crude Mortality (per 1000) NEL		35.2	32.1	29.6
	Readmissions: EL dis. 30d (L...			3.27	3.29
	Readmissions: NEL dis 30d (L...			17.2	17.4
Efficiency		XL			
Domain	Metric Name	T	MTD	QTD	YTD
Productivity	BADS		114	103	102
	Theatres: Session Utilisation (%)		82.5	84	84.3
	Non-Clinical Cancellations (%)		0.24	0.26	0.26
	Non-Clinical Canx Breaches (%)		0	0	1.98
Efficiency	LoS: Elective (CPR)		3.95	3.23	3.04
	LoS: Non-Elective (CPR)		5.59	5.69	5.7

Activity (% Variance to Plan)		XL			
Domain	Metric Name	T	MTD	QTD	YTD
Activity	Referrals - Primary Care		-7.4	2.46	2.19
	Referrals - Total		-7	0.95	1.79
	A&E Attendances		-1.3	0	4.06
	Outpatient Appointments		-0.9	3.9	4.42
	Elective Admissions		4.21	6.82	2.61
	Non-Elective Admissions		3.2	1.94	1.85
	DNA Rate: New (CPR)		6.88	6.64	6.69
	DNA Rate: Follow-Up (C...		7.17	7.01	6.88
	New: Follow-Up Ratio (C...		2.07	2.1	2.12
Activity (% Variance to Plan)		XL			
Domain	Metric Name	T	MTD	QTD	YTD
People	% Clinical Time Worked		73.1	71.3	35.5
	Unplanned Agency Exp...		193	173	181
	Appraisal Quality		88.3	86.6	83
	Training Plans (Quarterly)		59.4	59.4	68.2
	Sickness (%)		3.61	3.52	3.4

### Activity Commentary

Activity in December has produced mixed variances. New Outpatient attendances over performed by 2%, with Follow Up Outpatient attendances under performing by 2%. Day Case admissions over performed by approximately 7%. A&E continues to over perform YTD, but under performed by 1% in month, whereas Non-Elective admissions over performed in month by 3%. Elective Inpatient activity under-performed by 8%. With the exception of Elective Inpatients, all Points of Delivery continue to over perform YTD.

Primary care referrals are under performing by 7% in month. However since this position was taken there has been an increase in recording of Primary Care Referrals, due to late cashing up, and the current un-validated position is 3% under plan in month. The reduction compared to plan is primarily due to GP service demand over the Christmas period. There is still no indication of commissioning intentions taking effect at a corporate level in 2013/14. Although under performing in month, it is important to note that December 2013 Primary Care Referrals are higher than the last three years' December referrals. The YTD position indicates +2% variance against plan. Non-Primary Care Referrals remain static at +1.3% YTD.

Outpatient New attendances over-performed on plan in Mth 9 by 1.75% and remains over plan YTD at +5%. Follow-up attendances, however, were 2% under plan in month but still up YTD at +4%. The decrease in activity for Outpatient Follow Up attendances follows a general trend in December which is primarily caused by the Christmas period, as discussed above. Between the 1st - 20th December Follow Up attends were +9%, while post-20th December the variance was 30% under plan. Daily positions indicate that this has been caused by the days Christmas fell on, together with late cashing up of activity.

Day Case activity has seen a large increase against plan in month again at 7% over plan, primarily driven by Ophthalmology high demand pathways. Inpatient activity, however, has under performed by 8% and continues to under perform YTD at -2.3%. The adverse variance in Elective Inpatients is as a direct result of under performance primarily in the Surgical division, and T&O which is heavily linked to lack of capacity in the service. A number of factors have been affecting under performance in Elective Inpatients including Capacity Issues, Key Staff vacancies, T&O capacity is less than demand since May and Patient Cancellations.

Non Elective (NEL) activity is over performing by ~3% which is linked to increases in HCOOP and Urgent Care services. NEL have been above plan all year with high over performance in month 1 and month 9. Over performing specialities include General Medicine, HCOOP, T&O, and Paediatrics. Although underperforming in month, A&E Activity YTD has seen an activity increase in more complex HRGs and increased activity from SECAMB attendances, both resulting in more pressure on the department.

Pathology Direct Access tests are 11% below plan in month; there is no one particular source of pathology driving underperformance in month. Radiology Direct Access diagnostics are 16% below plan in month and non obstetric ultrasound has been underperforming since September.

Overview of Trust Financial Performance								
Trust Key Performance Indicators (£m)	Annual target	Year to date Plan	Year to date Actual		Monitor Financial Risk Rating	Annual target	Year to date Plan	Year to date Actual
Total operating income	496.6	373.8	386.5		Overall Financial Risk Rating	3.45	3.65	3.55
CIP savings	30.0	21.3	19.0		Continuity of Service Risk Rating	4	4	4
EBITDA	31.3	25.0	24.2		The financial statements and summaries in this report are prepared for internal performance monitoring purposes and have not been audited. The Trust accepts no liability for any decisions made by persons external to the Trust based on this information.			
I&E net surplus	5.4	6.1	5.2					
Cash balance	48.1	51.7	52.0					
Note: Detailed financial tables are on page 3								

#### Statement of Comprehensive Income (Income and Expenditure)

Trust income for the year to date remains above plan (by £12.7m). However, the Income and Expenditure surplus for the year to date (£5.2m) is now £0.8m short of target as December's 'mixed' activity performance did not generate sufficient income to cover all costs. A Trust Statement of Comprehensive Income is shown on page 3.

- Staff costs remain above planned levels due to measures taken to support activity levels, and to sustain quality and service delivery.
- The subsidiary company (Healthex Limited which runs the Spencer Wing at QEQUH) is reporting a modest surplus to the end of December.
- The forecast income and expenditure surplus for the year has now been lowered to £3.6m to take account of the high cost of additional activity.

#### Improvement Programme

The Trust has achieved £19.0m of efficiency savings in nine months as shown in the chart on page 4.

#### Statement of Financial Position (Balance Sheet)

The Trust Statement of Financial Position and Cash summary are set out on page 3.

- The Trust has £29.3m of net current assets at the end of December, and total net assets of £304.3m. The closing cash balance of £52m is £0.3m above plan.

#### Capital Expenditure Programme

The table on the next page summarises £19.3m of expenditure on capital projects so far this year.

#### Financial Performance Indicators

The Trust is achieving the highest rating of 4 under the new Continuity of Service Risk Rating (which has replaced Monitor's Financial Risk Rating).

#### Identified Financial Risks

The principal risks to achievement of the 2013/14 annual financial plan are considered to be the following:

- Savings not achieved to the level assumed in the annual plan (£30m).
- Increased costs due to continuing high levels of emergency and non-elective activity.
- Fines (especially for healthcare acquired infections) and other challenges from commissioners during the year affecting income for activity performed.

#### How financial risks are being addressed

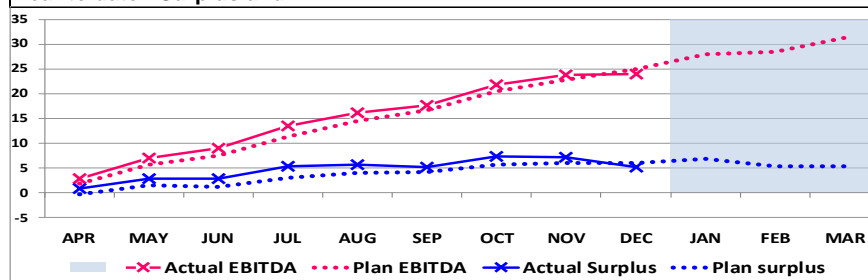
The following actions are in place to mitigate the risk of non-achievement of the 2013/14 financial plan:

- Savings plans that cross divisional boundaries have been adjusted to reflect operational challenges due to high demand for Trust services. With support from Corporate functions, Divisions are continuing to implement agreed efficiencies and to identify any other possible savings.
- Divisions are required to ensure that use of temporary staff or other external resource is fully justified, and reduced wherever possible. Clinical Divisions have received increased funds for maternity leave cover.
- The Trust seeks to resolve any challenges from Commissioners as quickly as possible; the frequency of joint meetings with them has been increased this year.
- Regular performance meetings are held between Clinical Divisions and Executive Directors where issues are aired and remedial actions agreed.

# FINANCIAL PERFORMANCE DECEMBER 2013

Trust Statement of Comprehensive Income to 31 December 2013	Year to date £000
SLAs & Corporate Income	357,563
Other Income	28,918
<b>Total Income</b>	<b>386,481</b>
Pay	224,295
Non-Pay	138,009
<b>Total Expenditure</b>	<b>362,304</b>
<b>EBITDA</b>	<b>24,177</b>
Less: Depreciation	12,457
Less: Dividend Payable	6,674
Less/ (add): Other	(198)
<b>Funds Available for Investment</b>	<b>5,244</b>

Year to date - Surplus and EBITDA



Trust Capital Expenditure to 31 December 2013	Year to date		
	Budget £000	Actual £000	Variance £000
Endoscopy Upgrade - WHH	3,923	2,910	1,013
CT Scanner - WHH	460	65	395
CT Scanner - QEQM	1,899	1,417	482
Replacement Cath Lab - WHH	729	979	(250)
Car Parking Improvements	2,260	4,143	(1,883)
Energy Schemes	893	993	(100)
Buckland Reprovision	3,747	4,652	(905)
Replacement Medical Equipment	1,250	1,111	139
IT Strategy	1,250	749	501
Patient Environment Investment	400	1,215	(815)
Other	975	1,067	(92)
<b>Total Expenditure</b>	<b>17,786</b>	<b>19,300</b>	<b>(1,514)</b>

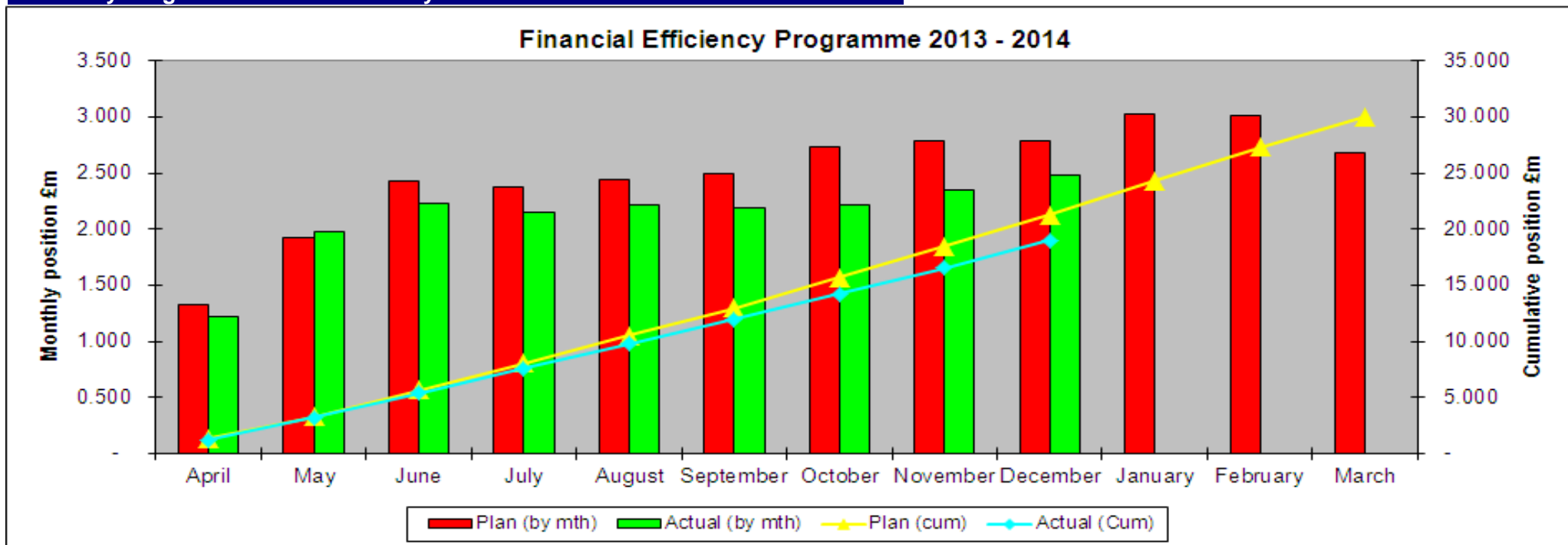
Trust Statement of Financial Position as at 31 December 2013	Opening balance £000	Closing balance £000
<b>Non-Current Assets</b>	<b>273,502</b>	<b>277,266</b>
<b>Current Assets</b>		
Inventories	8,151	8,490
Trade and Other Receivables	29,119	29,514
Cash and Cash Equivalents	51,254	52,026
<b>Total Current Assets</b>	<b>88,525</b>	<b>90,031</b>
<b>Current Liabilities</b>		
Payables	(32,972)	(36,790)
Accruals and Provisions	(20,707)	(23,952)
<b>Net Current Assets</b>	<b>34,847</b>	<b>29,288</b>
Non-Current Liabilities	(2,211)	(2,289)
<b>Total Assets Employed</b>	<b>306,138</b>	<b>304,265</b>
<b>Financed by Taxpayers Equity</b>		
Public Dividend Capital	189,525	189,525
Revaluation Reserve	63,924	63,924
Retained Earnings	52,689	50,817
<b>Total Taxpayers' Equity</b>	<b>306,138</b>	<b>304,265</b>

Trust Cashflow Statement as at 31 December 2013	Current month £000
Opening Bank Balance	51,254
<b>Receipts</b>	
Main CCG SLAs	29,193
All Other NHS Organisations	11,111
Other receipts	1,887
<b>Total Receipts</b>	<b>42,190</b>
<b>Payments</b>	
Payroll	13,726
Creditor (including capital) payments	17,746
Other Payments	9,945
<b>Total Payments</b>	<b>41,418</b>
Closing Bank Balance	52,026

# FINANCIAL PERFORMANCE REPORT

December 2013

## Efficiency Programme : Trust Summary Position



The Trust's net financial efficiency plan for the 2013-14 financial year is £30.0m.

Savings of £2.5m were achieved in December, increasing the total so far this year to £19.0m; this is £2.3m below plan for the year to date, reflecting the continuing impact of increased activity on pay and non-pay savings.

**PERFORMANCE REPORT - DECEMBER 2013**

**GLOSSARY OF TERMS**

<b>Abbreviation</b>	<b>Definition</b>
A&E in Dept <4 hrs	The percentage of A&E attendances who spent less than 4 hours from arrival at A&E to admission, transfer or discharge
Activity Data	Total Trust activity against the CaP Plan (a positive number shows the Trust had completed more activity than planned)
BADS	British Association of Day Surgery (Efficiency Score - actual v predicted overnight bed use)
CAMHS	Child and Adolescent Mental Health Services
IPM	Integrated Provider Management – A team providing local CCGs with financial and contract management in planning, negotiation and performance management of agreements with acute Trusts.
Cancer Targets	Specific cancer targets as identified in the Monitor Framework (2WW - 2 week wait, 31D - 31 days and 62D - 62 days)
CCG	Clinical Commissioning Group - CCGs have replaced PCTs
CDiff	Clostridium Difficile – A bacterium causing infection in the colon
CIP	Cost Improvement Programme – The programme to improve efficiency and productivity by reducing costs and/or increasing income
CoSRR	Continuity of Service Risk Rating - the way Monitor assesses the financial strength of FTs to sustain ongoing service provision (from 01/10/13). Scale of 1 to 4 (4 being the best).
CQC	Care Quality Commission – The body responsible for regulating and inspecting hospitals to ensure they are meeting government standards.
CQUINS	Commissioning for Quality and Innovation – Payment framework which makes a proportion of healthcare providers' income conditional on improvements in quality and innovation in specified areas of care.
CRU	Compensations Recovery Unit – The body which is responsible for liaising with insurance companies to recover the cost of treating RTA victims and pass the income to the Trust.
Crude Mortality	Number of in-hospital deaths per thousand discharged spells
Cum	Cumulative
CV's	Contract Variations
Diag.	Diagnosis
DM01	Reporting of Diagnostic waiting times less than six weeks - a key element towards monitoring waits from referral to treatment
DNA	Did Not Attend
DoH	Department of Health
DQ	Data Quality
EBITDA	Earnings(E) Before(B) Interest (I),Tax(T),Depreciation(D) and Amortisation on Donated Assets(A) ie Income less Operating expenses
eDN	Electronic Discharge Note
EL	Elective – Pre-arranged, non-emergency care
GUM	Genitourinary Medicine
HCOOP	Health Care of Older People
HD unit	High Dependency unit
HSMR	Hospital Standardised Mortality Ratios – This is an indicator of healthcare quality that measures whether the death rate at a hospital is higher or lower than you would expect.
I&E	Income & Expenditure
LoS	Length of stay – Measurement of the duration of a single episode of hospitalisation.
Mth	Month
MRSA	Methicillin-Resistant Staphylococcus Aureus – A bacteria that is resistant to certain antibiotics.
MSSE	Medical Surgical Supplies and Equipment
NEL	Non Elective – Care which has not been pre arranged.
New to Follow Up Ratio	Ratio of attended follow up outpatient appointments compared to attended new outpatient appointments
Non Clinical Cancellations	Cancelled theatre procedures on the day of surgery for non-clinical cancellations as a percentage of total admitted patients
Non Clinical Cancellation breaches	Non-Clinical cancellations that were not rebooked within 28 days as a % of total admitted patients
PAS	Patient Administration System
PbR	Payment by Results – National pricing system designed to ensure Trusts get paid a standard price for each episode of patient care they provide.
PCT	Primary Care Trust – NHS bodies responsible for purchasing and providing healthcare for their local population.
PDC	Public Dividend Capital – Represents the funds provided by the DH since NHS Trusts were formed to enable them to own fixed assets.
POD	Point of Delivery
RAMI	Risk Adjusted Mortality Index
Readmissions	All Readmissions that are an emergency that occur within 30 days of any previous discharge (approved exclusions apply)
R&TC	Referral and Treatment Criteria – Criteria set to establish patient pathways.
RTT	Referral To Treatment
SHA	Strategic Health Authority
SLA	Service Level Agreement - Document describing the contract between the Trust and another public sector body for the provision of goods and/or services.
T&O	Trauma and Orthopaedics
Theatres Session Utilisation	Percentage of allocated time in theatre used, including turnaround time between cases, excluding early starts and over runs
UC&LTC	Urgent Care & Long Term Conditions
Uncoded Spells	Inpatient spells that either have no HRG code or a U-coded HRG as a % of total spells (including uncoded spells)
Var	Variance: the difference between budget and actual. A positive number is favourable.
VTE	Venous-Thromboembolism – A blood clot that forms within a vein.
WTE	Whole time equivalent - Expression of the number of staff based on the standard weekly hours for that staff group.
YTD	Year to date - The period from the start of the financial year (1 April) to the end of the month being reported on.