

**TRUST BOARD**

<b>Date of Meeting:</b> 02/11/2010		<b>Enclosure:</b> 8
		<b>Agenda Item No:</b> 9.1
<b>Title of Report:</b> Performance Report		
<b>Aims:</b>  This report provides the Trust Board with an update on the latest Trust performance information as at 30 September 2010.		
<b>Summary:</b>  The performance report summarises Trust performance against a range of operating, quality, financial and workforce indicators for month six (and year to date) of the financial year (2010/11).		
<b>Specific implications for consideration (Financial/Workforce/Risk/Legal/Race Equality etc):</b>		
<b>Financial</b>	Reporting the financial position	
<b>Workforce</b>	No significant implications	
<b>Other</b>	Meeting obligations in respect of patient access and quality	
<b>Recommendations:</b>  The Trust Board is asked to note the content of the report.		
<b>Document previously approved by:</b>  Not applicable. Report directly to the Trust Board.		
<b>Prepared by:</b>  Kevin Clarkson Chief Operating Officer/Deputy Chief Executive  Alistair Mulvey Director of Finance  Damian Gallagher Director of Human Resources  Chris Platton Acting Director of Nursing, Quality and Governance		<b>Presented by:</b>  Kevin Clarkson Chief Operating Officer/Deputy Chief Executive

**TRUST BOARD  
PERFORMANCE REPORT  
NOVEMBER 2010**

**INTRODUCTION**

This report provides the Trust Board with a concise and clear summary of the organisations performance against a range of key performance indicators as at 30 September 2010.

The report sections are as follows: -

<b>SECTION 1:</b>	<b>OPERATING PERFORMANCE</b>
<b>SECTION 2:</b>	<b>QUALITY METRICS</b>
<b>SECTION 3:</b>	<b>WORKFORCE REPORT</b>
<b>SECTION 4:</b>	<b>FINANCE REPORT</b>
<b>SECTION 5:</b>	<b>CONCLUSION &amp; RECOMMENDATIONS</b>
<b>APPENDIX A:</b>	<b>PERFORMANCE DASHBOARD</b>
<b>APPENDIX B:</b>	<b>FINANCIAL WORKSHEETS</b>

# **SECTION 1**

# **OPERATING PERFORMANCE**

## **1. OPERATING PERFORMANCE**

The full Performance Dashboard is located at Appendix A. It includes those indicators that are important for the Care Quality Commission (CQC) Annual Health Check rating for 2010/11. The Performance Dashboard will be updated throughout the year as information is released from the CQC regarding the final criteria for assessment of services in 2010/11. In the meantime, all previous metrics will continue to be reported.

Excellent performance was achieved in September 2010 across a number of key indicators, these include:

- Overall 18 weeks performance (at Trust level)
- Access to GUM clinics – 48 hour target (offered appointments)
- Data quality on Ethnic Groups
- Thrombolysis (60 minute call to needle time)
- Delayed transfers of care
- Total time in A&E: 4 hours or less
- Median waiting time in A&E
- Rapid access chest pain patients seen within 2 weeks
- Number of patients waiting longer than 6 weeks for diagnostic tests
- Staff Turnover
- MRSA Bacteraemia (attributed to Trust)
- Clostridium Difficile Infections (attributed to Trust)
- Slips, trips and falls (inpatients)
- Estates and Facilities metrics

Information has now been received which confirms the expected measures of 18 week performance in respect of the median and 95<sup>th</sup> percentiles. These have been added to the Performance Dashboard with the “traffic light” assessment criteria being adjusted accordingly.

### **1.1 PERFORMANCE IMPROVEMENT PLANS AND PROGRESS**

#### **Cancer Waiting Times**

The data for September completes the provisional figures for quarter 2. The cancer services team and the Information department are reviewing all aspects of data before the quarter 2 data set is uploaded to the Open Exeter system. This is very important as the quarter has seen a dip (to be confirmed) in performance in respect of subsequent treatment (radiotherapy) and the 62 day target for urgent screening referrals. The full quarter 2 performance will therefore be updated and will be available at the next meeting of the Trust Board.

#### **14 day wait for Symptomatic Breast Patients**

The September provisional figure improved to 70.4% in month. As previously reported to the Trust Board during the month of August the Trust received support from Newcastle Upon Tyne Hospitals NHS Foundation Trust, commissioned through the PCT, to provide symptomatic clinics over a 4 week period. The first clinic could not be set up until 21 August 2010 therefore some clinics were held in September and this accounts for the in month

performance level. The Trust took back ownership of all clinics during the later part of September 2010.

### Cancelled Operations

Indicator	Current Shortfall versus plan	Required level	Management lead	Comparison to previous month	Year to date (traffic light only)
% cancelled	<ul style="list-style-type: none"> <li>•0.3% in month</li> <li>•0.2% year to date</li> </ul>	<= 0.8%	Divisional General Manager – Surgical Division	Deteriorated ↓	
28 day rule	<ul style="list-style-type: none"> <li>•Better than target in month</li> <li>•Year to date also on target</li> </ul>	<= 5%	Divisional General Manager – Surgical Division	Improved ↑	

The 28-day rule performance improved to an excellent level of 0% in month. The year to date position also remains solid at 1.0%.

The first part of the indicator (% cancelled) deteriorated to a level of 1.1% in month following last months improvement (0.4%). The in month dip was due to pressure on critical care beds. The year to date position does however remain at 1.0%.

### Infant Health

Indicator	Current Shortfall versus plan	Required level	Management lead	Comparison to previous month	Year to date (traffic light only)
Breast feeding initiation	<ul style="list-style-type: none"> <li>•1.6% in month</li> <li>•1.6% year to date</li> </ul>	>= 68%	Divisional General Manager – Family and Support Services Division	Improved ↑	
Smoking during pregnancy	<ul style="list-style-type: none"> <li>•Better than target in month</li> <li>•Year to date also on target</li> </ul>	<= 18.95%	Divisional General Manager – Family and Support Services Division	Deteriorated ↓	

The smoking during pregnancy indicator continued to maintain the required performance level in month. The year to date performance level also remains good at 16.5%.

The breastfeeding initiation performance improved in month to a level of 66.4% which is only 1.6% adrift of the required level.

### Maternity Hospital Episode Statistics – Data Quality Indicator

This is a very complex indicator which at present is showing a performance level, year to date, of 16.7% which is 1.7% adrift of the required level. The information team are presently reviewing all the data fields with a view to identifying those fields which are not fully populated or those where an incorrect code may have been applied. An appropriate refresh will be applied to the data set at the conclusion of this work.

### Access to GUM clinics – 48 hour target (patients seen)

Indicator	Current Shortfall versus plan	Required level	Management lead	Comparison to previous month	Year to date (traffic light only)
Access to GUM clinics – 48 hour target (patients seen)	<ul style="list-style-type: none"> <li>•20.6% in month</li> <li>•14.9% year to date</li> </ul>	>= 85%	Divisional General Manager – Family Services and Support Division	Deteriorated ↓	

The GUM service continues to achieve excellent performance in respect of the “48 hour offered appointment” target (Dashboard section 3). The aspirational “seen” target continued to perform at a low level returning 64.4% in month. The previously reported planned change in the service model is being progressed within the Family and Support Services Division.

### **Choose and Book slot availability**

Indicator	Current Shortfall versus plan	Required level	Management lead	Comparison to previous month	Year to date (traffic light only)
Choose and Book slot availability	<ul style="list-style-type: none"> <li>•7.7% in month</li> <li>•12.7% year to date</li> </ul>	>= 85%	Divisional General Manager – Medical Division	Static ←→	

Slot availability remained generally static at the slightly improved levels returning 77.3% in month. As previously reported the Outpatient Improvement Steering Group continues to develop action plans across all major specialities in order to look to make further improvements to slot availability during the year.

## **1.2 PRODUCTIVITY METRICS**

Elective length of stay deteriorated by 0.5 days in month to a level of 3.7 days. Early investigation has identified that this related to two patients who were discharged in August 2010 with lengths of stay of 82 and 84 days. A review of the classification of these two cases is underway as both were under the care of the Consultant in Rehabilitation Medicine.

Non elective length of stay remained static in month at a level of 4.8 days. The target level of 4.2 days will remain challenging throughout the rest of the year especially with the winter period approaching.

Day Case rates (both the basket of 25 and the “all” rate) also remain generally static. As previously reported improvements should be seen from quarter three onwards. The Trust Board will be kept informed regarding progress.

Pre-operative bed days for elective care improved for the second month returning a level of 8.9% in month.

The outpatient new to review ratio continues to remain flat during the first five months of the year. As previously reported specific improvement targets have been set for each Division and progress continues to be monitored through the KPI meeting. The Trust Board has previously noted that changes do however take some time to deliver results as the process involves agreeing changes to the clinical templates for individual medical staff. Significant improvement is therefore only likely to be seen during the later parts of quarter four.

The outpatient DNA rate deteriorated slightly in month to a level of 8.6%. Board members will be aware from previous reports that the Outpatient Improvement Steering Group is working on this indicator therefore further improvements in performance should be seen during 10/11. Board members will also be aware that the first phase of the appointment reminder service was launched during October 2010.

### **1.3 ESTATES AND FACILITIES METRICS**

The performance dashboard demonstrates that Estates and Facilities services across both sites continue to show increased activity and good levels of achievement against targets. Cleaning audit figures for the second quarter of the year have remained consistent with a Trust average of 94.5%

### **1.4 18 WEEKS RTT BY SPECIALTY**

The Dashboard (at Appendix A) contains details of the month six position. This shows the specialty performance levels that make up the overall Trust performance level for admitted and non-admitted pathways (that is shown in section one of the Performance Dashboard). Performance levels by specialty remain good in month with the exception of Oral Surgery and Gynaecology.

The target achievement date of December 2010 for Oral Surgery is on track even though the current in month performance remains low.

The dip in performance in Gynaecology in September was part of the agreed plan with the management team in order to support the longer-term sustainability of the required performance levels.

### **1.5 REVIEW OF PATIENTS WAITING OVER 18 WEEKS**

The Department of Health document "Reviewing patients who have waited longer than 18 weeks" confirms that providers have certain responsibilities for reviewing waits longer than 18 weeks. It states:

- "...to review waits longer than the 18 week standard on a monthly basis in a way that differentiates between legitimately longer waits and unnecessary waits (breaches) at speciality level and to report this information to their Board...."
- "The overarching aim of reviews of waits longer than 18 weeks is to identify systematic problems in an organisation of a local health community so that these can be tackled. Organisations will also need to have sufficient information to be able to explain the reasons for waits longer than 18 weeks when asked to do so by patients and the public".

It is impractical to review every over 18 week record on a monthly basis and this is acknowledged in the Department of Health document where a number of options for sample based approaches are suggested. Having reviewed all the suggestions Board members will know from the previous reports that the most appropriate approach for the Trust has been identified as being to select a diverse cohort of patients covering a variety of treatments functions, examine their lengths of wait and identify the proportion of patients who have waited longer than 18 weeks for legitimate reasons and those who have potentially waited unnecessarily.

The tables below identify the position for the month of September 2010:

SPECIALTY	CLINICALLY COMPLEX	PATIENT REASON	TRUST SYSTEM REASON	TOTAL
SURGERY	3	4	4	11
ORTHOPAEDICS		4	4	8
ENT	3	2	1	6
OPHTHALMOLOGY	1	2	10	13
ORAL		3	9	12
ORTHODONTICS			3	3
GE		1		1
CARDIOLOGY	2		2	4
DERMATOLOGY			5	5
NEUROLOGY			1	1
GYNAECOLOGY	1	1	3	5
Grand Total	10	17	42	69
PERCENTAGES	14.49%	24.64%	60.87%	

SPECIALTY	CLOCK START	WEEKS	ROOT CAUSE ANALYSIS
OPHTHALMOLOGY	18/10/2010 00:00	189	HIGHER DEMAND AGAINST AVAILABLE CAPACITY
DERMATOLOGY	18/10/2010 00:00	181	LOSS OF SUBSTANTIVE CONSULTANT REDUCED CAPACITY
ORAL	18/10/2010 00:00	159	ORAL SURGERY RECOVERY PLAN IN PLACE
ORTHOPAEDICS	18/10/2010 00:00	151	AVAILABLE SOFT TISSUE KNEE CAPACITY
SURGERY	18/10/2010 00:00	146	INCREASED WAITING TIME FOR ROUTINE LAPROSCOPIC CHOLECYSTECTOMY
ORAL	18/10/2010 00:00	139	ORAL SURGERY RECOVERY PLAN IN PLACE
OPHTHALMOLOGY	18/10/2010 00:00	139	CURRENT HIGHER DEMAND AGAINST AVAILABLE CAPACITY
ENT	18/10/2010 00:00	133	PATIENT UNDER REVIEW



# **SECTION 2**

## **QUALITY METRICS**

## **2. QUALITY METRICS**

Board members will be aware that the Governance Team has been implementing improved reporting arrangements as part of the new Governance, Risk and Quality Strategy. In addition to this the quality metrics and clinical indicators included on the dashboard have also been reviewed. This work is due to be complete for December to allow further quality indicators to be included in the performance report in order to provide further information on the standards of care provided across the Trust. This will be introduced to the performance report in January 2011.

### **2.1.1 MRSA bacteraemia**

The Trust continues to perform well against the Department of Health's targets for reducing the incidence of MRSA bacteraemia. The Trust has to continue to achieve year on year reductions with the incidence of MRSA. The trajectory for 2010/11 is less than 6 apportioned cases and this will be challenging throughout the year. There have been no post 48-hour bacteraemia for September 2010 and the Trust is therefore within trajectory. The excellent work to minimise infections which has been carried out by the clinical teams has meant that there has been no post 48 hour bacteraemia for 5 months at the Cumberland Infirmary and for 4 months at West Cumberland Hospital.

### **2.1.2 Clostridium Difficile**

The Trust trajectory for Clostridium Difficile has been set to 120 for the year and this equates to 10 attributed cases per month. The performance for the month of September again shows the Trust performing within trajectory with only 4 cases at the Cumberland Infirmary and no cases at the West Cumberland Hospital. This again demonstrates the excellent work carried out by the clinical teams to minimise infections.

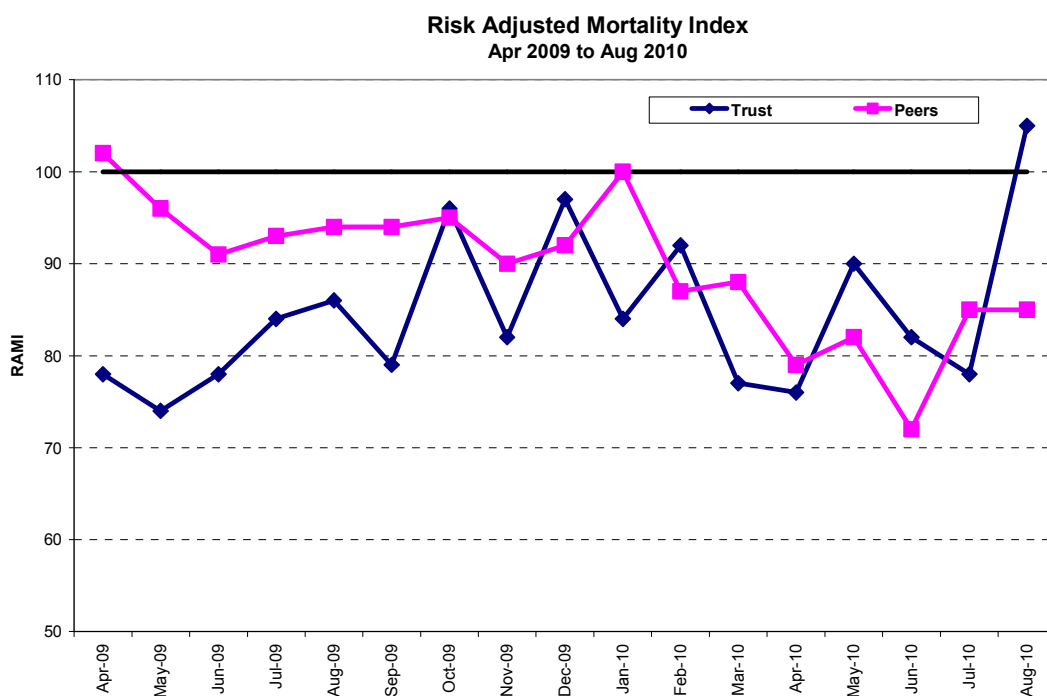
The work of the Steering Group will continue to ensure our clinical teams maintain the Trust's excellent position.

## **2.2 MORTALITY RATES**

Hospital mortality indices, extracted from the Caspe Healthcare Knowledge System (CHKS) comparative database, are summarised in the Performance Dashboard. These are derived from data submitted by all CHKS client Trusts to the Secondary Uses Services (SUS) and are further processed through a complex methodology to produce an in-hospital risk adjusted mortality rate which compares Trust to Trust and is sensitive to factors such as differences in age, case mix or emergency admission rates so that which is left is as near to a like for like comparison as is possible. A mortality index is in general terms a ratio of observed number of deaths to an expected number of deaths.

The graph below shows an increase in the risk adjusted mortality index in August 2010. This data is still subject to a third cycle of data quality assurance however the increase requires further investigation. This will be investigated and monitored by the Medical Director and head of

Governance. The outcome of that investigation will be reported to the Governance Committee and the Trust Board.



### 2.3 SLIPS, TRIPS AND FALLS

The Steering Group has been running since 1<sup>st</sup> June 2009 and considerable changes have been made in our approach to improving patient safety with regard to falls. The work will now be extended to all ward areas and will form part of the CQUIN contract for 2010/2011. The Trust is committed to a further reduction over the year and specific work will also concentrate on injuries to patients.

The group is therefore reviewing falls with particular reference to injury to patients. This work will result in a root cause analysis being undertaken as appropriate. The results will continue to be reported on a monthly basis, as mentioned in last month's Performance Report.

# **SECTION 3**

# **WORKFORCE REPORT**

Report compiled by Judith Anderson & Andrew Pounds  
Human Resources Department

## Contents & Target Summary

Section	Subject	Status
3.1	Summary/Narrative	Not Applicable
3.2	Staff in Post	Amber
3.3	Turnover	Green
3.4	Sickness – Month 6	Red
3.5	Employee Relations	Not Applicable
3.6	Occupational Health	Not Applicable
3.7	Appraisal	Amber

Key	
Green	Significant Progress
Amber	Progress
Red	Limited / No Progress

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### 3.1 Summary

<b>Staff in Post:</b>	<p>Staff in post for the Trust as a whole is currently running at 3070.05 WTE into Month 6. This equates to a reduction of 8.74 WTE when compared to the equivalent month in 2009/10. Between the first and second quarters of 2010/11 there has been a reduction of 16.9WTE.</p> <p>The largest two staff groups are Nursing &amp; Midwifery (1093.44WTE) and Admin &amp; Clerical (694.83WTE). Currently the Trust has a total of 295.33WTE Medical and Dental staff and 500.97WTE providing Additional Clinical Services.</p> <p>In terms of Divisional statistics, Medicine has the largest establishment (822.56WTE) followed by Family and Support Services (716.95 WTE) and Surgery (666.10WTE).</p>
<b>Turnover:</b>	<p>Turnover for the Trust into Month 6 remains low at 0.91%. This is higher than the equivalent month in 2009/2010 (0.46%).</p> <p>From a Divisional perspective, Medicine is the highest at 1.88% with Estates and Family &amp; Support Services reporting the lowest overall monthly figures of 0.00 % and 0.26% respectively.</p>

<p><b>Sickness Absence:</b></p>	<p>The Trust sickness absence rate for Month 6 is 5.03%, which is lower than at the equivalent point in 2009/2010 when sickness absence was 5.29%, but has risen from Month 5.</p> <p>The financial year to date sickness absence figure is currently 4.62% which also shows an increase of 0.08% compared to the year to date figure last month of 4.54%. This is 1.62% above the revised Trust target of 3%.</p> <p>In terms of Divisional performance, Corporate Services (3.04%) is currently meeting the target. Family &amp; Support Services (3.88%) has shown an improvement of 0.34% since Month 5 and a steady decline since Month 3. Estates &amp; Facilities and Medicine have the highest monthly figures at 7.38% and 6.47%, increasing from Month 5 by 0.74% and 0.97% respectively. Surgery has shown the largest increase from Month 5, this being 1.29%.</p> <p>Absence duration continues to be primarily short term (1-7 days). HR Business Partners are actively managing absence performance within each Division and the introduction of sickness absence cautionary hearings will further tighten this process. Sickness Absence training continues and 194 staff have now attended.</p> <p>HR Business Partners are also monitoring sickness absence on a weekly basis to assist the achievement of the new target of 3.00%. Reports are also made to the QIPP team on a fortnightly basis.</p>
<p><b>Appraisal:</b></p>	<p>The number of appraisals completed at Trust level has increased to 53% in month 5 however it still remains under target.</p> <p>All areas have shown increases this month except Estates which has reduced slightly to 87% however they still remain the highest performing Division. Family &amp; Support Services and Medicine have shown significant improvement since Month 5 however Medicine still has the lowest overall figure at 40%.</p> <p>The HR Business Partners are now actively monitoring appraisal completion within the Divisions and action plans have been requested to outline how and when improvements will be made.</p>
<p><b>Occupational Health Activity:</b></p>	<p>Occupational Health Activity for Month 6 is included. Self referral figures include both face to face appointments and telephone contact.</p>

### 3.2 Staff in Post

#### WTE

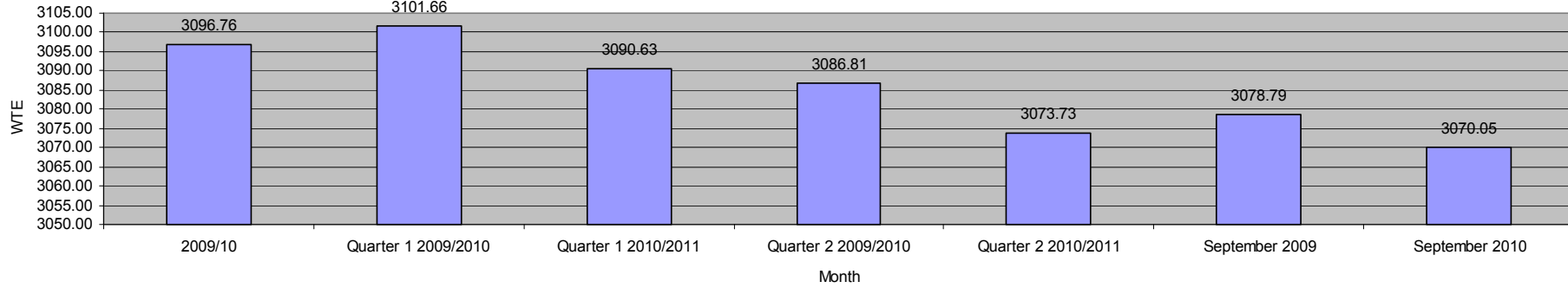
Staff Group	2009/10	Quarter 1 2009/2010	Quarter 1 2010/2011	Quarter 2 2009/2010	Quarter 2 2010/2011	September 2009	September 2010
	WTE	WTE	WTE	WTE	WTE	WTE	WTE
Additional Professional & Technical	112.41	112.16	111.99	110.83	103.96	109.98	96.99
Additional Clinical Services	507.25	518.20	494.93	514.30	495.07	507.48	500.97
Admin & Clerical	677.97	675.10	689.45	682.22	691.85	683.77	694.83
Allied Health Professionals	140.84	141.70	137.10	138.42	135.99	138.44	135.34
Estates & Ancillary	178.22	166.29	186.85	169.44	185.37	175.74	185.44
Healthcare Scientists	72.83	76.03	69.42	74.91	68.21	74.30	67.71
Medical & Dental	308.40	314.01	301.11	306.87	298.04	303.57	295.33
Nursing & Midwifery (Registered)	1,098.83	1,098.18	1,099.78	1,089.82	1,095.25	1,085.51	1,093.44
<b>Trust</b>	<b>3096.76</b>	<b>3101.66</b>	<b>3090.63</b>	<b>3086.81</b>	<b>3073.73</b>	<b>3078.79</b>	<b>3070.05</b>

#### Headcount

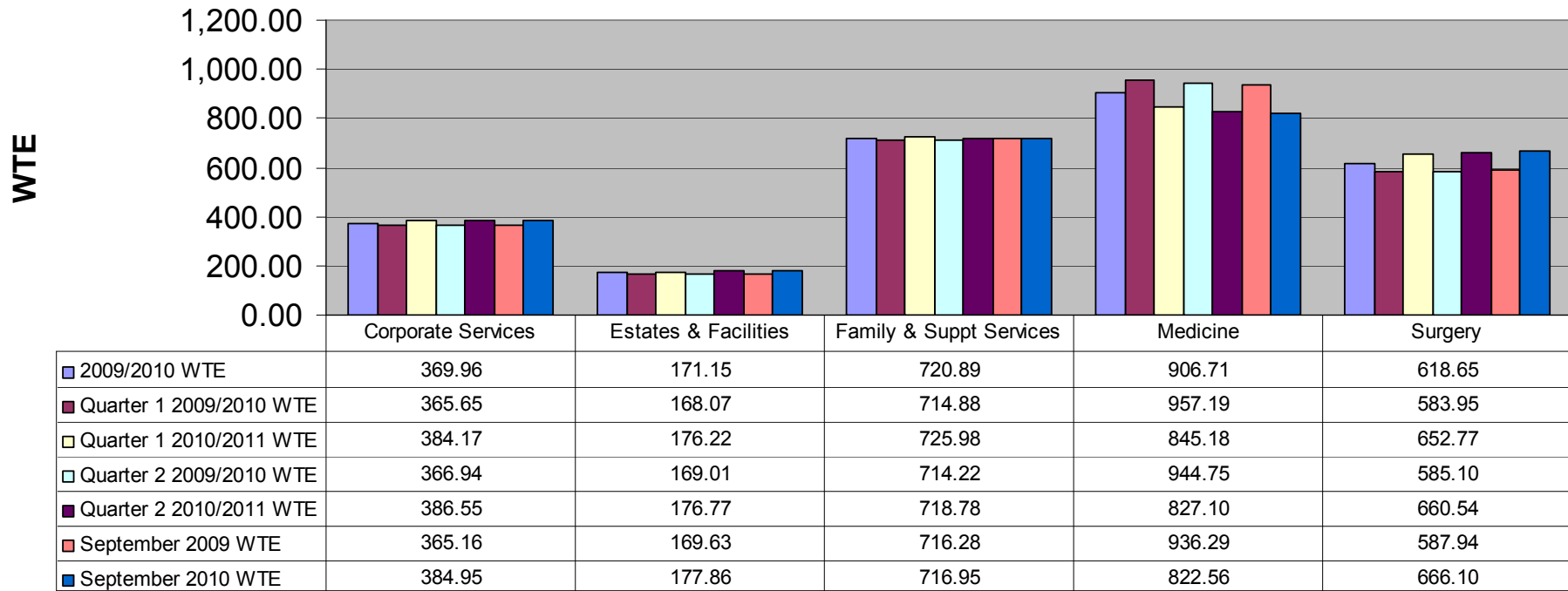
Staff Group	2009/10	Quarter 1 2009/2010	Quarter 1 2010/2011	Quarter 2 2009/2010	Quarter 2 2010/2011	September 2009	September 2010
	Head	Head	Head	Head	Head	Head	Head
Additional Professional & Technical	139	138	138	136	127	135	119
Additional Clinical Services	794	799	799	796	807	780	818
Admin & Clerical	872	865	865	886	891	896	896
Allied Health Professionals	196	196	196	196	196	197	195
Estates & Ancillary	239	226	226	228	247	234	248
Healthcare Scientists	76	79	79	78	71	77	70
Medical & Dental	358	370	370	364	359	360	361
Nursing & Midwifery (Registered)	1,454	1,458	1,458	1,446	1,460	1,436	1,455
<b>Trust</b>	<b>4425</b>	<b>4131</b>	<b>4131</b>	<b>4130</b>	<b>4158</b>	<b>4115.00</b>	<b>4162.00</b>



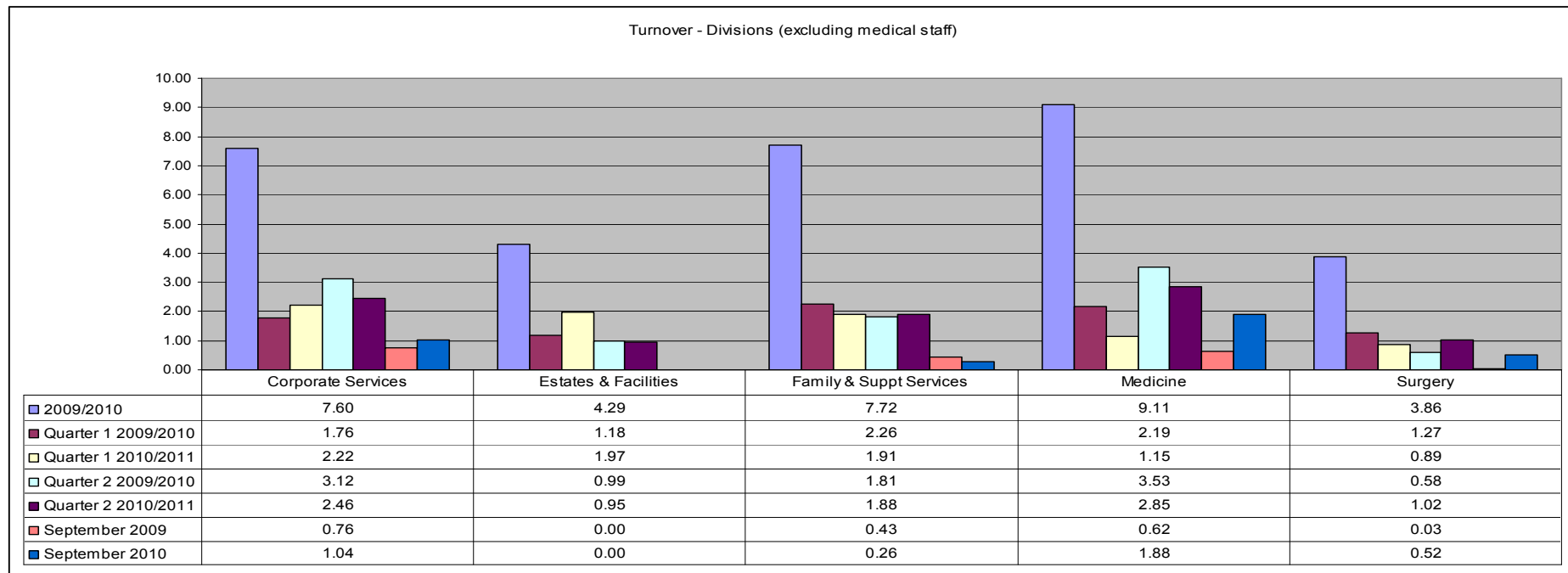
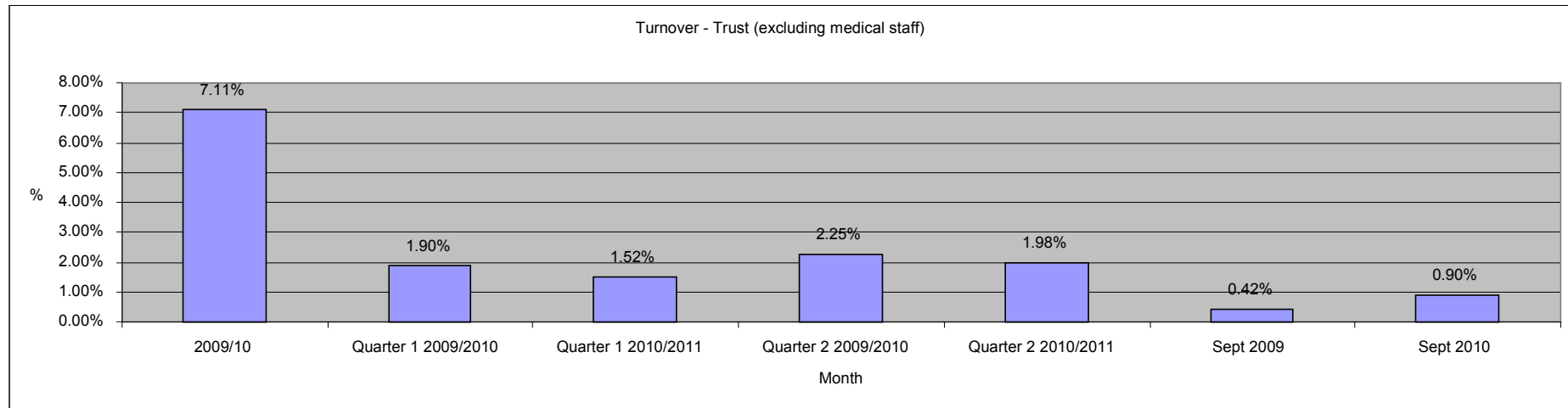
WTE Staff in Post - Trust



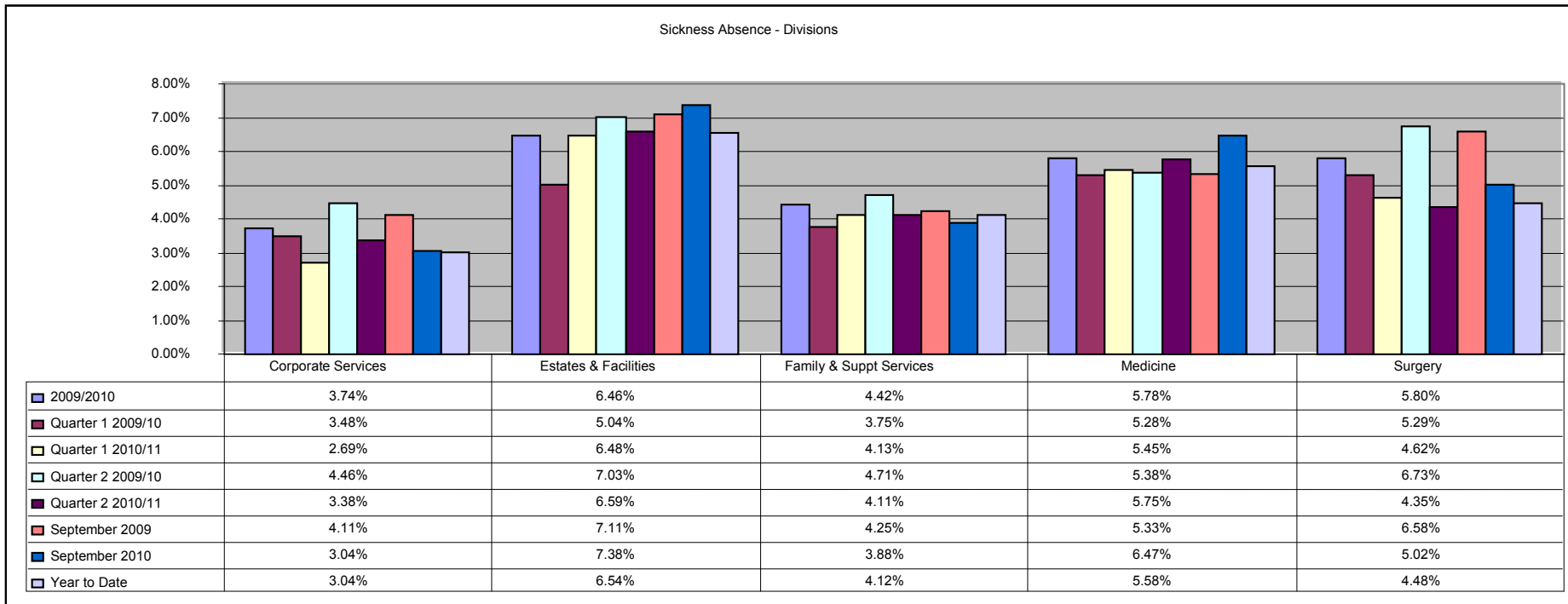
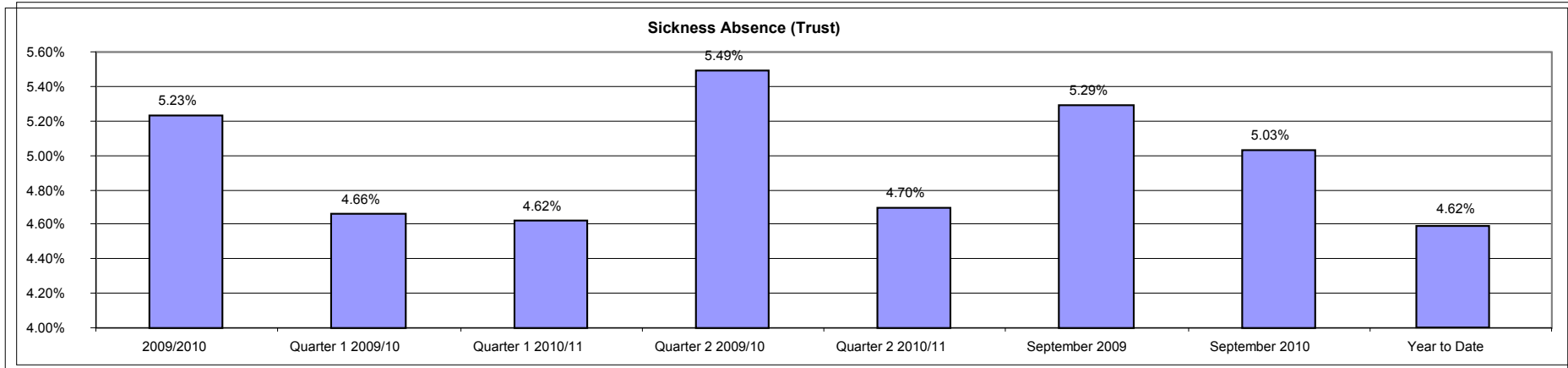
WTE Staff in Post - Divisions



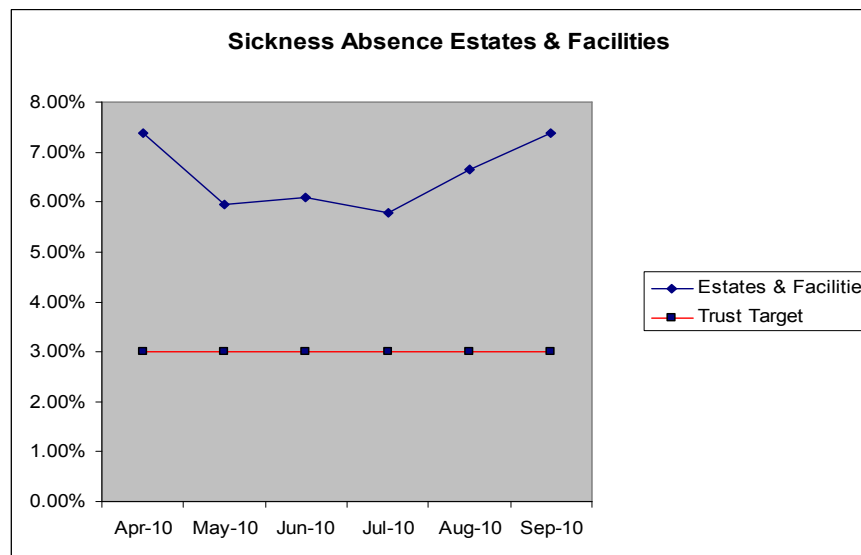
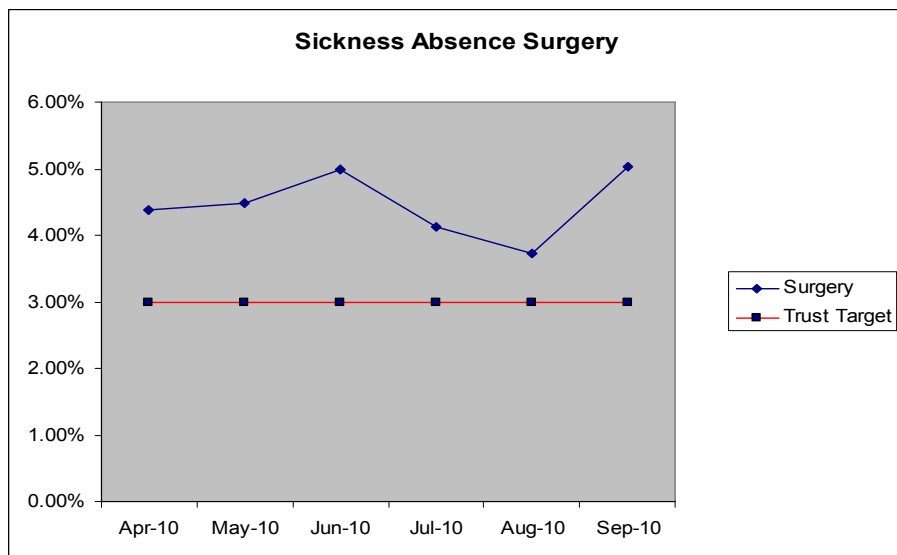
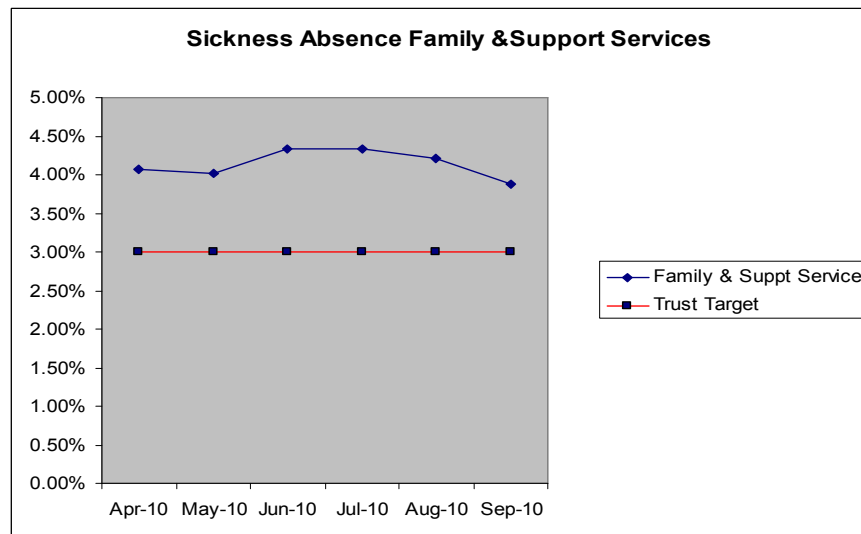
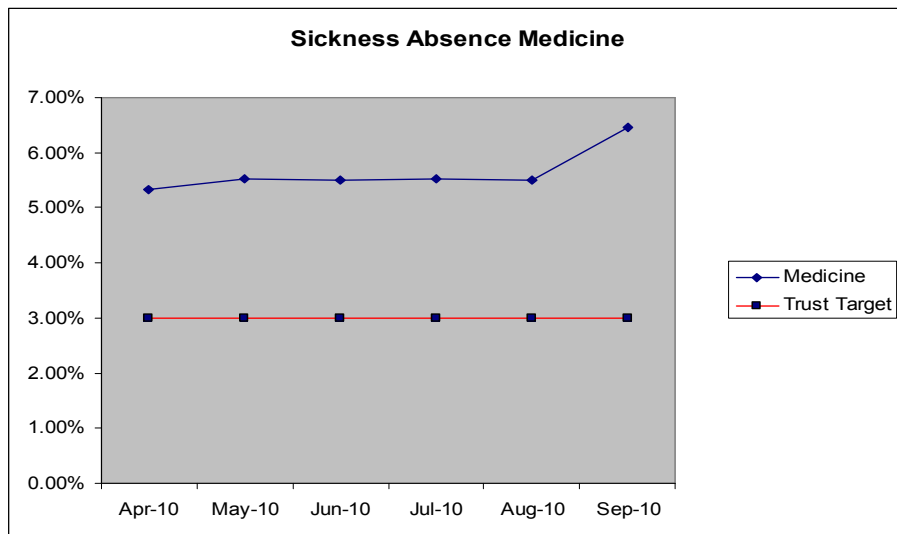
### 3.3 Turnover



### 3.4 Sickness Absence



## Sickness Target Trackers 2010/11





### 3.5 Employee Relations

The Disciplinary and Grievance Procedures were revised in August 2010 and the information below has been amended to reflect this change.

#### Disciplinary Action:

Previous procedure	2010/2011 (previous procedure)	New procedure	2010/2011 (new procedure)	Month 6
Informal Action	1	Informal	-	-
Verbal Warning	-	Recorded counselling	-	-
First Written	-	First Written Warning	-	-
Final Written	3	First Written Warning & transfer	-	-
Dismissal	4	Final Written Warning	-	-
		Final Written Warning & transfer (as alternative to dismissal)		
		First Written Warning & downgrading (as alternative to dismissal)		
		First Written Warning & transfer & downgrading (as alternative to dismissal)		
		Dismissal		
<b>Total Disciplinary</b>	<b>8</b>	<b>Total</b>	<b>0</b>	<b>0</b>

#### Disciplinary Appeals:

	2010/2011	Month 4	Month 5	Month 6
Upheld	-	-	-	-
Overturned	-	-	-	-
<b>Total Disciplinary Appeals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Grievance:

Previous procedure	2010/2011 (previous procedure)	New procedure	2010/2011 (new procedure)	Month 5	Month 6
Resolved informally	1	Resolved at Stage 1 (informally)		-	
Resolved at Stage 1	1	Resolved at Stage 2	1	-	
Resolved at Stage 2	-	Resolved at Stage 3		-	1
Resolved at Stage 3	-			-	
<b>Total</b>	<b>2</b>	<b>Total</b>	<b>1</b>	<b>0</b>	<b>1</b>

### 3.6 Occupational Health

<b>Cumberland Infirmary</b>	<b>Month 5</b>	<b>Month 6</b>	<b>Month 7</b>	<b>Month 8</b>	<b>Month 9</b>	<b>Month 10</b>	<b>Month 11</b>	<b>Month 12</b>
Pre-Employment Acute Staff	99	22						
Pre-Employment Non Acute Staff	2	4						
Pre-Employment Placements	20	41						
Managers Referral (no in brackets - stress related)	26	36 (11)						
Self Referral (no in brackets - stress related)	131	36 (5)						
Nurse Review Appointments	25	22						
Other Routine Nursing Appointments	48	68						
Doctor's Appointments	17	9						
<b><u>TOTAL</u></b>	<b>368</b>	<b>254</b>						
DNA	18	34						

<b>West Cumberland Hospital</b>	<b>Month 5</b>	<b>Month 6</b>	<b>Month 7</b>	<b>Month 8</b>	<b>Month 9</b>	<b>Month 10</b>	<b>Month 11</b>	<b>Month 12</b>
Pre-Employment Acute Staff	41	8						
Pre-Employment Non Acute Staff	4	0						
Pre-Employment Placements	0	24						
Managers Referral (no in brackets - stress related)	22 (5)	34 (5)						
Self Referral (no in brackets - stress related)	66 (4)	51 (14)						
Nurse Review Appointments	19	5						
Other Routine Nursing Appointments	92	57						
Doctor's Appointments	18	11						
<b><u>TOTAL</u></b>	<b>262</b>	<b>190</b>						
DNA	4	29						

### 3.7 Appraisal

Division	01/05/2009 to 30/04/2010	01/06/2009 to 31/05/2010	01/07/2009 to 30/06/2010	01/08/2009 to 31/07/2010	01/09/2009 to 31/08/2010	01/10/2009 to 30/09/2010	RAG
Corporate Services	32%	47%	60%	59%	61%	64%	
Estates	43%	85%	91%	92%	92%	87%	
Family & Support Services				39%	42%	53%	
Surgical	19%	22%	28%	41%	47%	51%	
Medical	22%	20%	18%	27%	29%	40%	
Total	32%	36%	38%	41%	46%	52%	

#### RAG coding

	< 50%		<70%		>= 70%
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**SECTION 4**  
**FINANCE REPORT**

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#### **4. FINANCE REPORT**

The Trust is reporting a deficit of £11,013k at the end of Month 6, this is a deterioration of £2,467k during the month. The proportionate CIP target after 6 months is £10,500k against which we have achieved savings of £3,943k. The Trust's in year deficit is driven by a shortfall against CIP of £6,557k plus the cumulative impact of arbitration of £4,500k combined with some overspending budgets.

The movement in month reflects lower than planned elective activity levels resulting in reduced income. Overall income fell by £739k in the month compared to the plan and is lower in month compared to previous months. Income is now cumulatively behind the plan by £574k.

The amount spent on pay reduced in month reflecting the reduced headcount in the Trust compared to previous months, however, it overspent by £210k due to the continuing high use of Medical Agency staffing. Agency costs were £454k in the month which represents a reduction for the third consecutive month.

Non Pay overspent by £1,714k in month, of which £936k relates to the failure to achieve the in month CIP target. The remainder of the overspend is due to higher than planned costs relating to the PFI contract and higher expenditure on Medical & Surgical Equipment and Purchases' despite lower activity levels.

The Trust has actioned efficiency improvements of £7,947k against the full year target of £21,018k. A local Turnaround Director has been appointed across NHS Cumbria and the Trust to ensure both organisations plans are aligned. The Trust Turnaround (or QIPP) Team are now holding weekly meetings with each clinical Division having implemented their 30 day plan and continue to work towards implementing their 60 day plan. There remains some medium to high risk around the successful implementation of some of the planned schemes.

The outcome of arbitration continues to have a significant impact on the Trust's liquidity (cash position) and the Trust is currently in discussion with partners to ensure that sufficient cash is available to meet the Trusts obligations as they fall due. The Trust continues to fully engage the SHA to find a solution that will enable the Trust to achieve its financial targets and improve the liquidity position.

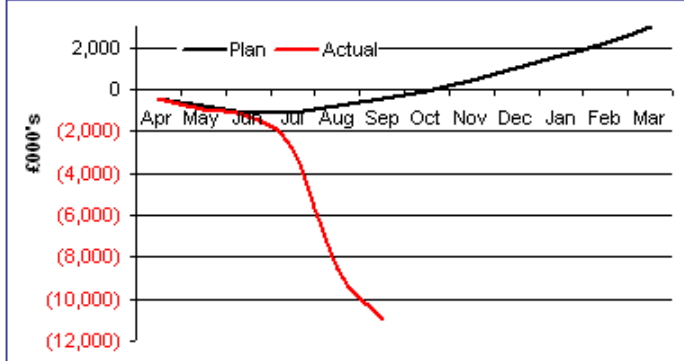
The Trusts year-end financial target is for a surplus of £3,000k (adjusting for the impact of IFRS this will be £1,500k against the break-even duty) which is predicated on full delivery of the CIP target and a resolution to the loss of income from the contract arbitration. These are clearly significant risks which the Trust needs to manage over the coming months.

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**Income & Expenditure**

The Trust is reporting a deficit of £11,013k against a planned deficit of £449k, resulting in a variance of £10,564k. Low activity volumes combined with static expenditure levels, slower than planned implementation of CIP and the continued use of premium cost agency staffing is driving the deficit in month. The recovery plans are being embedded into the organisation which will lead to a reduction in expenditure.

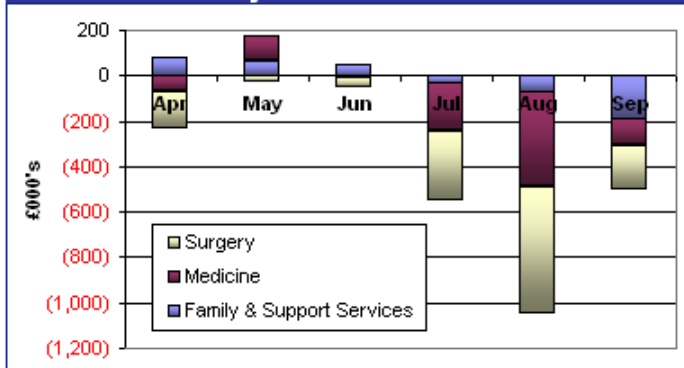
**I&E Performance 2010/11**



**Divisional Performance**

The Clinical Divisions overspent by £507k in month are now currently overspent by £2,123k. This is split between Family & Support Services (£99k overspend), Medicine (£709k overspend) and Surgery (£1,315k overspend). The run rate of pay expenditure has reduced in month although non-pay expenditure remains high.

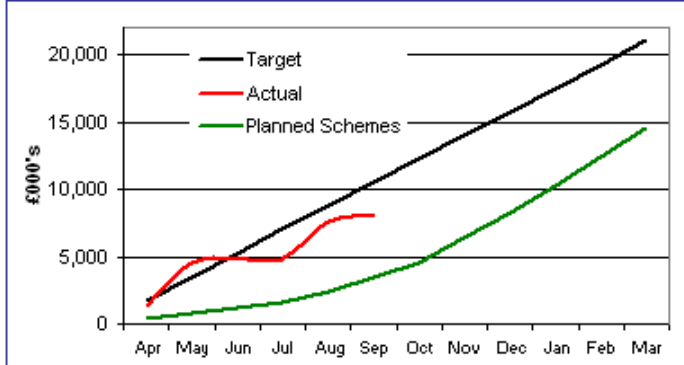
**Divisional Monthly Variance**



**CIP Delivery**

CIP delivery was £389k in September, bringing the total actioned to £7,947k against the plan of £21,018k. The QIPP team continue to work with the clinical divisions to deliver the agreed plans meeting on a weekly basis. A local Turnaround Director has been appointed to help delivery of inter organisational savings from the PCT and the Trust.

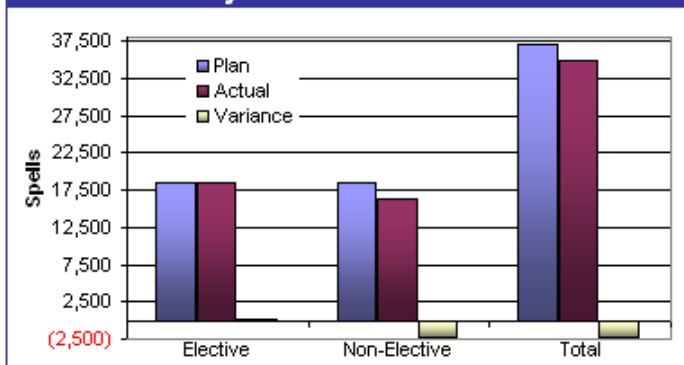
**CIP 2010/11**



**Performance Against SLAs**

Overall, activity was low in the month. Elective activity is cumulatively above plan by 46 spells with Daycases continuing to over perform and Electives under perform against the plan. Non-electives are below plan by 2,229 spells; which reflects a reclassification of emergency obstetric attendances from Non-Elective attendances to Outpatients.

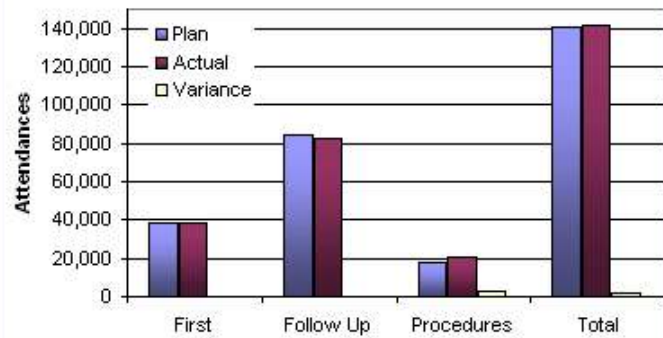
**Contract Activity Performance**



**Outpatient Performance**

Total Outpatient activity continues to be above plan due to Outpatient Procedures being higher than plan by 3,038 attendances. Follow-Ups are reducing in line with NHS Cumbria's commissioning intentions to reduce the New to Follow-Up ratio of attendances. Capacity released by the reduction in Follow-Up attendances will allow for an increase in capacity for New Outpatient attendances.

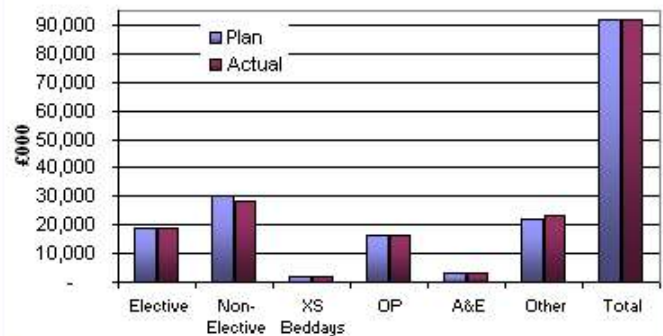
**Outpatient Contract Activity Performance**



**Total NHS Clinical Income**

Activity-based income has fallen by £775k in month and is now £386k below plan at Month 6. Low activity levels in August and September has led to a deterioration of the overall income position.

**Income Performance by Activity Type**



**Statutory Financial Targets**

The Trust is currently forecasting that it will achieve all its statutory financial targets. The financial surplus is predicated on the CIP target being achieved and expenditure being brought into line with budgets. The performance of the Better Payment Practice Code has declined in month due to the liquidity issues arising as a result of arbitration.

**2010/11 Performance Against Targets**

Duty	Target	M06	Forecast
<b>Breakeven Duty</b>	To achieve a breakeven I&E	£11,013k deficit	£1,500k surplus
<b>Capital Absorption Rate</b>	To achieve a rate of 3.5%	3.50%	3.50%
<b>Better Payment Practice Code</b>	95% of payments within 30 days by volume & value	●	●
<b>External Financing Limit (EFL)</b>	To achieve the EFL	●	●
<b>Capital Resource Limit (CRL)</b>	To remain within the CRL	●	●

## **SECTION 5**

# **CONCLUSION & RECOMMENDATION**

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## **CONCLUSION**

The Trust continues to demonstrate good performance in respect of operating and quality performance metrics. However the Trust continues to overspend and until the recovery plans become fully embedded this is forecast to continue. The success of the turnaround programme and the planned reduction in agency expenditure is critical to ensure the Trust achieves its statutory financial duties

## **RECOMMENDATION**

The Board is asked to note the content of the report.

Kevin Clarkson

**CHIEF OPERATING OFFICER/DEPUTY CHIEF EXECUTIVE**

Alistair Mulvey

**DIRECTOR OF FINANCE**

Damian Gallagher

**DIRECTOR OF HUMAN RESOURCES**

Chris Platton

**ACTING DIRECTOR OF NURSING, QUALITY AND GOVERNANCE**

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# APPENDIX A

## PERFORMANCE DASHBOARD

In summary the dashboard provides: -

- A profile of performance in each month of the current year, up to and including, the latest data available.
  - All data items are shown using a monthly profile with the exception of a small number of indicators which use a quarterly profile.
  - The criteria for traffic lighting (trajectory position) is used to assess performance for the current data period. Grey shading for the latest month indicates that data is not yet available for that period, at the time of the production of the report.
  - The letters “nad” in a grey shaded box means that there was “no applicable data (nad)” for that particular period/month.
  - The “Year to Date” column is also traffic lighted for those indicators where performance has to be achieved across the whole of the year.
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**APPENDIX B**

**FINANCIAL WORKSHEETS**

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