

Corporate Performance Report 2014/15

September 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

< **September 14** > **SCORES**
RESET VALUES

Trust Commentary

Total activity in September 2014 has over performed in every POD, with the exception of Outpatient Follow Up's, which marginally under performed at -0.6%. This is in contrast to August, which under performed in most areas and against the YTD trend. Areas of significance include Primary Care Referrals (+9%), regular Day Attenders (+13%) and Elective Inpatient activity (+7%). A&E, following a period of under performance, has over performed by +3% in September. This trend looks to continue in October, where it's current in-month variance is +4.5%.

The "PbR Managed Contract" continues to mirror this trend in month and at an overall level YTD. The "Other PbR Contract" is under-performing in month for Inpatient activity but, YTD, continues to over perform. YTD over performance is still being driven by Outpatients, in particular Maxillo Facial.

Primary Care Referrals, at a Corporate level, are over performing by 9% in month, 6.4% YTD position. With the exception of Clinical Support (-10 against plan), all Division's have shown increases in-month with key specialties being T&O +35%, Maxillo Facial +18% and General Surgery +21%. Inpatient Elective activity, following under performance, has over performed in month by 7%. Importantly this also shows a 8.5% increase against activity levels seen last year, most noticeably in UC<C. While the Surgical division remain slightly over plan, the biggest drivers are Specialist and UC<C divisions. Paediatrics increases are again due to the coding changes and Cardiology has also seen a higher than expected increase which is being investigated further by the division.

The RTT resilience funding has helped drive an over performance against our contract plan, particularly within T&O and General Surgery, and this is likely to improve the position further over the coming months.

Key National Targets

Monitor		MTD	QTD	YTD
Domain	Metric Name			
Patient Safety	Cases of CDiff (Cumulative)	1	1	1
Effectiveness	A&E: Time in A&E (%)	1	1	1
	Cancer: 2WW (All)	5	5	5
	Cancer: 2WW (Breast)	1	1	1
	Cancer: 31D (Diag - Treat)	5	5	5
	Cancer: 31D (2nd Treat - Surg)	1	1	5
	Cancer: 31D (Drug)	5	5	5
Access & Productivity	Cancer: 62D (GP Ref)	1	1	1
	Cancer: 62D (Screening Ref)	1	1	5
	RTT: Admitted (%)	1	1	1
	RTT: Non-Admitted (%)	5	5	5
	RTT: Incompletes (%)	5	5	5
	DMO1: Diagnostic Waits	1	1	1

Internally Monitored Indicators

Quality		MTD	QTD	Y
Domain	Metric Name			
	HSMR			
Patient Safety	Crude Mortality EL (per 1,000)	5	5	
	Crude Mortality NEL (per 1,000)	5	5	
Effectiveness	Readmissions: EL dis. 30d (12M%)	4	4	
	Readmissions: NEL dis 30d (12M%)	5	3	

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

Efficiency		MTD	QTD	Y
Domain	Metric Name			
	Clinical Time Worked (%)		2	
Valuing People	Unplanned Agency Expense	5	1	
	Appraisal Quality	5	5	
	Training Plans (Quarterly)	5	5	
	Sickness (%)	3	4	
	BADS	5	5	
Access & Productivity	Theatres: Session Utilisation (%)	4	4	
	Non-Clinical Cancellations (%)	5	5	
	Non-Clinical Canx Breaches (%)	5	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	263.4	261.3		Continuity of Service Risk Rating	4	4	3.5
CIP savings	26.8	11.5	9.2		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.			
EBITDA	30.1	14.4	12.1					
I&E net surplus	(0.9)	0.8	(1.2)					
Cash balance	27.4	28.9	31.8					
Note: Detailed financial tables are on page 3								

Statement of Comprehensive Income (Income and Expenditure)

The Income and Expenditure deficit for September is £(0.6)m, a favourable variance of £0.2m. For the YTD the position is £(1.2)m against a surplus plan of £0.8m, resulting in an overall adverse variance of £(2)m.

- The subsidiary company (Healthex Limited which runs the Spencer Wing at QEOMH) is reporting a YTD surplus of £0.3m to September 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 6 CIP target was missed by £(0.5)m and is adverse to plan by £(2.3)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 £17.5m of net current assets at the end of September and total net assets of £317.2m. The closing cash balance of £31.8m is £2.9m favourable to plan for the month, mainly due to the payments from Health Education England for Quarter 2, which were higher than planned in July and August but on plan for the Quarter. Receipts from the EK CCGs were £1.4m lower in September due partially to a reduction in high cost drugs payments (passthrough costs) and agreed changes to the contract values reflective of 2014/15 agreed plans. Creditor payments were slightly lower than the previous month and also just below plan Other Payments include the half yearly repayment of PDC. The position remains ahead of plan, mainly due to due to SCG receipts relating to 2013/14, higher VAT reclaims and the delay in the start of KPP and SACP.

Capital Expenditure Programme

The table on page 3 summarises £13.7m of expenditure on capital projects in the year so far.

Financial Performance Indicators

The Trust is achieving the rating of 3.5 under Monitor's Continuity of Service Risk Rating.

Identified Financial Risks

The Trust has not recovered the adverse YTD EBITDA performance which continues to be adverse to plan.

The risk of shortfalls in the delivery of Commissioning Intentions and CIPs.

The Trust has been placed in Special Measures by Monitor.

The settlement of the 2013/14 contracts with East Kent CCGs remains outstanding. Partial provisions were made in the 2013/14 accounts but are unlikely to mitigate the full volume now challenged.

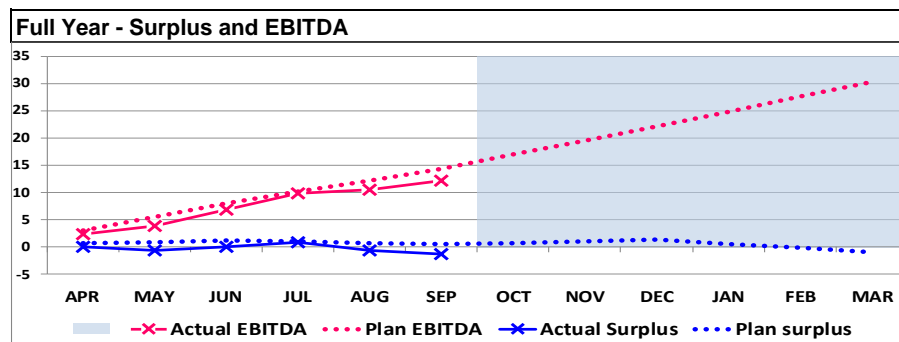
How financial risks are being addressed

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 SEPTEMBER 2014

Trust Statement of Comprehensive Income to 30th September 2014	Year to Date £000
SLAs & Corporate Income	194,610
Other Income	66,700
Total Income	261,310
Pay	154,235
Non-Pay	94,960
Total Expenditure	249,195
EBITDA	12,114
Less: Depreciation	8,568
Less: Dividend Payable	4,900
Less/ (add): Other	(105)
Funds Available for Investment	(1,248)



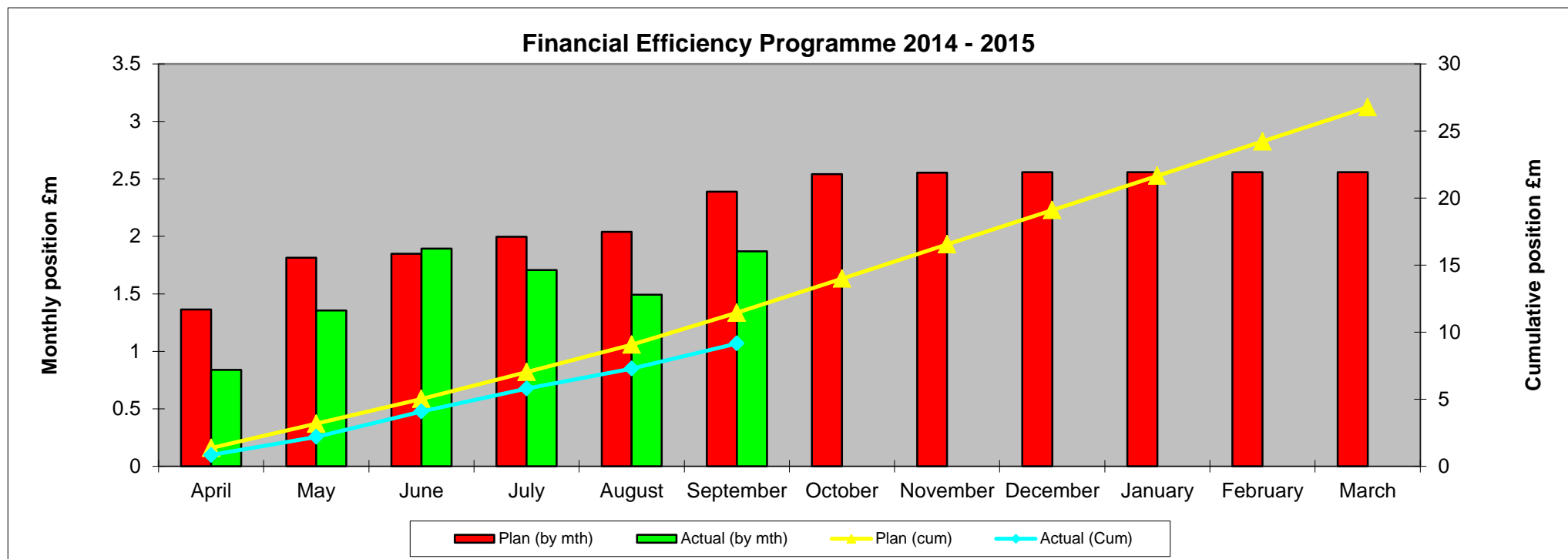
Trust Capital Expenditure to 30 September 2014	Year to Date		
	Budget £000	Actual £000	Variance £000
KCH Outpatients	1,200	1,008	192
KCH Theatres	1,500	4	1,496
Buckland Reprovision	6,046	6,865	(819)
Energy Scheme	1,172	399	773
Laundry		0	0
Telephony	600	796	(196)
Replacement Medical Equipment	700	921	(221)
Patient Environment	1,310	494	816
IT Strategy	700	1,321	(621)
All Other	1,170	1,883	(713)
Total Expenditure	14,398	13,691	707

Trust Statement of Financial Position as at 30th September 2014	Opening balance £000	Closing balance £000
Non-Current Assets	299,768	302,107
Current Assets		
Inventories	9,126	9,378
Trade and Other Receivables	35,857	36,718
Cash and Cash Equivalents	37,447	31,771
Total Current Assets	82,430	77,868
Current Liabilities		
Payables	(31,604)	(31,587)
Accruals and Provisions	(30,339)	(28,771)
Net Current Assets	20,487	17,509
Non-Current Liabilities	(2,427)	(2,427)
Total Assets Employed	317,827	317,189
Financed by Taxpayers Equity		
Public Dividend Capital	189,713	189,713
Revaluation Reserve	77,067	77,067
Retained Earnings	51,048	50,409
Total Taxpayers' Equity	317,827	317,189

Trust Cashflow Statement as at 30th September 2014	Current month £000
Opening Bank Balance	37,447
Receipts	
Main CCG SLAs	31,238
All Other NHS Organisations	8,440
Other receipts	1,681
Total Receipts	41,359
Payments	
Payroll	14,170
Creditor (including capital) payments	18,237
Other Payments	14,629
Total Payments	47,035
Closing Bank Balance	31,771

EFFICIENCY PERFORMANCE REPORT SEPTEMBER 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 September were £(0.5)m below target and now stands at £(2.3)m below plan for the year to date reflecting the continued pressure on operational budgets.

PERFORMANCE REPORT - SEPTEMBER 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<C	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.