

# East Kent Hospitals University



BoD/32/14

NHS Foundation Trust

## Corporate Performance Report 2013/14

February 2014

<b>OUR VISION:</b>	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
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<b>OUR MISSION:</b>	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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**Julie Pearce**

Chief Nurse and Director of Quality and Operations

**Jeff Buggle**

Director of Finance and Performance Management



## PERFORMANCE SCORECARD

Key National Targets					
Monitor					
Domain	Metric Name	T	MTD	QTD	YTD
Monitor Total	Monitor Governance Score				
Monitor					
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					
Domain	Metric Name	T	MTD	QTD	YTD
Safety	HSMR		82.1	82.3	
	Crude Mortality (per 1000) EL	0.92	0.77	0.3	
	Crude Mortality (per 1000) NEL	32.1	34.4	30.5	
Effectiveness	Readmissions: EL dis. 30d (L..		3.27	3.29	
	Readmissions: NEL dis 30d (L..		17.2	17.4	
Efficiency					
Domain	Metric Name	T	MTD	QTD	YTD
Productivity	BADS		103	102	102
	Theatres: Session Utilisation (%)	86.5	85.3	84.5	
	Non-Clinical Cancellations (%)	0.54	0.4	0.28	
	Non-Clinical Canx Breaches (%)	1.75	1.13	1.76	
Efficiency	LoS: Elective (CPR)	3.35	3.06	2.96	
	LoS: Non-Elective (CPR)	5.36	5.65	5.69	
Activity (% Variance to Plan)					
Domain	Metric Name	T	MTD	QTD	YTD
Activity	Referrals - Primary Care	-0.5	2.18	2.41	
	Referrals - Total	-1.2	2.17	2.18	
	A&E Attendances	0.1	-0.9	3.17	
	Outpatient Appointments	3.66	5.44	4.61	
	Elective Admissions	9.27	7.92	3.55	
	Non-Elective Admissions	3.94	3.88	2.09	
	DNA Rate: New (CPR)	6.89	6.63	6.68	
	DNA Rate: Follow-Up (C..	6.77	6.67	6.83	
	New: Follow-Up Ratio (C..	2.22	2.23	2.14	
Activity (% Variance to Plan)					
Domain	Metric Name	T	MTD	QTD	YTD
People	% Clinical Time Worked	72.5	73.2	43	
	Unplanned Agency Exp...	187	176	181	
	Appraisal Quality	86.6	87.2	83.6	
	Training Plans (Quarterly)	91.5	91.5	72.3	
	Sickness (%)	3.32	3.47	3.41	

### Activity Commentary

PbR activity in February has continued to over perform, following positive performance in January, with all points of delivery (PODs) over-performing in month. Inpatient Elective spells have over-performed in month, which is in contrast to the negative YTD position. A&E attendances, which have under-performed for last three consecutive months, are broadly on plan in month. All PODs, with the exception of Elective Inpatients, continue to over perform YTD.

When final information is recorded, primary care referrals for February are expected to be over plan. These were 4% above plan in January. There is still no indication of commissioning intentions taking effect at a corporate level in 13/14 and with the known late cashing up it is expected that referrals will close the year at ~2% above plan. Non-Primary Care Referrals remain static with a positive variance of 1.9% YTD.

Outpatient New attendances over-performed on plan in Mth 11 by 1% and remain over plan YTD at 5%. Follow-up attendances were 5% over plan in month and 4% YTD. The most notable YTD over performing areas are Ophthalmology, Urology, Neurology and Rheumatology. This overperformance is caused in part by the Trusts continued focus on long waiters, pulling forward appointments across all specialties to ensure compliance with national access standards. There is also an impact as a result of awareness campaigns for cancer related activity. Outpatients YTD are showing a positive variance of £2.5m against plan and in month are showing a positive variance of £0.2m.

Day Case activity has again seen a large increase in month at 11% over plan. This increase was seen across both Surgical and UC&LTC division's in HCOOP (Ambulatory Care Pathways), Ophthalmology (NICE pathways) and T&O (weekend lists carried out).

Non-Elective activity has over performed in month by circa 4% and continues to over perform YTD. HCOOP and A&E specialties, over performing by 14% and 11% respectively. There appears to have been a significant rise in patients diagnosed with Pneumonia in January and February, potentially as a result of prolonged exposure to the current damp climate.

A&E attendances are broadly on plan in month, following a period of under-performance in recent months, and continue to over-perform YTD by 3%. Financially A&E income continues to over perform against plan due to the strengthening casemix and is showing a positive YTD variance of £1.1m.

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	455.2	473.0		Overall Financial Risk Rating	3.45	3.45	3.15
CIP savings	30.0	27.3	23.9		Continuity of Service Risk Rating	4	4	4
EBITDA	31.3	28.5	27.0		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	5.4	4.0					
Cash balance	48.1	53.1	45.1					
Note: Detailed financial tables are on page 3								

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

Trust income for the year to date remains well above plan (by £17.9m). However, the Income and Expenditure surplus for the year to date (£4m) is now £1.4m short of target as February's strong activity performance was offset by above plan expenditure.

- 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 QEOMH) is reporting a modest surplus to the end of February.
- The forecast income and expenditure surplus for the year remains at £3.6m to take account of the high cost of additional activity.

**Improvement Programme**

The Trust has achieved £23.9m of efficiency savings up to the end of February 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 £24.7m of net current assets at the end of January, and total net assets of £303.1m. The closing cash balance of £45.1m is £8m short of plan, mainly due to outstanding debt from Specialist Commissioning.

**Capital Expenditure Programme**

The table on the next page summarises £25.5m 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:

- Increased costs and reduced efficiency savings due to continuing high levels of emergency and non-elective activity means that delivery against the 13/14 plan remains unlikely.
- Continued delay in the payment of over performance by Specialised Commissioning putting continued pressure on cash balances..

**How financial risks are being addressed**

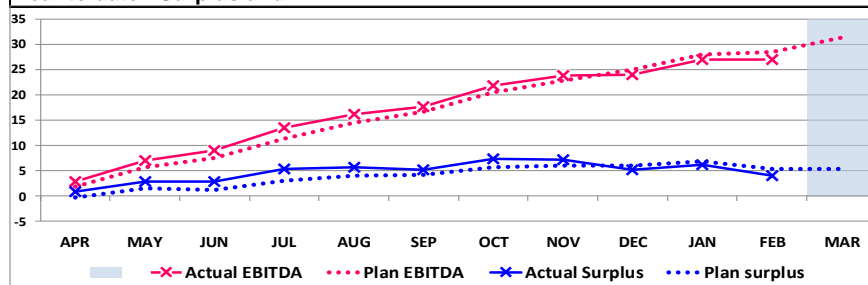
The following actions are in place:

- 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, focus remains on Divisions implementing agreed actions to improve delivery of CIP schemes.
- Regular performance meetings are held between Clinical Divisions and Executive Directors where issues are aired and remedial actions agreed. Increased engagement of corporate teams is helping Divisional management teams to develop a better understanding of the relationship between activity, income and costs.
- As well as maintaining regular contact with Commissioner representatives to understand activity and income variances and resolve issues promptly, the Trust is investing further time in ensuring the clarity of activity held on commissioning systems. This should reduce the delay in payments from the SCG and improve the cash position.
- Ongoing Trust-wide and targeted actions to continue to reduce the incidence of CDiff.

# FINANCIAL PERFORMANCE FEBRUARY 2014

Trust Statement of Comprehensive Income to 28 February 2014	Year to date £000
SLAs & Corporate Income	438,533
Other Income	34,479
<b>Total Income</b>	<b>473,013</b>
Pay	275,120
Non-Pay	170,909
<b>Total Expenditure</b>	<b>446,030</b>
<b>EBITDA</b>	<b>26,983</b>
Less: Depreciation	15,234
Less: Dividend Payable	7,883
Less/ (add): Other	(165)
<b>Funds Available for Investment</b>	<b>4,031</b>

Year to date - Surplus and EBITDA



Trust Capital Expenditure to 28 February 2014	Year to date		
	Budget £000	Actual £000	Variance £000
Endoscopy Upgrade - WHH	4,943	5,007	(64)
CT Scanner - WHH	1,510	65	1,445
CT Scanner - QEQM	1,899	1,419	480
Replacement Cath Lab - WHH	800	1,017	(217)
Car Parking Improvements	3,700	4,037	(337)
Energy Schemes	1,284	1,257	27
Buckland Reprovision	6,016	6,298	(282)
Replacement Medical Equipment	2,150	2,079	71
IT Strategy	1,400	1,161	239
Patient Environment Investment	800	2,063	(1,263)
Other	1,175	1,053	122
<b>Total Expenditure</b>	<b>25,677</b>	<b>25,456</b>	<b>221</b>

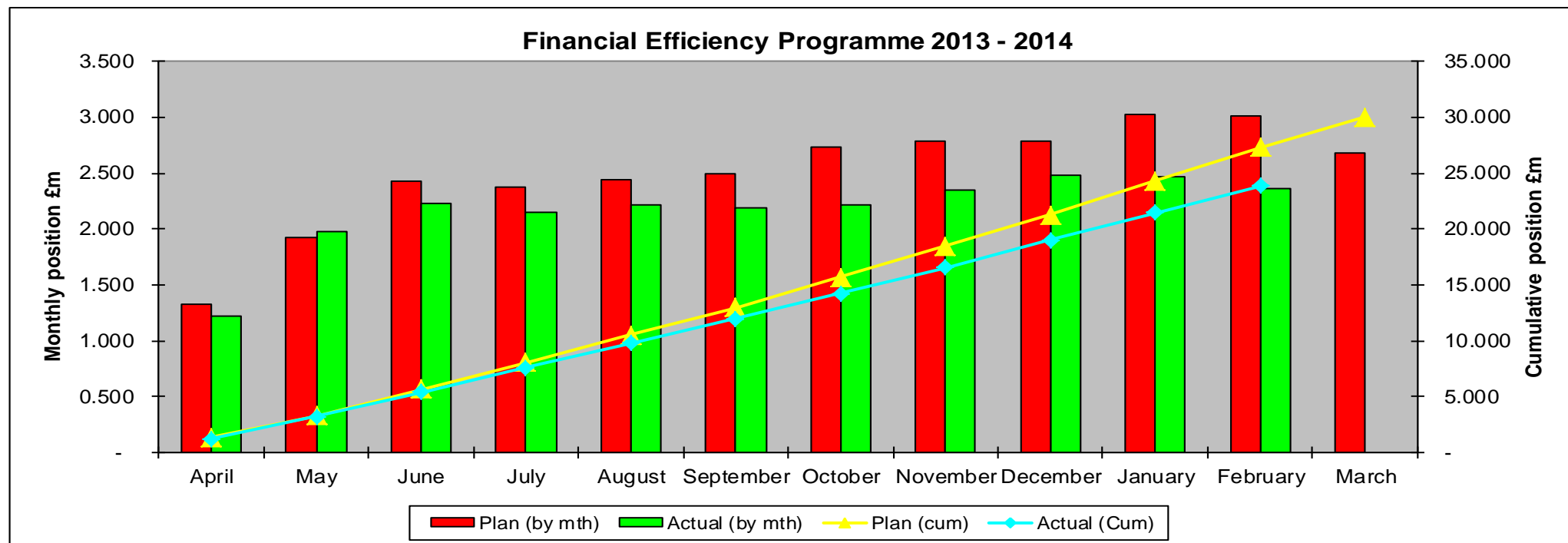
Trust Statement of Financial Position as at 28 February 2014	Opening balance £000	Closing balance £000
<b>Non-Current Assets</b>	<b>278,796</b>	<b>280,604</b>
<b>Current Assets</b>		
Inventories	7,886	7,730
Trade and Other Receivables	34,950	30,373
Cash and Cash Equivalents	45,060	45,106
<b>Total Current Assets</b>	<b>87,897</b>	<b>83,209</b>
<b>Current Liabilities</b>		
Payables	(37,235)	(35,631)
Accruals and Provisions	(22,003)	(22,843)
<b>Net Current Assets</b>	<b>28,658</b>	<b>24,735</b>
Non-Current Liabilities	(2,289)	(2,289)
<b>Total Assets Employed</b>	<b>305,166</b>	<b>303,051</b>
<b>Financed by Taxpayers Equity</b>		
Public Dividend Capital	189,525	189,525
Revaluation Reserve	63,924	63,710
Retained Earnings	51,718	49,816
<b>Total Taxpayers' Equity</b>	<b>305,166</b>	<b>303,051</b>

Trust Cashflow Statement as at 28 February 2014	Current month £000
Opening Bank Balance	45,060
<b>Receipts</b>	
Main CCG SLAs	30,771
All Other NHS Organisations	10,221
Other receipts	2,893
<b>Total Receipts</b>	<b>43,885</b>
<b>Payments</b>	
Payroll	13,808
Creditor (including capital) payments	20,023
Other Payments	10,008
<b>Total Payments</b>	<b>43,840</b>
Closing Bank Balance	45,105

# FINANCIAL PERFORMANCE REPORT

February 2014

## Efficiency Programme : Trust Summary Position



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

Savings delivered in the month of February were £0.7m below plan and stands at £3.5m below plan for the year to date, continuing to reflect the pressures on the cost of delivering services and delays in some corporate efficiency plans.

**PERFORMANCE REPORT - FEBRUARY 2014**  
**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.