

## Corporate Performance Report 2014/15

August 2014

**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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Putting patients first


**August 14**  
RESET

**SCORES**  
VALUES

### Trust Commentary

Total activity in August 2014 has under-performed in every POD, with the exception of Elective Daycases (+2.1%). Areas of significance include Primary Care Referrals and A&E especially, which show a YTD over-performance but are under-performing in month by -0.2% and -2.6% respectively. The "PbR Managed Contract" mirrors this trend in month and at an overall level YTD. The "Other PbR Contract" is over-performing in month, and YTD, being driven mainly by over performance in Outpatients, but also Non-Elective Inpatients however Day Case activity is below plan by 7% in month (+1% YTD).

Activity in A&E is 4.0% down in month on the CCG plan (+2.0% YTD). Activity levels for the Trust are below last year (-2.0%) and all sites have seen this reduction (KCH -3.4%, QEH -4.1% and WHH -0.3%). The main driver behind the decrease at KCH has been the continued reduction in SECAMB attendances as mentioned last month. In August there were -6.7% less attendances than last year. There has also been a significant reduction in walk-in patients across all sites.

### Key National Targets

Monitor				
Domain	Metric Name	MTD	QTD	YTD
Patient Safety	Cases of CDiff (Cumulative)	1	1	1
	A&E: Time in A&E (%)	1	1	1
Effectiveness	Cancer: 2WW (All)	1	5	5
	Cancer: 2WW (Breast)	1	1	1
Access & Productivity	Cancer: 31D (Diag - Treat)	5	5	5
	Cancer: 31D (2nd Treat - Surg)	1	1	5
	Cancer: 31D (Drug)	5	5	5
	Cancer: 62D (GP Ref)	1	1	1
	Cancer: 62D (Screening Ref)	5	1	5
	RTT: Admitted (%)	1	1	5
	RTT: Non-Admitted (%)	5	5	5
	RTT: Incompletes (%)	5	5	5
	DM01: Diagnostic Waits	1	1	1

### Internally Monitored Indicators

Quality			
Domain	Metric Name	MTD	QTD
Patient Safety	HSMR		
	Crude Mortality EL (per 1,000)	5	5
Effectiveness	Crude Mortality NEL (per 1,000)	4	5
	Readmissions: EL dis. 30d (12M%)	4	4
	Readmissions: NEL dis 30d (12M%)	5	4

### Activity (% Variance to Plan)

Domain	Metric Name	MTD	QTD
Activity	Referrals - Primary Care	1	1
	Referrals - Total	1	1
	A&E Attendances	3	5
	Outpatient Appointments	1	1
	Elective Admissions	4	4
	Non-Elective Admissions	1	2
Access & Productivity	DNA Rate: New	4	4
	DNA Rate: Follow-Up	4	5

### Efficiency

Domain	Metric Name	MTD	QTD
Valuing People	Clinical Time Worked (%)	1	2
	Unplanned Agency Expense	1	1
	Appraisal Quality	5	5
	Training Plans (Quarterly)	5	5
	Sickness (%)	3	3
Access & Productivity	BADS	5	5
	Theatres: Session Utilisation (%)	4	4
	Non-Clinical Cancellations (%)	5	5
	Non-Clinical Canx Breaches (%)	3	3

Overview of Trust Financial Performance								
Trust Key Performance Indicators (£m)	Annual target	Year to Date Plan	Year to Date Actual		Monitor Continuity of Service Risk Rating	Annual target	Year to date Plan	Year to Date Actual
Total operating income	532.5	219.3	218.0		Continuity of Service Risk Rating	4	4	4.0
CIP savings	26.8	9.1	7.3		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.			
EBITDA	30.1	12.9	10.6					
I&E net surplus	(0.9)	1.6	(0.6)					
Cash balance	27.4	33.0	37.4					
Note: Detailed financial tables are on page 3								

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

The Income and Expenditure deficit for August is £(1.5)m, an adverse variance of £(1.1)m. For the YTD the position is £(0.6)m against a surplus plan of £1.6m, resulting in an overall adverse variance of £(2.2)m.

- The subsidiary company (Healthex Limited which runs the Spencer Wing at QEOMH) is reporting a YTD surplus of £0.3m to August, which is above plan and not included in the above position.

**Improvement Programme**

The Efficiency Programme for the financial year amounts to £26.8m as set out in the Financial Strategy. The month 5 CIP target was missed by £(0.5)m and is adverse to plan by £(1.8)m year to date. This is mainly due to adverse performance in corporate savings schemes.(see 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 £20.5m of net current assets at the end of August and total net assets of £317.8m. The closing cash balance of £37.4m is £4.4m favourable to plan, mainly due to the settling of outstanding debt by the Specialised Commissioning Group (SCG) and delays to the start of KPP and SACP.

**Capital Expenditure Programme**

The table on page 3 summarises £9.9m of expenditure on capital projects in the year so far.

**Financial Performance Indicators**

The Trust is achieving the highest rating of 4 under Monitor's Continuity of Service Risk Rating.

**Identified Financial Risks**

The principal risk to achievement of the 2014/15 annual financial plan is considered to be the following:

- Full achievement of the £26.8m CIP plan will be a critical factor in achieving the Trust financial plan.

The settlement of the 2013/14 contracts with East Kent CCGs remains outstanding and if lower than provided for will effect 14/15 position.

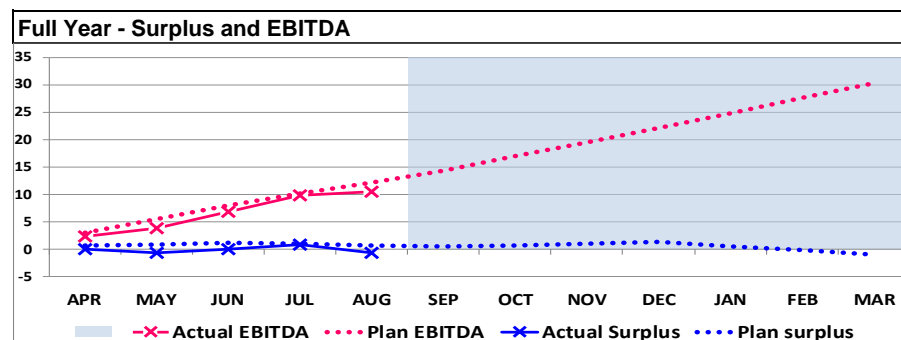
**How financial risks are being addressed**

The following actions are in place:

- 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 and the Executive Team, focus remains on Divisions implementing agreed actions to improve delivery of CIP schemes.

# FINANCIAL PERFORMANCE AUGUST 2014

Trust Statement of Comprehensive Income to 31 August 2014	Year to Date £000
SLAs & Corporate Income	162,676
Other Income	55,368
<b>Total Income</b>	<b>218,044</b>
Pay	128,425
Non-Pay	79,019
<b>Total Expenditure</b>	<b>207,444</b>
<b>EBITDA</b>	<b>10,600</b>
Less: Depreciation	7,213
Less: Dividend Payable	4,083
Less/ (add): Other	(88)
<b>Funds Available for Investment</b>	<b>(609)</b>



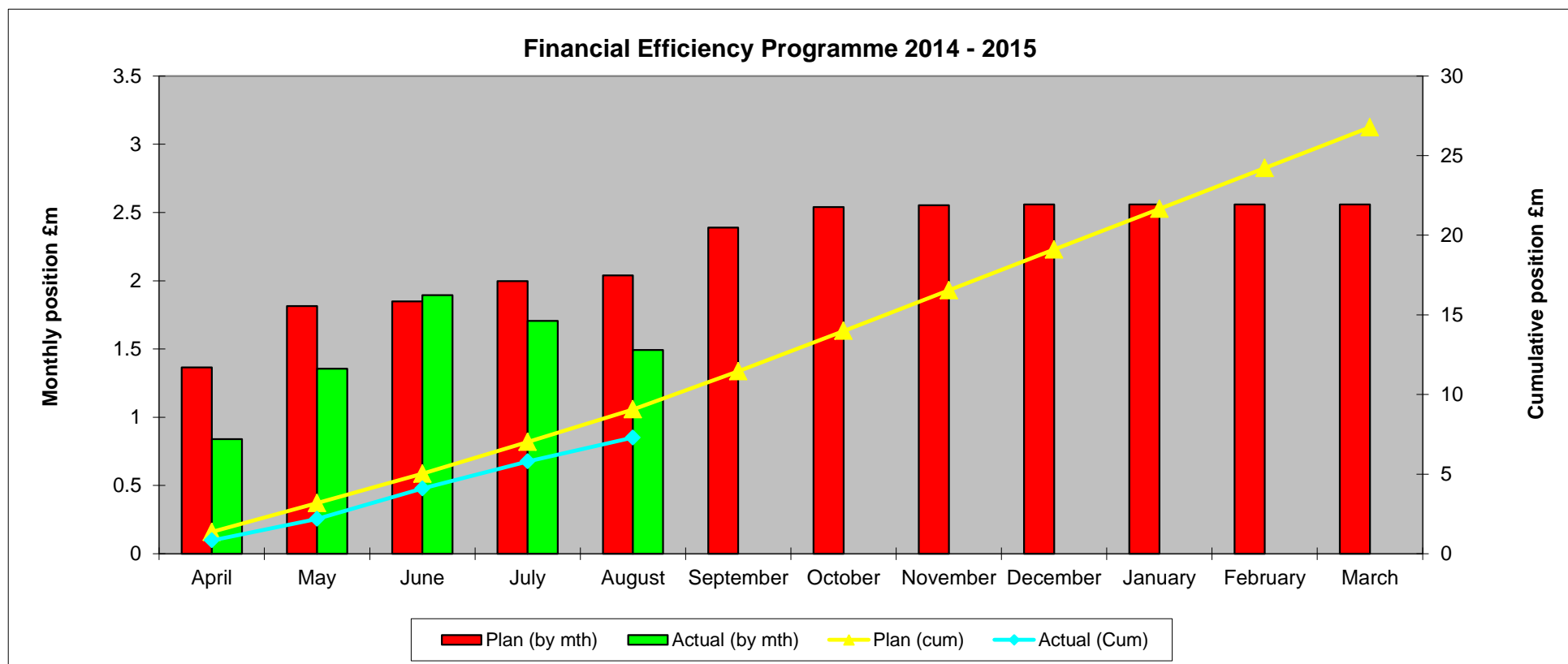
Trust Capital Expenditure to 31 August 2014	Year to Date		
	Budget £000	Actual £000	Variance £000
KCH Outpatients	1,200	987	213
KCH Theatres	1,500	4	1,496
Buckland Reprovision	4,760	4,717	43
Energy Scheme	1,172	382	790
Laundry	0	0	0
Telephony	400	23	377
Replacement Medical Equipment	550	509	41
Patient Environment	950	486	464
IT Strategy	400	1,318	(918)
All Other	1,120	1,524	(404)
<b>Total Expenditure</b>	<b>12,052</b>	<b>9,948</b>	<b>2,104</b>

Trust Statement of Financial Position as at 31 August 2014	Opening balance £000	Closing balance £000
<b>Non-Current Assets</b>	<b>299,109</b>	<b>299,768</b>
<b>Current Assets</b>		
Inventories	9,199	9,126
Trade and Other Receivables	38,515	35,857
Cash and Cash Equivalents	36,369	37,447
<b>Total Current Assets</b>	<b>84,083</b>	<b>82,430</b>
<b>Current Liabilities</b>		
Payables	(32,211)	(31,604)
Accruals and Provisions	(29,236)	(30,339)
<b>Net Current Assets</b>	<b>22,636</b>	<b>20,487</b>
Non-Current Liabilities	(2,427)	(2,427)
<b>Total Assets Employed</b>	<b>319,318</b>	<b>317,827</b>
<b>Financed by Taxpayers Equity</b>		
Public Dividend Capital	189,713	189,713
Revaluation Reserve	77,067	77,067
Retained Earnings	52,538	51,048
<b>Total Taxpayers' Equity</b>	<b>319,318</b>	<b>317,827</b>

Trust Cashflow Statement as at 31 August 2014	Current month £000
Opening Bank Balance	36,369
<b>Receipts</b>	
Main CCG SLAs	32,753
All Other NHS Organisations	9,718
Other receipts	1,896
<b>Total Receipts</b>	<b>44,367</b>
<b>Payments</b>	
Payroll	14,040
Creditor (including capital) payments	19,134
Other Payments	10,115
<b>Total Payments</b>	<b>43,289</b>
Closing Bank Balance	37,447

# EFFICIENCY PERFORMANCE REPORT AUGUST 2014

## PERFORMANCE SUMMARY : Trust summary position



The Trust's net financial efficiency plan for the 2014-15 financial year is £26.8m.

Savings delivered in the month of August were £(0.5)m below target and now stands at £(1.8)m below plan for the year to date reflecting the continued pressure on operational budgets.

# PERFORMANCE REPORT - AUGUST 2014

## GLOSSARY OF TERMS

Abbreviation	Definition
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.