

East Kent Hospitals University



BoD/136/14

NHS Foundation Trust

Corporate Performance Report 2014/15

October 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

< **October 14** > **SCORES**
RESET VALUES

- Activity in month 7 has performed below levels set in the 'EK Managed Contract' by ~3.7%. The under-performance is solely in elective performance with emergency demand being 3.4% above contract across A&E Attendances and subsequent emergency admissions. Whilst elective performance is under contracted levels, demand remains higher (+6% YTD) than the available capacity and therefore waiting lists are growing consistently month on month. The capacity of booking staff in outpatients is also causing some delays to patient pathways, a recovery plan is being worked up in the Support Services Division with support from the Service Improvement Team.

- Activity against the 'Other PbR Contracts' is 3.6% up against plan YTD, but -3% down in month.

- Elective activity has under performed on contracted levels across all points of delivery during October. Primary care referrals came in broadly on plan however as per previous performance this hides significant growth in areas such as Orthopaedics which received the highest number of primary care referrals so far this year (1,482). Joint work continues with CCGs and the Community Trust on the provision of referral management protocols in order to triage referrals to the most appropriate provider for treatment. Schemes are expected to begin in December with the impact of reduced referrals anticipated in the new year. Other areas which are experiencing increases in demand are General & Colorectal Surgery and Maxillo Facial services.

- Emergency activity continues to over-perform the plan by ~2.3%. A&E attendances were 2.3% over contract, in line with the YTD performance, and nearly 3% above the same period last year. QEH continues to see the largest growth in attendances across both ambulance arrivals and walk ins. There is also significant variability in the daily demand making it challenging to appropriately allocate the required resources to deal with demand. Performance against the four hour standard was below compliance at 92.8%. Non-elective admissions were 2.4% over plan bringing them in line with plan YTD. Areas of significant variance include admissions to A&E, General Surgical emergencies and high levels of Trauma. The increase in A&E is due to increased throughput of the ebds on the QEH site and is linked to the increased attendances. Some of the increase in Surgical emergencies is linked to the implementation of the Surgical Assessment Unit at the WHH site. Patients are admitted to this area for assessment and observation in order to avoid, where appropriate, full admission to an inpatient ward.

- Antenatal activity has returned to planned numbers in month however both antenatal and postnatal pathways are expected to be 5-7% below plan at year end. NICU/SCBU critical care days, Renal Dialysis and Chemotherapy activity all continue to over perform the plan.

Key National Targets

Monitor

Domain	Metric Name	MTD	QTD	YTD
Patient Safety	Cases of CDiff (Cumulative)	1	1	1
Effectiveness	A&E: Time in A&E (%)	1	1	1
Access & Productivity	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
	Cancer: 62D (GP Ref)	1	1	1
	Cancer: 62D (Screening Ref)	5	5	5
	RTT: Admitted (%)	1	1	1
	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	YTD
Patient Safety	HSMR			3
	Crude Mortality EL (per 1,000)	4	4	5
	Crude Mortality NEL (per 1,000)	5	5	5
Effectiveness	Readmissions: EL dis. 30d (12M%)	4	4	3
	Readmissions: NEL dis 30d (12M%)	5	5	2

Activity (% Variance to Plan)

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

Efficiency

Domain	Metric Name	MTD	QTD	YTD
Valuing People	Clinical Time Worked (%)	3	3	2
	Unplanned Agency Expense	1	1	1
	Appraisal Quality	5	5	5
	Training Plans (Quarterly)	5	5	5
	Sickness (%)	5	5	4
Access & Productivity	BADS	5	5	5
	Theatres: Session Utilisation (%)	4	4	4
	Non-Clinical Cancellations (%)	5	5	5
	Non-Clinical Canx Breaches (%)	3	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	310.2	308.4		Continuity of Service Risk Rating	4	4	4.0
CIP savings	26.8	14.0	10.7					
EBITDA	30.1	18.3	16.1					
I&E net surplus	(0.9)	2.3	0.5		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.			
Cash balance	27.4	25.8	28.2					
Note: Detailed financial tables are on page 3								

Statement of Comprehensive Income (Income and Expenditure)

The Income and Expenditure surplus for October is £1.8m, a favourable variance of £0.2m. For the YTD the position is £0.5m against a surplus plan of £2.3m, resulting in an overall adverse variance of £(1.8)m.

- The subsidiary company (Healthex Limited which runs the Spencer Wing at QEOMH) is reporting a YTD surplus of £0.4m to October 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 7 CIP target was missed by £(1.0)m and is adverse to plan by £(3.3)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 £15.7m of net current assets at the end of October and total net assets of £319m. The closing cash balance of £28.2m is £2.4m favourable to plan for the month, mainly due to Receipts from Other NHS organisations Increasing by £3.1m. This was due to SHA Income £3.8k higher than previous month as this represents Q3 total planned income.

- Receipts from the EK CCGs were £1.3m higher in October due partly due to a payment in advance from Canterbury and Coastal CCG for November Contract Activity

- Creditor payments in October were higher than September as there were five weekly payments runs as opposed to four in the previous month. Plus there were 2 payments in October relating to Serco due to the company's late submission of the September invoices

- Other Payments in the previous month included the half yearly repayment of PDC.

Capital Expenditure Programme

The table on page 3 summarises £16.4m 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 Trust does not continue to recover the adverse YTD EBITDA performance.

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

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

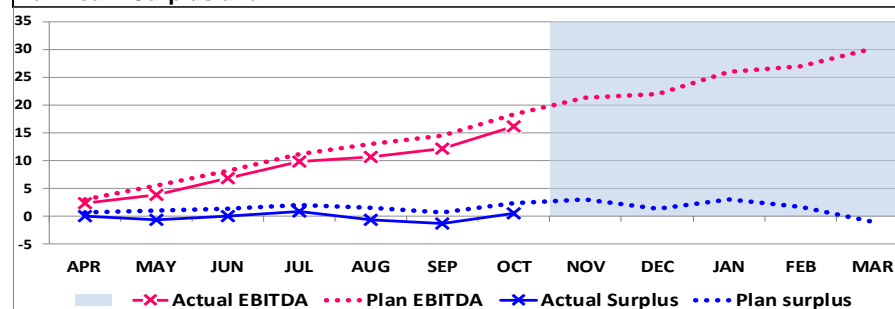
The following actions are in place:

- 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 OCTOBER 2014

Trust Statement of Comprehensive Income to 31st October 2014	Year to Date £000
SLAs & Corporate Income	229,871
Other Income	78,505
Total Income	308,376
Pay	180,149
Non-Pay	112,106
Total Expenditure	292,255
EBITDA	16,120
Less: Depreciation	10,001
Less: Dividend Payable	5,717
Less/ (add): Other	(122)
Funds Available for Investment	525

Full Year - Surplus and EBITDA



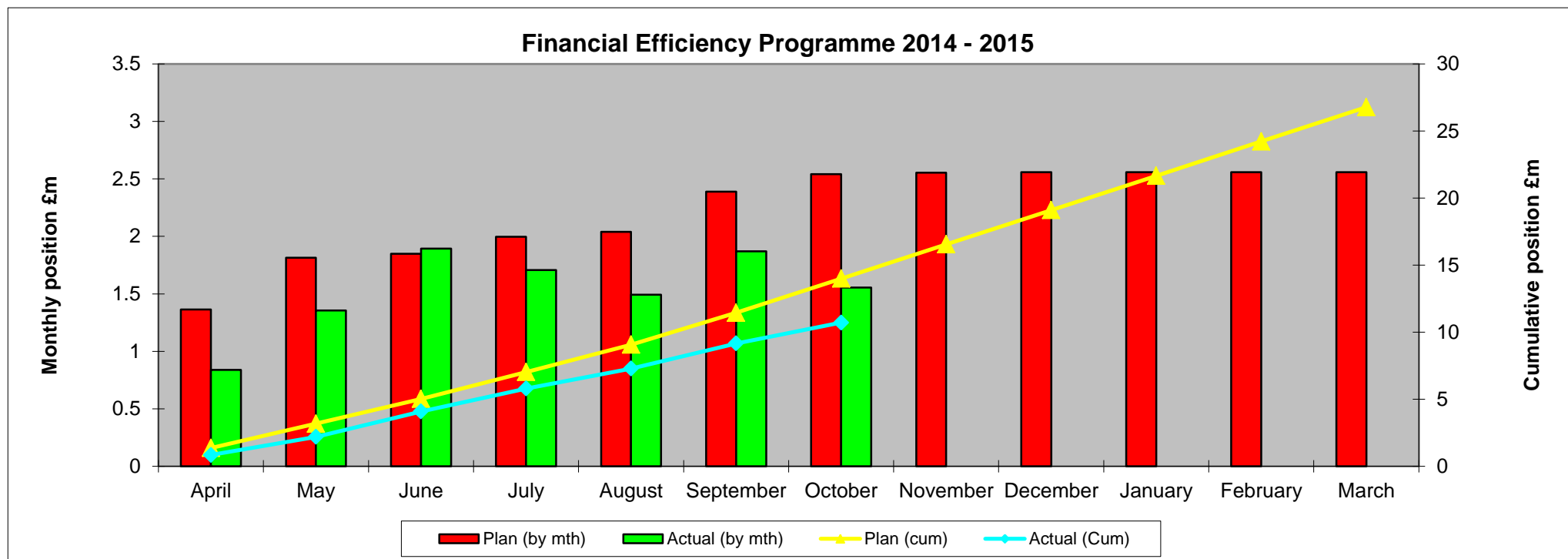
Trust Capital Expenditure to 31st October 2014	Year to Date		
	Budget £000	Actual £000	Variance £000
KCH Outpatients	1,200	987	213
KCH Theatres	1,500	4	1,496
Buckland Reprovision	7,926	8,357	(431)
Energy Scheme	1,172	406	766
Laundry	0	0	0
Telephony	600	879	(279)
Replacement Medical Equipment	950	1,441	(491)
Patient Environment	1,500	577	923
IT Strategy	700	1,387	(687)
All Other	1,455	2,397	(942)
Total Expenditure	17,003	16,434	569

Trust Statement of Financial Position as at 31st October 2014	Opening balance £000	Closing balance £000
Non-Current Assets	302,107	305,662
Current Assets		
Inventories	9,378	10,067
Trade and Other Receivables	36,718	39,180
Cash and Cash Equivalents	31,771	28,204
Total Current Assets	77,868	77,451
Current Liabilities		
Payables	(31,587)	(31,606)
Accruals and Provisions	(28,771)	(30,155)
Net Current Assets	17,509	15,689
Non-Current Liabilities	(2,427)	(2,390)
Total Assets Employed	317,189	318,962
Financed by Taxpayers Equity		
Public Dividend Capital	189,713	189,713
Revaluation Reserve	77,067	77,067
Retained Earnings	50,409	52,182
Total Taxpayers' Equity	317,189	318,962

Trust Cashflow Statement as at 31st October 2014	Current month £000
Opening Bank Balance	31,771
Receipts	
Main CCG SLAs	32,112
All Other NHS Organisations	12,188
Other receipts	1,325
Total Receipts	45,625
Payments	
Payroll	13,897
Creditor (including capital) payments	25,007
Other Payments	10,287
Total Payments	49,191
Closing Bank Balance	28,205

EFFICIENCY PERFORMANCE REPORT OCTOBER 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 October were £(1.0)m below target and now stands at £(3.3)m below plan for the year to date reflecting the continued pressure on operational budgets.

PERFORMANCE REPORT - OCTOBER 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.