

## Corporate Performance Report 2014/15

February 2015

**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

**Contents**

1. Performance Scorecard
2. Finance Commentary and Performance Indicators
3. Finance Tables
4. Efficiency programme
5. Glossary of Terms

**Jane Ely**

Chief Operating Officer

**Julie Pearce**

Chief Nurse, Director of Quality

**David Baines**

Interim Director of Finance and Performance Management



Putting patients first

< February 15 >  
 RESET SCORES  
 VALUES

Activity in month 11 has again performed below levels set in the 'EK Managed Contract', but only by -0.7% (-5.4% in December). The YTD position remains under-performing at -1.7%. This under-performance is as a result of Outpatient performance once again. Overall, emergency demand has over-performed in month, being +5.8% above contract across A&E Attendances and on plan (-0.3%) in subsequent emergency admissions. The only area with consistent over-performance is in Elective Day Case's at 8.1% above contract.

Activity against the 'Other PbR Contracts' is 3.6% up against plan YTD, and on (+0.3%) contract in month (+4.1% up against contract last month). Both referrals into specialised services and subsequent Outpatient activity is consistently high, ensuring the overall YTD position is above plan.

Elective activity continues to under perform on the total contracted levels across all points of delivery, except Elective Day Cases, during FYTD. The Specialist division has seen the largest variance YTD in Day Case activity, 21% above total plan primarily within Dermatology and Gynaecology due both of these services undertaking extra activity during the past few months in order to improve their RTT position.

Outpatients continue to under-perform across all divisions, specifically in the Specialist division -8% below plan in New's and -9% in Follow Up's. The majority of this underperformance (New's) is related to Paediatrics, where ward attendances (recorded as consultant-led outpatients on PAS) are now being correctly recorded as Urgent Care Assessments (NEL) on the new Children's Assessment Units. As discussed in previous months, the Follow Up variance is focused in a handful of areas due to recording issues or activity moves which were planned but have not occurred. Although the overall Elective position is under-performing it is noticeable that Primary Care Referrals are +5.7% up in month and continue to over-perform YTD by +4.5%. Increases have been seen in all divisions, especially in UC&LTIC with Gastroenterology over-performing by +19% in month. As a result of this, the waiting list is continuing to grow.

YTD A&E activity is over performing the total contract. In month saw an over performance and an increase in attendances based on the previous year. QEH saw the largest rise in attendances (+3%), with a smaller increase at WHH (+1%), while KCH attendances was very similar to the previous year (+0.1%). Also, after achieving the highest level of ambulance attendances for the year in December, these have continued to reduce throughout January (5,306) and February (4,835).

Maternity Antenatal pathway variance has improved slightly after a couple of months of improved antenatal bookings. Chemotherapy activity remains at 3% above plan year to date with a larger growth in outpatient delivery due to newer treatments becoming available. NICU/SCBU beddays remain above plan, currently at 21% above plan year to date.

### Key National Targets

## Monitor

Domain	Metric Name	MTD	QTD	YTD
Patient Safety	Cases of C.Diff (Cumulative)	5	1	1
	A&E: Time in A&E (%)	1	1	1
	Cancer: 2ww (All)	5	1	5
	Cancer: 2ww (Breast)	5	5	1
	Cancer: 31d (Diag - Treat)	5	5	5
Access & Productivity	Cancer: 31d (2nd Treat - Surg)	5	5	5
	Cancer: 31d (Drug)	1	1	5
	Cancer: 62d (GP Ref)	1	1	1
	Cancer: 62d (Screening Ref)	5	1	5
	RTT: Admitted (%)	1	1	1
	RTT: Non-Admitted (%)	5	5	5
	RTT: Incompletes (%)	5	1	5
	DW01: Diagnostic Waits	5	5	1

### Internally Monitored Indicators

### Quality

Domain	Metric Name	MTD	QTD	YTD
Patient Safety	HSMR			3
	Crude Mortality EL (per 1,000)	5	4	4
	Crude Mortality NEL (per 1,000)	3	2	4
Effectiveness	Readmissions: EL dis. 30d (12W%)	5	5	4
	Readmissions: NEL dis. 30d (12W%)	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
	ABE: Attendances	1	5	3
	Outpatient Appointments	2	1	2
	Elective Admissions	1	2	4
	Non-Elective Admissions	5	3	5
Access & Productivity	DNA Rate: New	4	4	4
	DNA Rate: FLO	5	5	5

### Efficiency

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

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	487.0	482.0		Continuity of Service Risk Rating	4	4	3.0
CIP savings	26.8	24.2	17.4					
EBITDA	30.1	26.9	16.9					
I&E net surplus	(0.9)	1.7	(7.0)					
Cash balance	27.4	32.1	32.2					
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.								
Note: Detailed financial tables are on page 3								

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

The Income and Expenditure YTD position is £(7)m against a surplus plan of £1.7m, resulting in an overall adverse variance of £(8.7)m.

- The subsidiary company (Healthex Limited which runs the Spencer Wing at QEOMH) is reporting a YTD surplus of £0.3m to February 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.

Savings delivered in the month of February were £(0.9)m below target and now stands at £(6.9)m below plan for the year to date reflecting the continued pressure on operational budgets. (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 £6.3m of net current assets at the end of February and total net assets of £311.4m. The closing cash balance of £32.2m is £0.1m favourable to plan for the month, due to Receipts from EK CCG's were higher in the month as partial payments of £3.4m were received in respect of 13/14 Contract Settlements. All Other NHS Organisations were £4.5m lower than the previous month, this was predominantly due to the receipt of Q4 payment from Health Education England totalling £5.2m which was received in January as opposed to 3 equal instalments. Other Receipts were slightly higher than the previous month due predominantly to receipt from HMRC in respect of VAT reclaims totalling £1.2m. Creditor payments including Capital were lower than the previous month, primarily due to 4 payment runs in the month of February as opposed to 5 in January. Cumulative payments are within plan to date. The position is now on plan to the end of February 2015. However, the impact of risk associated with RTT and 13/14 settlement will impact on this plan. A revised plan was submitted to FIC which reduces the forecast cash position at 31.03.15 from £27,422k as above to £23,247k.

**Capital Expenditure Programme**

The table on page 3 summarises £25.2m of expenditure on capital projects in the year so far.

**Financial Performance Indicators**

The Trust is achieving the rating of 3 under Monitor's Continuity of Service Risk Rating.

**Identified Financial Risks**

Delivery of the currently reported Divisional forecast position.

The final agreement on the level of funding for RTT wave 1 work.

Further deterioration in the delivery of CIP's, in both Divisional and Corporate areas.

The Trust is no longer in a position to recover the adverse YTD EBITDA performance.

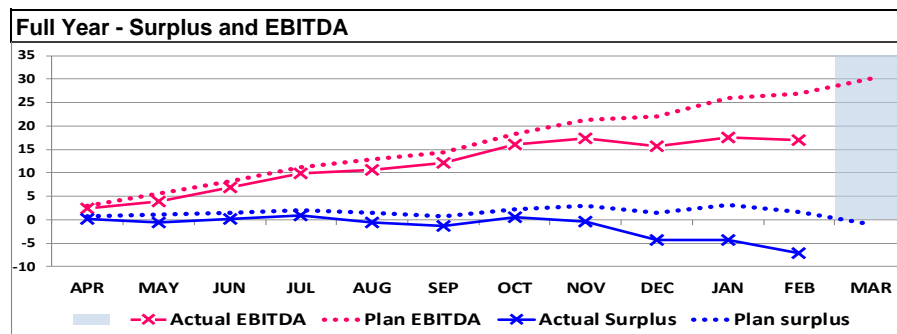
**How financial risks are being addressed**

The following actions are in place:

- Additional management effort is being put into the delivery of the savings programme to ensure that the level of savings achieved is maximised.
- Finance and Divisional teams are working together to find the most effective ways of using resources to meet the high level of operational pressure.

# FINANCIAL PERFORMANCE FEBRUARY 2015

Trust Statement of Comprehensive Income to 28th February 2015	Year to Date £000
SLAs & Corporate Income	360,116
Other Income	121,903
<b>Total Income</b>	<b>482,019</b>
Pay	286,501
Non-Pay	178,623
<b>Total Expenditure</b>	<b>465,124</b>
<b>EBITDA</b>	<b>16,895</b>
Less: Depreciation	15,219
Less: Dividend Payable	8,770
Less/ (add): Other	(49)
<b>Funds Available for Investment</b>	<b>(7,045)</b>



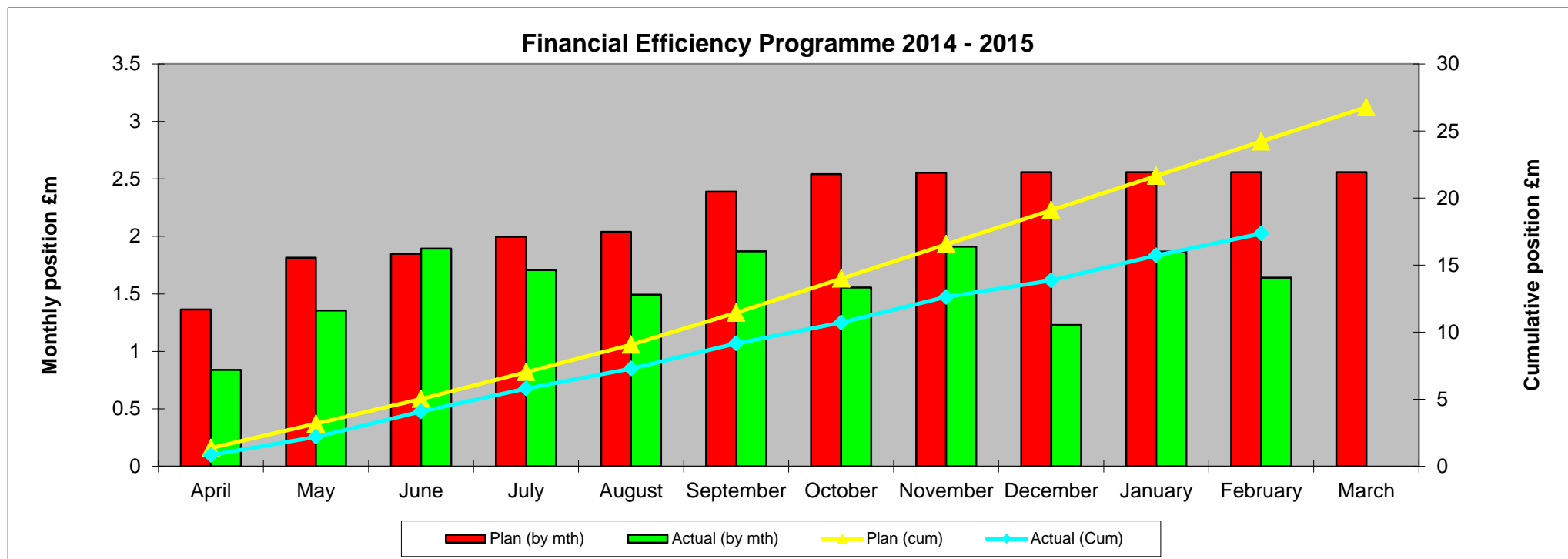
Trust Capital Expenditure to 28th February 2015	Year to Date		
	Budget £000	Actual £000	Variance £000
KCH Outpatients	1,200	1,102	98
KCH Theatres	1,500	4	1,496
Buckland Reprovision	12,060	12,450	(390)
Energy Scheme	1,172	1,153	19
Laundry	1,000	0	1,000
Telephony	800	898	(98)
Replacement Medical Equipment	2,400	2,382	18
Patient Environment	1,900	1,075	825
IT Strategy	1,100	2,021	(921)
All Other	2,055	4,077	(2,022)
<b>Total Expenditure</b>	<b>25,187</b>	<b>25,162</b>	<b>25</b>

Trust Statement of Financial Position as at 28th February 2015	Opening balance £000	Closing balance £000
<b>Non-Current Assets</b>	<b>307,468</b>	<b>307,619</b>
<b>Current Assets</b>		
Inventories	10,012	10,029
Trade and Other Receivables	35,998	30,524
Cash and Cash Equivalents	29,648	32,116
<b>Total Current Assets</b>	<b>75,657</b>	<b>72,670</b>
<b>Current Liabilities</b>		
Payables	(34,779)	(36,425)
Accruals and Provisions	(31,751)	(29,950)
<b>Net Current Assets</b>	<b>9,128</b>	<b>6,296</b>
Non-Current Liabilities	(2,521)	(2,521)
<b>Total Assets Employed</b>	<b>314,074</b>	<b>311,393</b>
<b>Financed by Taxpayers Equity</b>		
Public Dividend Capital	189,713	189,713
Revaluation Reserve	77,067	77,022
Retained Earnings	47,295	44,658
<b>Total Taxpayers' Equity</b>	<b>314,074</b>	<b>311,393</b>

Trust Cashflow Statement as at 28th February 2015	Current month £000
Opening Bank Balance	29,642
<b>Receipts</b>	
Main CCG SLAs	34,487
All Other NHS Organisations	8,730
Other receipts	2,565
<b>Total Receipts</b>	<b>45,782</b>
<b>Payments</b>	
Payroll	14,173
Creditor (including capital) payments	19,106
Other Payments	9,989
<b>Total Payments</b>	<b>43,269</b>
Closing Bank Balance	32,156

# EFFICIENCY PERFORMANCE REPORT FEBRUARY 2015

## 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 February were £(0.9)m below target and now stands at £(6.9)m below plan for the year to date reflecting the continued pressure on operational budgets.

**PERFORMANCE REPORT - FEBRUARY 2015**  
**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.