

Corporate Performance Report 2014/15

March 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
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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

Activity in month 12 has returned to an over-performing position in the 'EK Managed Contract', by 4.9% (-0.7% in February). This is mainly due to Primary Care Referrals achieving 15% above plan and A&E at 12% over plan. At year end, the overall position has under-performed at -1.1%. This under-performance, throughout the year, has been as a direct result of Outpatient performance (-3% in New's, -5.9% in Follow Up's) and Elective Inpatient's (-6.5%). However, Primary Care Referrals have ended the year 5% over plan and A&E is 3.7% over planned levels. Activity against the 'Other P&R Contracts' has ended the year 4.4% up against plan, which includes their over performance in month 12 of 7% (+4.1% up against contract last month). Both referrals into specialised services and subsequent Outpatient and Day Case activity is consistently high, ensuring the overall year end position is above plan. 14/15 has seen Primary Care Referral increases against plan in all Divisions, noticeably Surgical and T&O, which ended the year 16% over. However, Maxillo Facial also over performed by 16%. Primary care initiatives to manage demand into the T&O service were implemented in December 2014, and following a successful introduction referrals did increase again in March. Outpatients activity, as a whole for the Trust, has performed slightly under plan at -3.3%. The biggest driver for this is in the Specialist Division, especially in Paediatrics due to changes in the emergency pathway and Dermatology, again due to shifts in pathway where patients were not seen in Outpatients (from Day Cases) as planned. Elective Daycase activity has over performed mainly due to pathway changes in Dermatology, Gynaecology and T&O. T&O increases has resulted from a shift in treatment from Elective Inpatients. Elective Inpatient has performed below expected levels due to the majority of Surgical services lack of capacity, most noticeable in Trauma and Orthopaedics, General Surgery, Colorectal Surgery, Ophthalmology and Maxillo Facial which were the most affected by the disparity in capacity and demand. While Non-Elective Inpatients, for 14/15, achieved plan at -0.1%.

The Trust was non-compliant with the 4 hour A&E standard in March 2015 at 87.6%. This marked a deterioration on the previous month of February where 88.2% was achieved. The A&E activity levels for the Trust over 14/15 ended 2.9% above the plan.

Other Non-P&R areas (excluding Direct Access) has ended the year over plan by 4%. This is mostly due to Community Paediatrics improvement in recording activity. Direct Access activity (including Audiology, Cardiology, radiology and Pathology) has also under-performed in 14/15, mainly due to an over-inflated planned position.

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
Access & Productivity	Cancer: 2ww (All)	5	5	5
	Cancer: 2ww (Breast)	5	5	1
	Cancer: 31d (Diag - Treat)	5	5	5
	Cancer: 31d (2nd Treat - Surg)	5	5	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
	RTT: Non-Admitted (%)		5	5
	RTT: Incompletes (%)		1	5
	DW01: Diagnostic Waits		5	1

Quality

Domain	Metric Name	MTD	QTD	YTD
Patient Safety	HSMR			4
	Crude Mortality EL (per 1,000)	4	4	4
	Crude Mortality NEL (per 1,000)	3	2	4
Effectiveness	Readmissions: EL dis. 30d (12M%)	5	5	4
	Readmissions: NEL dis. 30d (12M%)	5	5	2

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

Domain	Metric Name	MTD	QTD	YTD
Valuing People	Clinical Time Worked (%)	3	1	2
	Unplanned Agency Expense		1	1
	Appraisal Quality		5	5
	Training Plans (Quarterly)	5	5	5
	Sickness (%)	3	3	3
Access & Productivity	BADS	4	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	532.5	528.5		Continuity of Service Risk Rating	4	4	3.0
CIP savings	26.8	26.8	19.2		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	30.1	17.9					
I&E net surplus	(0.9)	(0.9)	(8.0)					
Cash balance	27.4	27.4	31.3					
Note: Detailed financial tables are on page 3								

Statement of Comprehensive Income (Income and Expenditure)

The Income and Expenditure YTD position is £(8)m against a deficit plan of £(0.9)m, resulting in an overall adverse variance of £(7)m.

- The subsidiary company (Healthex Limited which runs the Spencer Wing at QEOMH) is reporting a YTD surplus of £0.2m to March 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 March were £(0.7)m below target and now stands at £(7.5)m below plan for the end of year 14/15. (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 £2.5m of net current assets at the end of March and total net assets of £323.2m. The closing cash balance of £31.3m is £3.9m favourable to plan for the month. Receipts from EK CCG's were higher in the month as credit notes in respect of 2013/14 Contract Settlement for 2 of the 4 East Kent CCG's were not offset against the payment in month totalling £4.9m. All Other NHS Organisations was there was a receipt of £3.8m relating to 2015/16 received in March from NHS England. Other Receipts were higher than the previous month due predominantly to receipt from GE Medical for £1.3m

- Creditor payments including Capital were higher than the previous month, due to the payment to MTW and GE Medical. The position is now above original plan at the end of March. However, the impact of risk associated with RTT and 13/14 settlement was reviewed and the planned final cash position

Capital Expenditure Programme

The table on page 3 summarises £29.9m of expenditure on capital projects in the year so far. This is above plan by £(0.2)m.

Financial Performance Indicators

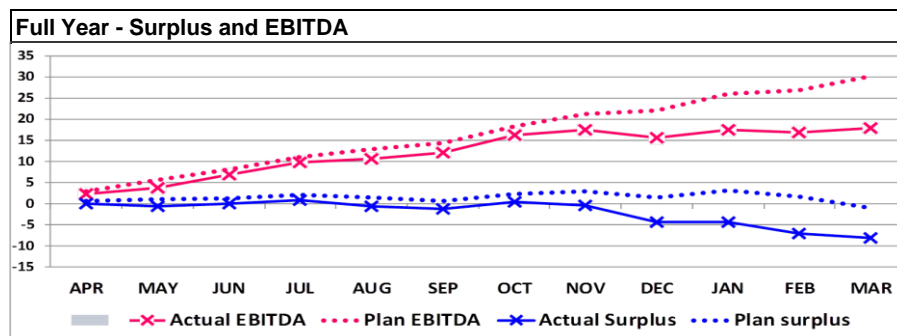
The Trust is achieving the rating of 3 under Monitor's Continuity of Service Risk Rating.

Identified Financial Risks

- Continuation of the current level of financial performance into the new financial year will result in a rapid deterioration in the Trust's liquidity and will see a further drop in the CoSRR.
- There needs to be an increased focus on financial recovery and meeting financial targets in 2015/16 to ensure future sustainability.

FINANCIAL PERFORMANCE MARCH 2015

Trust Statement of Comprehensive Income to 31st March 2015	Year to Date £000
SLAs & Corporate Income	392,721
Other Income	135,761
Total Income	528,482
Pay	312,833
Non-Pay	197,796
Total Expenditure	510,629
EBITDA	17,853
Less: Depreciation	16,568
Less: Dividend Payable	9,391
Less/ (add): Other	(150)
Funds Available for Investment	(7,956)



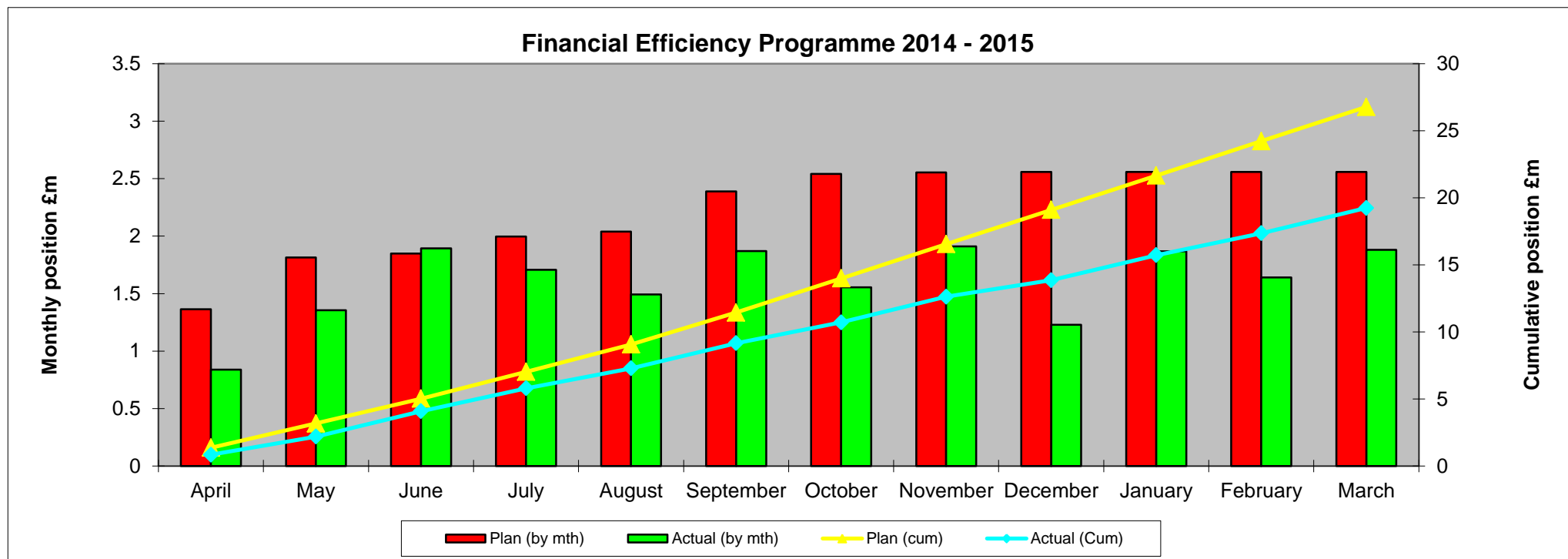
Trust Capital Expenditure to 31st March 2015	Year to Date		
	Budget £000	Actual £000	Variance £000
KCH Outpatients	1,200	1,162	38
KCH Theatres	1,500	4	1,496
Buckland Reprovision	13,832	12,609	1,223
Energy Scheme	1,172	1,272	(100)
Laundry	1,000	0	1,000
Telephony	1,000	1,030	(30)
Replacement Medical Equipment	3,000	2,829	171
Patient Environment	2,000	2,412	(412)
IT Strategy	2,000	3,743	(1,743)
All Other	3,000	4,853	(1,853)
Total Expenditure	29,704	29,914	(210)

Trust Statement of Financial Position as at 31st March 2015	Opening balance £000	Closing balance £000
Non-Current Assets	307,619	323,391
Current Assets		
Inventories	10,029	9,033
Trade and Other Receivables	30,524	22,936
Cash and Cash Equivalents	32,116	31,295
Total Current Assets	72,670	63,265
Current Liabilities		
Payables	(36,425)	(30,566)
Accruals and Provisions	(29,950)	(30,216)
Net Current Assets	6,296	2,484
Non-Current Liabilities	(2,521)	(2,673)
Total Assets Employed	311,393	323,202
Financed by Taxpayers Equity		
Public Dividend Capital	189,713	190,709
Revaluation Reserve	77,022	88,747
Retained Earnings	44,658	43,746
Total Taxpayers' Equity	311,393	323,202

Trust Cashflow Statement as at 31st March 2015	Current month £000
Opening Bank Balance	32,156
Receipts	
Main CCG SLAs	38,305
All Other NHS Organisations	14,101
Other receipts	3,396
Total Receipts	55,802
Payments	
Payroll	14,181
Creditor (including capital) payments	27,473
Other Payments	15,010
Total Payments	56,664
Closing Bank Balance	31,294

EFFICIENCY PERFORMANCE REPORT MARCH 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 March were £(0.7)m below target and now stands at £(7.5)m below plan for the end of year 14/15.

PERFORMANCE REPORT - MARCH 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<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.