

TRUST BOARD

Date of Meeting: 11/01/2011	Enclosure: 8
	Agenda Item No: 9.1
Title of Report: Performance Report	
Aims: This report provides the Trust Board with an update on the latest Trust performance information as at 30 November 2010.	
Summary: The performance report summarises Trust performance against a range of operating, quality, financial and workforce indicators for month eight (and year to date) of the financial year (2010/11).	
Specific implications for consideration (Financial/Workforce/Risk/Legal/Race Equality etc):	
Financial	Reporting the financial position
Workforce	No significant implications
Other	Meeting obligations in respect of patient access, quality and financial management
Recommendations: The Trust Board is asked to note the content of the report.	
Document previously approved by: Not applicable. Report directly to the Trust Board.	
Prepared by: 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	Presented by: Kevin Clarkson Chief Operating Officer/Deputy Chief Executive

**TRUST BOARD
PERFORMANCE REPORT
JANUARY 2011**

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 November 2010.

The report sections are as follows: -

- SECTION 1: OPERATING PERFORMANCE**
 - SECTION 2: QUALITY METRICS**
 - SECTION 3: WORKFORCE REPORT**
 - SECTION 4: FINANCE REPORT**
 - SECTION 5: CONCLUSION & RECOMMENDATIONS**
 - APPENDIX A: PERFORMANCE DASHBOARD**
 - APPENDIX B: FINANCIAL WORKSHEETS**
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SECTION 1

OPERATING PERFORMANCE

1. OPERATING PERFORMANCE

The full Performance Dashboard is located at Appendix A. It includes those indicators that have previously been important for the Care Quality Commission (CQC) Annual Health Check rating over recent years. The Performance Dashboard will continue to 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, as agreed by the Trust Board, all previous metrics will continue to be reported.

Excellent performance was achieved in November 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
- Infant Health – breastfeeding and smoking during pregnancy
- Number of patients waiting longer than 6 weeks for diagnostic tests
- Choose and Book slot availability
- Staff Turnover
- MRSA Bacteraemia (attributed to Trust)
- Clostridium Difficile Infections (attributed to Trust)
- Slips, trips and falls (inpatients)
- Estates and Facilities metrics

At the November 2010 meeting of the Trust Board the dashboard was updated to report the performance against the new expected measures of 18 week performance at a “Trust level” in respect of the median and 95th percentile targets (section 1). The dashboard has now also been updated at section 11 to show the median and 95th percentile performance levels for each speciality covering admitted, non-admitted and incomplete pathways.

1.1 PERFORMANCE IMPROVEMENT PLANS AND PROGRESS

Cancer Waiting Times

Following the report to the Trust Board at the November 2010 meeting the full cancer data set was successfully validated and uploaded to the national Open Exeter system for quarter 2. The dashboard shows excellent performance levels for all indicators during quarter 2 with the exception of the 14 day wait for symptomatic breast patients (as previously reported to the Trust Board).

During November there was also a slight dip in performance in the 31 day subsequent treatment (radiotherapy) category (4% lower than the target level). There were 50 patients treated in month of which 45 were treated within the target level. The 5 who were not treated within target were patients who required longer term planning for their treatment.

The continuing lower than expected performance levels for the 14 day wait for symptomatic breast patients has been reviewed. There are two reasons for the current performance levels, these are 1) that unfortunately a number of patients have not been able to attend the available appointment within the 14 day target and 2) that there are some capacity issues still remaining regarding the availability of clinics and the number of slots that are required to meet demand which can be up to 55 appointments per week. The Surgical Division are working hard in cooperation with the Radiology Directorate in order to create the additional capacity that is required as soon as possible. Trust Board members will be aware of the capacity issues that have been experienced over recent months with the reduced availability of Breast Radiologists.

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"> •0.1% in month •0.2% year to date 	<= 0.8%	Divisional General Manager – Surgical Division	Improved ↑	
28 day rule	<ul style="list-style-type: none"> •Better than target in month •Year to date also on target 	<= 5%	Divisional General Manager – Surgical Division	Deteriorated ↓	

The 28-day rule performance whilst dipping slightly in month (at 3.2%) is still returning an excellent year to date position of 1.1%.

The first part of the indicator (% cancelled) improved to a level of 0.9% in month. The year to date position does however remain at 1.0% which is 0.2% adrift of the target level. It is highly unlikely that any further improvements will be achieved during the last quarter of the year as the NHS is experiencing significant winter pressures with the cancellation of elective surgery sometimes being a necessity in order to support the emergency and critical care pathways.

Maternity Hospital Episode Statistics – Data Quality Indicator

Indicator	Current Shortfall versus plan	Required level	Management lead	Comparison to previous month	Year to date (traffic light only)
Maternity HES – Data Quality Indicator	<ul style="list-style-type: none"> •2.6% in month •1.6% year to date 	<= 15%	Head of Information	Deteriorated ↓	

The Head of Information has done a root cause analysis and it has been identified that the missing data is due to some fields that are not mapped from the Trust PAS to the national SUS data extract.

The extract was also built using a very old computer language that is not now familiar to anyone currently working in the Trust.

It will be necessary to rebuild the SUS extract using the Data Warehouse service and this will incur extra costs and further testing will be needed. This way forward is being discussed in detail by the Information Management Team.

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"> •21.1% in month •17.4% year to date 	>= 85%	Divisional General Manager – Family Services and Support Division	Improved ↑	

The GUM service continues to achieve excellent performance in respect of the “48 hour offered appointment” target (Dashboard section 3). The aspirational “seen” target did improve in month to 63.8%. The previously reported planned change in the service model is still 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"> •Above required level in month •10.7% year to date 	>= 85%	Divisional General Manager – Medical Division	Improved ↑	

Slot availability improved in month returning an excellent level of 85.3%.

1.2 PRODUCTIVITY METRICS

Elective length of stay has achieved the required performance levels of <=3.1 days over the last two months.

Non-elective length of stay is currently 0.7 adrift of the target level. This remains a concern as the year to date performance level has been generally static at 4.8 days. It has therefore been agreed that a specific QIPP/Turnaround workstream will now be commissioned to drive towards further improvement.

Whilst the overall day case rate has improved to 79.8% in month (just 0.2% adrift of the target level) it is of concern to see that the “basket of 25” rate has returned only 69.8% in month. The Surgical Division, in conjunction with the Information Department, are conducting an initial review of the data structure and systems.

Pre-operative bed days have seen a reversal of the previous improvements over the last two months. This is currently under investigation across four different specialities. An update will be provided for Board members at the next meeting.

The outpatient new to review ratio continues to remain flat during the first seven months of the year. 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. Improvement is therefore only likely to be seen during the later parts of quarter four.

The outpatient DNA rate improved slightly in month to a level of 8.4%. Further improvements in performance should be seen during 10/11 as Board members will be aware that the first phase of the appointment reminder

service was launched during October 2010. The early indications from the three pilot specialities are that an impressive improvement of between 30-40% is being seen. The business case for the roll-out of the scheme is being presented to the Trust Management Committee in February 2011.

1.3 ESTATES AND FACILITIES METRICS

A consistent and high level of performance in month has been maintained across the Estates and Facilities key performance indicators.

1.4 18 WEEKS RTT BY SPECIALTY

The Dashboard (at Appendix A) contains details of the month eight position. Section 11 now shows the speciality performance levels as follows:

- a) Admitted and Non-admitted – percentage seen within 18 weeks
- b) Admitted – median and 95th percentile performance
- c) Non-admitted – median and 95th percentile performance
- d) Incomplete pathways – median and 95th percentile performance

The previous section which provided details of the monthly review of specific reasons why patients may have waited longer than 18 weeks has been removed from the report as all indications are that the priority will be given to the monitoring of the overall Trust position in respect of the median and 95th percentile positions.

November has seen a slight dip in performance in Urology. This was however only 0.4% adrift of the required level.

Ophthalmology is under considerable pressure (as previously noted by both EMT and the Trust Board). The speciality level analysis for the median and 95th percentile also confirm the long waits within the overall patient pathways. The Divisional Management team are working extremely hard to ensure that the maximum levels of efficiency can be achieved from within existing resources but Board members are advised that significant performance improvement levels in the short term may be difficult to achieve as all additional waiting list work has been ceased with effect from 3 January 2011 due to the Trusts challenging financial position.

The previously reported improvement plans for Oral Surgery, Dermatology and Gynaecology are on track to deliver improvements during quarter 4.

SECTION 2

QUALITY METRICS

2. QUALITY METRICS

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 continue to be challenging throughout the year. There have been no post 48-hour bacteraemia for October and November 2010 and the Trust is therefore within trajectory. The excellent work to minimise infections carried out by the clinical teams has attributed to no post 48 hour bacteraemia for 7 months at the Cumberland Infirmary and for 6 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 months of October and November again shows the Trust performing within trajectory with 6 cases in October and only 3 in November. This again demonstrates the excellent work carried out by the clinical teams to minimise infections across the Trust.

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.

Data is only currently available up to and including September. The graph below shows an increase in the risk adjusted mortality index in September. There is an increase in the Clinical Support Division however this increase requires further investigation and clarification. This will be investigated and monitored by the Medical Director and Governance Lead. The outcome of that investigation will be reported to the Governance Committee and Trust Board.

A recent review requested by Sir Bruce Keogh has now been concluded on the use of indicators which can help clinicians to understand variations and trends related to in-hospital deaths. Across the NHS, Trusts have been using different approaches for monitoring mortality. However, the different versions of mortality indicators and other assessments of the quality of care can produce different results and this has inevitably resulted in some confusion across the NHS and for the general public. The aim of

the review was to identify and agree a single methodology for a mortality indicator for adoption across the NHS in England and to offer some guidelines about its use.

That review is now complete and the report has been released. The review has been approved by the National Quality Board. It still requires statistical testing and trialling before national roll out. It will be monitored through the Governance Lead and Medical Director, who will then report to the Trust Board.

It is likely that the new indicator will therefore be adopted from April 2011 onwards. The Trust will continue to extensively use the CHKS system for assurance and monitoring purposes in respect of mortality data.

Risk Adjusted Mortality Index (RAMI)

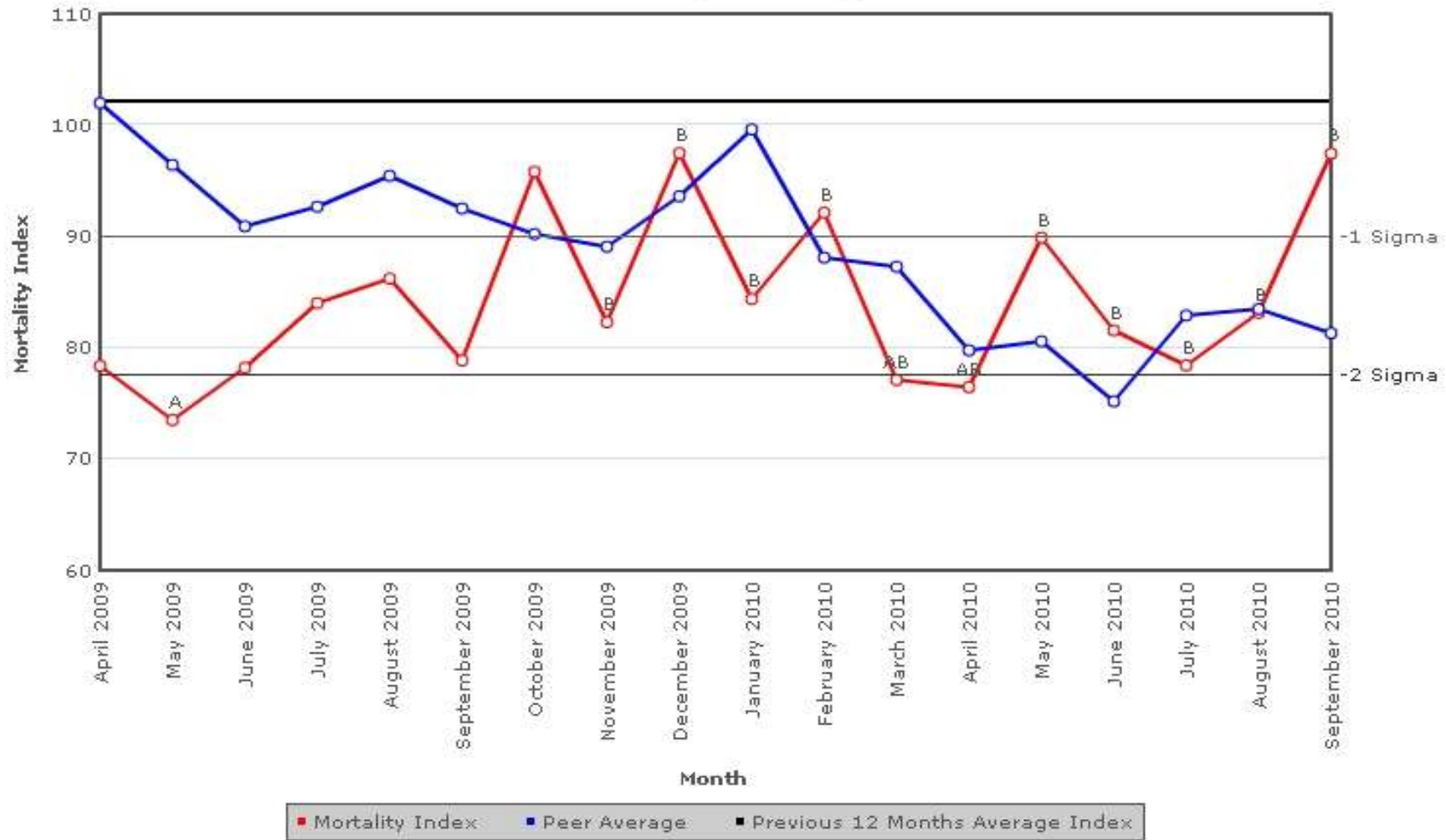
1 April 2009 to 31 March 2010

Division	Trust	Included	Deaths			Index
	Spells	Spells	Trust	Expected	Excess	
Clinical Support Division	4,885	546	8	6	2	134
Family Services Division	15,789	4,709	1	9.7	-8.7	10
Surgical Division	32,591	12,694	157	224.5	-67.5	70
Medical Division	35,336	14,988	950	1,089.9	-139.9	87
TRUST	88,601	32,937	1116	1330.1	-214.1	84

1 April 2010 to 30 Sep 2010

Division	Trust	Included	Deaths			Index
	Spells	Spells	Trust	Expected	Excess	
Clinical Support Division	2,471	200	7	3.1	3.9	229
Family Services Division	6,547	2,127	0	4.1	-4.1	
Surgical Division	15,681	6,119	79	110.5	-31.5	71
Medical Division	16,597	7,150	422	483.3	-61.3	87
TRUST	41,296	15,596	508	601	-93	85

Mortality Trending



2.3 SLIPS, TRIPS AND FALLS

Excellent performance continues in respect of slips, trips and falls prevention. The Steering Group has been running since 1st June 2009 and considerable changes have been made in our approach to improving patient safety with regard to falls. The Trust remains committed to a further reduction over the year and the focus on injuries to patients will continue.

The group continues to review falls with particular reference to injury to patients. Root cause analysis is undertaken as appropriate. The results will continue to be reported on a monthly basis.

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	
3.3	Turnover	
3.4	Sickness – Month 8	
3.5	Employee Relations	Not applicable
3.6	Occupational Health	Not applicable
3.7	Appraisal	

Key	
Green	Significant Progress
Amber	Progress
Red	Limited / No Progress

3.1. Summary

Staff in Post	<p>Staff in post for the Trust as a whole is currently running at 3025.14 WTE into Month 8. This equates to a reduction of 53.04 WTE when compared to the equivalent month in 2009/10 and a reduction of 44.91 since Month 6.</p> <p>The largest two staff groups are Nursing & Midwifery (1074.14 WTE) and Admin & Clerical (682.81 WTE). Currently the Trust has a total of 292.53WTE Medical and Dental staff and 480.20 WTE providing Additional Clinical Services.</p> <p>In terms of Divisional statistics, Medicine has the largest establishment (798.62 WTE) followed by Family and Support Services (711.15 WTE) and Surgery (661.36 WTE).</p>
Turnover	<p>Annualised turnover figures for non-medical staff show that since the beginning of the year there has been a drop from 8.78% and the current rate is 8.08% (using headcount figures).</p> <p>The number of leavers in November has been the lowest this financial year at 19 which is 0.53% of non-medical staff.</p>

<p>Sickness Absence</p>	<p>The Trust sickness absence rate for Month 8 is 4.74%, lower than at the equivalent point in 2009/2010 when sickness absence was 4.98% and last month's figure of 5.10%.</p> <p>The financial year to date sickness absence figure is currently 4.69%. This is 1.69% above the revised Trust target of 3%</p> <p>In terms of divisional performance, Corporate Services (2.92%) is below target. All other areas except for Medicine have improved from Month 7 with Estates showing the largest drop by 2.10% to 5.50%. Medicine is the highest overall this month at 5.60%.</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 for managers continues and 203 staff members 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% and reporting to the QIPP team on a fortnightly basis.</p>
<p>Appraisal</p>	<p>The number of appraisals completed at Trust level has increased by 2% from Month 7 to 58.9%, however remains under target.</p> <p>Surgery and Family & Support Services have shown the largest improvements this month. Medicine has shown a small improvement but remains the lowest figure at 44%.</p> <p>The rate of increase in the overall total has been affected by a significant drop this month in reported appraisals in Estates to 63%</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>Occupational Health Activity</p>	<p>Occupational Health Activity includes flu vaccination appointments. Self referral figures include both face to face appointments and telephone contact.</p>

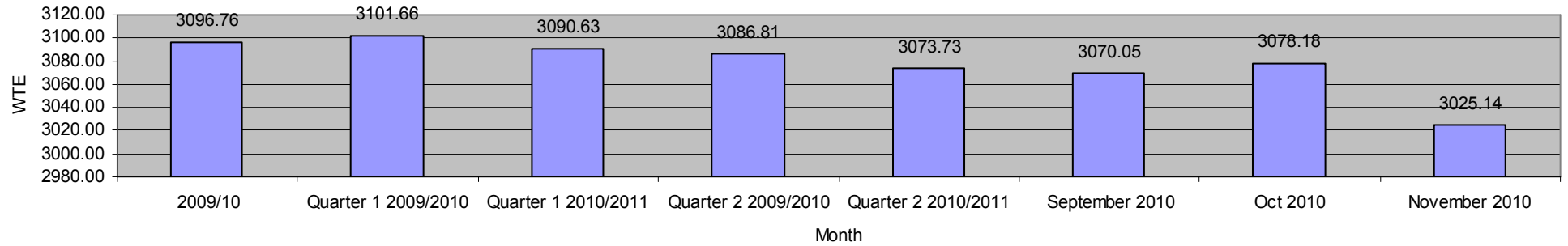
3.2. Staff in Post

WTE

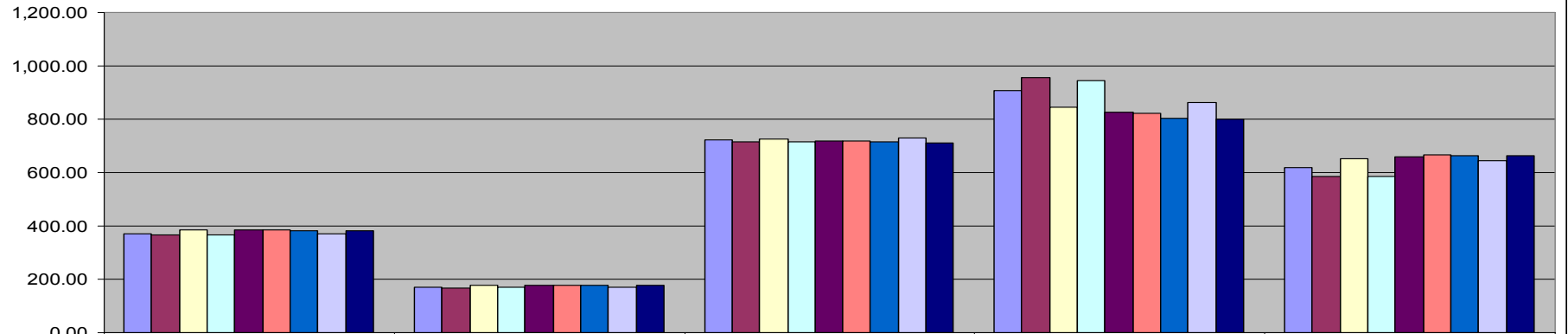
Staff Group	2009/10	Quarter 1 2009/2010	Quarter 1 2010/2011	Quarter 2 2009/2010	Quarter 2 2010/2011	September 2010	October 2010	November 2009	November 2010
	WTE	WTE	WTE	WTE	WTE	WTE	WTE	WTE	WTE
Additional Professional & Technical	112.41	112.16	111.99	110.83	103.96	96.99	96.78	110.02	96.77
Additional Clinical Services	507.25	518.20	494.93	514.30	495.07	500.97	497.51	506.26	480.20
Admin & Clerical	677.97	675.10	689.45	682.22	691.85	694.83	686.47	682.81	682.81
Allied Health Professionals	140.84	141.70	137.10	138.42	135.99	135.34	134.17	137.58	133.53
Estates & Ancillary	178.22	166.29	186.85	169.44	185.37	185.44	183.80	181.70	198.95
Healthcare Scientists	72.83	76.03	69.42	74.91	68.21	67.71	67.21	69.14	66.21
Medical & Dental	308.40	314.01	301.11	306.87	298.04	295.33	292.08	299.67	292.53
Nursing & Midwifery (Registered)	1,098.83	1,098.18	1,099.78	1,089.82	1,095.25	1,093.44	1,080.23	1,091.00	1,074.14
Trust	3096.76	3101.66	3090.63	3086.81	3073.73	3070.05	3038.26	3078.18	3025.14

Staff Group	2009/10	Quarter 1 2009/2010	Quarter 1 2010/2011	Quarter 2 2009/2010	Quarter 2 2010/2011	September 2010	October 2010	November 2009	November 2010
	Head	Head	Head	Head	Head	Head	Head	Head	Head
Additional Professional & Technical	139	138	138	136	127	119	118	137	118
Additional Clinical Services	794	799	799	796	807	818	817	789	795
Admin & Clerical	872	865	865	886	891	896	885	895	880
Allied Health Professionals	196	196	196	196	196	195	195	194	197
Estates & Ancillary	239	226	226	228	247	248	247	243	274
Healthcare Scientists	76	79	79	78	71	70	70	72	69
Medical & Dental	358	370	370	364	359	361	363	351	364
Nursing & Midwifery (Registered)	1,454	1,458	1,458	1,446	1,460	1,455	1,449	1,447	1,458
Trust	4425	4131	4131	4130	4158	4162	4144	4128	4155

WTE Staff in Post - Trust

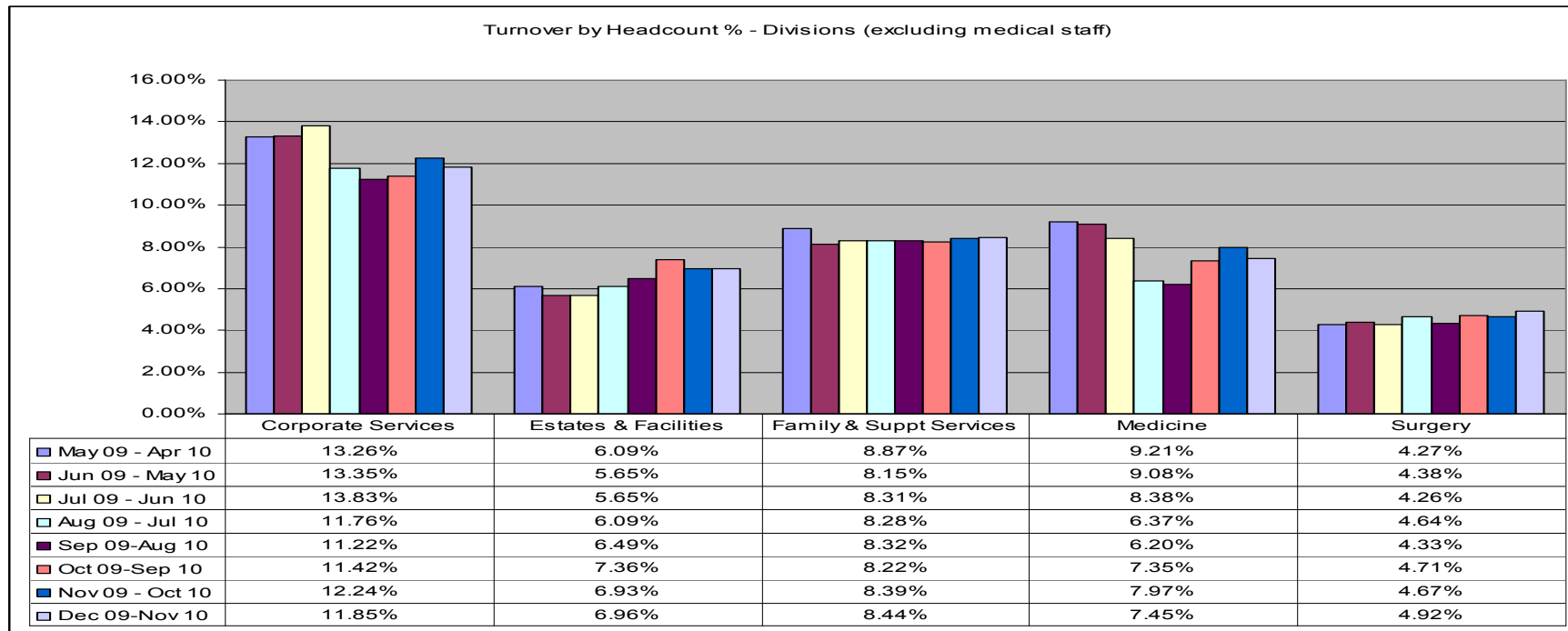
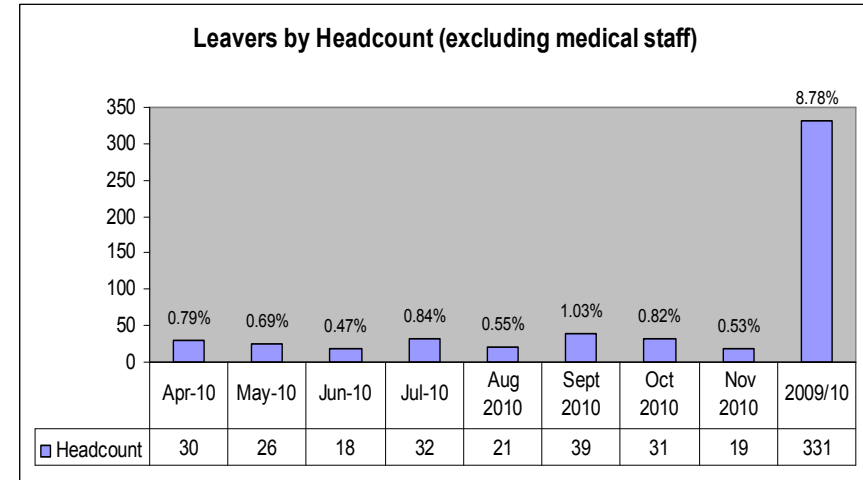
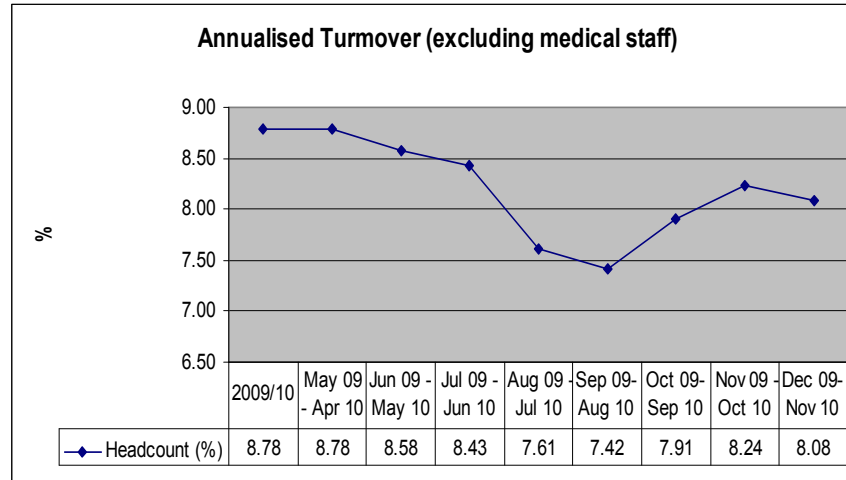


WTE Staff in Post - Divisions

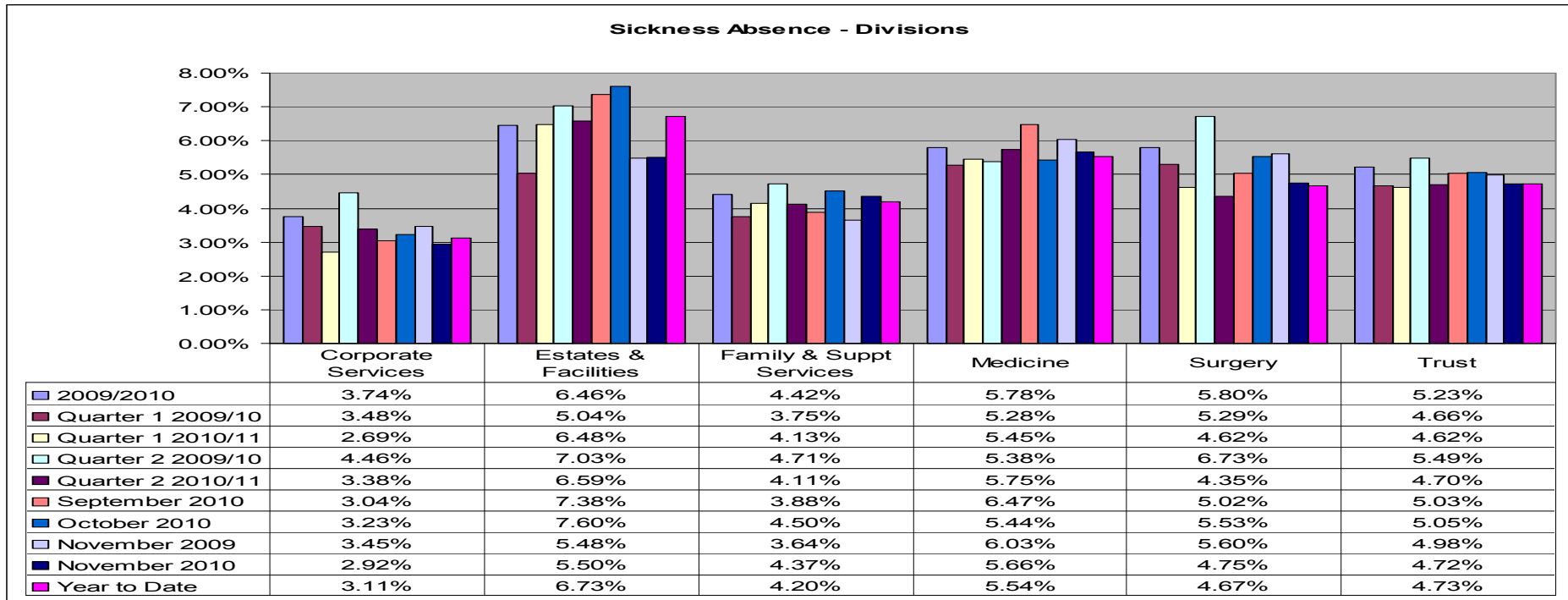
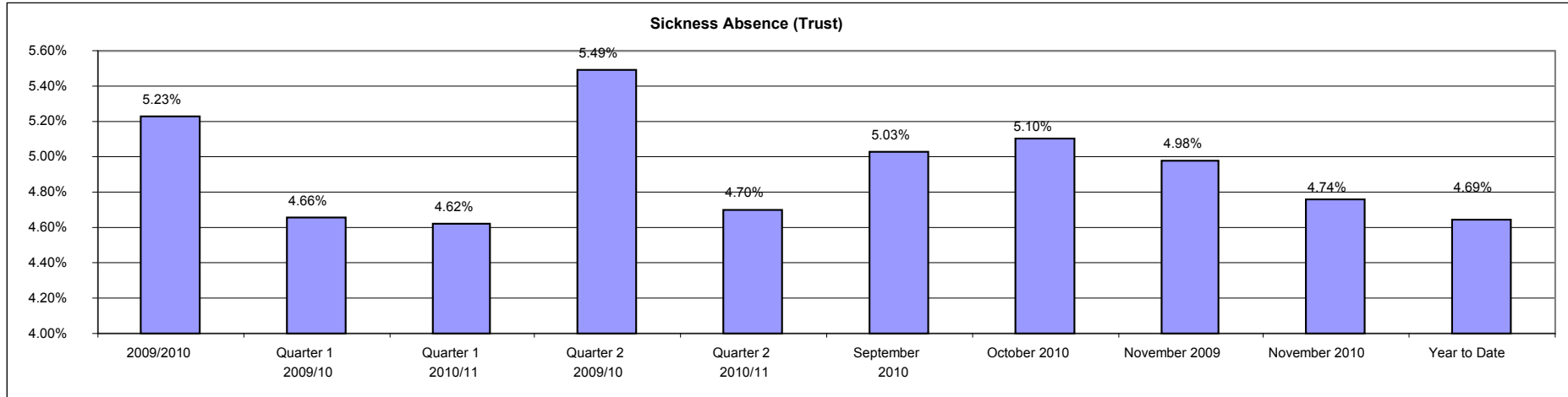


	Corporate Services	Estates & Facilities	Family & Suppt Services	Medicine	Surgery
2009/2010	369.96	171.15	720.89	906.71	618.65
Quarter 1 2009/2010	365.65	168.07	714.88	957.19	583.95
Quarter 1 2010/2011	384.17	176.22	725.98	845.18	652.77
Quarter 2 2009/2010	366.94	169.01	714.22	944.75	585.10
Quarter 2 2010/2011	386.55	176.77	718.78	827.10	660.54
September 2010	384.95	177.86	716.95	822.56	666.10
October 2010	380.23	177.34	713.23	804.29	664.80
November 2009	369.37	171.87	728.97	863.81	642.92
November 2010	379.68	177.00	711.15	798.62	661.36

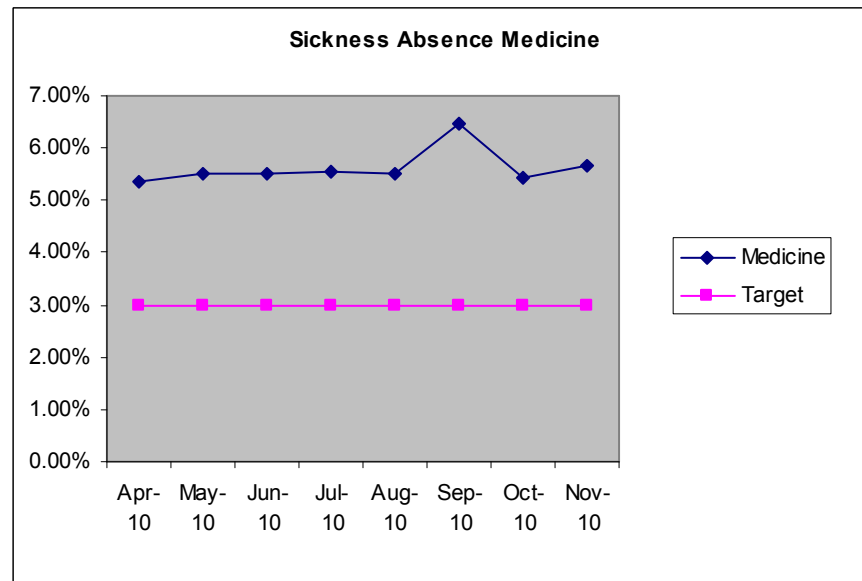
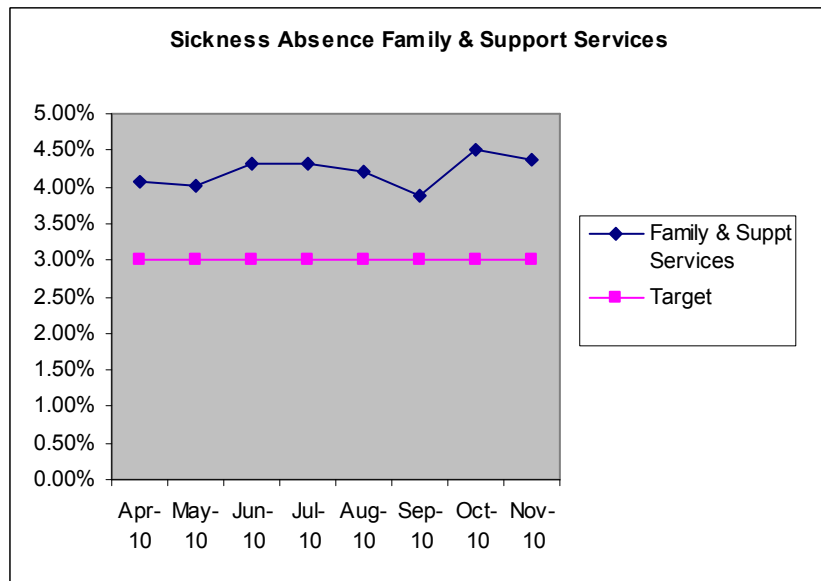
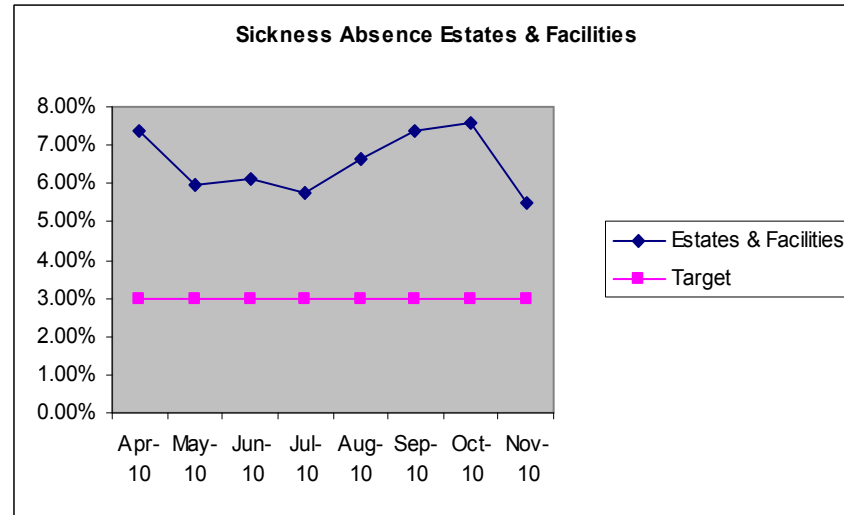
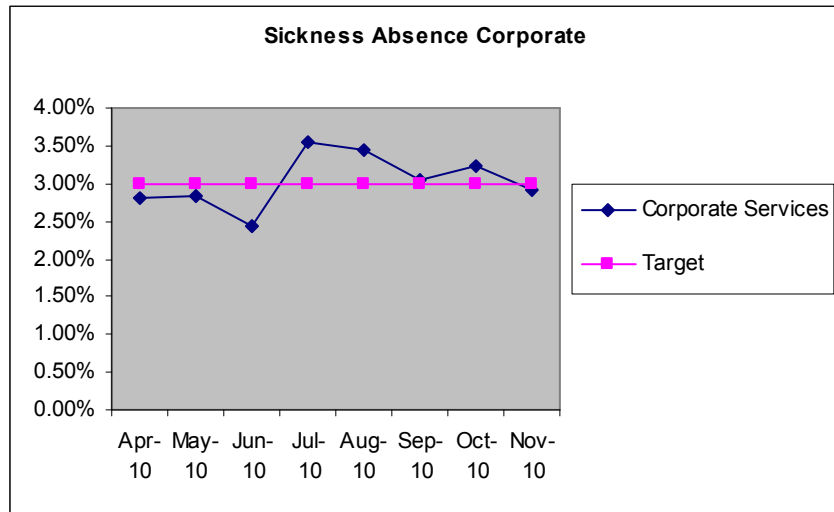
3.3. Turnover



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 7	Month 8
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	1	-	1
Total Disciplinary	8	Total	1	0	1

Disciplinary Appeals:

	2010/2011	Month 7	Month 8
Upheld	-	-	-
Overtured	-	-	-
Total Disciplinary Appeals	0	0	0

Grievance:

Previous procedure	2010/2011 (previous procedure)	New procedure	2010/2011 (new procedure)	Month 7	Month 8
Resolved informally	1	Resolved at Stage 1 (informally)		-	-
Resolved at Stage 1	1	Resolved at Stage 2	2	1	-
Resolved at Stage 2	-	Resolved at Stage 3	1	-	-
Resolved at Stage 3	-			-	-
Total	2	Total	3	1	0

3.6. Occupational Health

Cumberland Infirmary	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Pre-Employment Acute Staff	99	22	29	22				
Pre-Employment Non Acute Staff	2	4	0	1				
Pre-Employment Placements	20	41	7	3				
Managers Referral (no in brackets - stress related)	26	36 (11)	35 (9)	46 (4)				
Self Referral (no in brackets - stress related)	131	36 (5)	28 (4)	13 (0)				
Nurse Review Appointments	25	22	33	23				
Other Routine Nursing Appointments	48	68	422	238				
Doctor's Appointments	17	9	12	17				
<u>TOTAL</u>	368	254	566	363				
DNA	18	34	43	34				

West Cumberland Hospital	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Pre-Employment Acute Staff	41	8	20	20				
Pre-Employment Non Acute Staff	4	0	0	0				
Pre-Employment Placements	0	24	5	59				
Managers Referral (no in brackets - stress related)	22 (5)	34 (5)	24 (0)	42 (4)				
Self Referral (no in brackets - stress related)	66 (4)	51 (14)	43 (4)	71 (9)				
Nurse Review Appointments	19	5	25	25				
Other Routine Nursing Appointments	92	57	227 (inc flu vaccines)	102				
Doctor's Appointments	18	11	10	14				
<u>TOTAL</u>	262	190	354	346				
DNA	4	29	16	11				

3.7. Appraisal

Division	01/05/09 to 30/04/10	01/06/09 to 31/05/10	01/07/09 to 30/06/10	01/08/09 to 31/07/10	01/09/09 to 31/08/10	01/10/09 to 30/09/10	01/11/09 To 31/10/10	01/12/09 To 30/11/10	RAG
Corporate Services	32%	47%	60%	59%	61%	64%	68%	68%	
Estates	43%	85%	91%	92%	92%	87%	89%	63%	
Family & Support Services				39%	42%	53%	56%	64%	
Surgical	19%	22%	28%	41%	47%	51%	54%	61.5%	
Medical	22%	20%	18%	27%	29%	40%	43%	44%	
Total	32%	36%	38%	41%	46%	52%	56%	58%	

RAG coding



SECTION 4

FINANCE REPORT

4. FINANCE REPORT

The Trust is reporting a deficit of £7,953k at the end of Month 8, this is an improvement from Month 6 of £3,120k. The Trust has delivered £5,384k against a plan of £14,000k up to the end of November; the shortfall in the delivery of CIP is the main driver of the financial deficit.

The financial position has improved since month 6 due to the Trust securing £10,600k from NHS North West to cover the loss in contract income from NHS Cumbria. A proportionate amount has therefore been factored into the financial position up to the end of November.

Income is currently behind the plan by £940k. Within this Private Patient income is £323k behind plan as capacity has been used to treat NHS patients. Clinical income is £684k cumulatively below the plan. This includes a reduction in income due to the suspension of Breast Screening services from July.

Pay is cumulatively overspent by £1,795k. Pay expenditure increased in the month due to increased use of bank nurses and overtime to cover for sickness and maternity cover. Agency costs remain at circa £500k per month. Work continues to try and reduce this expenditure but it remains challenging due to the high number of medical vacancies which must be filled to ensure the Trust has European Working Time Directive compliant rotas.

Non Pay has remained consistent over recent months and is overspent by £5,699k at the end of November. Most areas of expenditure are overspent reflecting the slow delivery of cost reduction plans across the Trust. Increased controls will be put in place from January onwards to stop or slow down as much expenditure as possible and there will be a range of actions regarding reducing stock levels across the Trust.

The Trust has actioned efficiency improvements of £8,120k against the full year target of £21,018k. CIP delivery has been low over the last two months delivering £173k. The ward reconfigurations were actioned at the end of November together with a number of other schemes, therefore the pace of delivery is expected to increase from December. The Trust has plans to deliver the entire CIP target, although there remains some significant risk around the pace of the delivery of circa £7m of schemes.

The short term liquidity issues the Trust has faced recently has been relieved by securing the additional £10,600k from NHS North West, however the Trust still needs to deliver its cash releasing CIP targets if the liquidity issues are not to be faced again in this financial year.

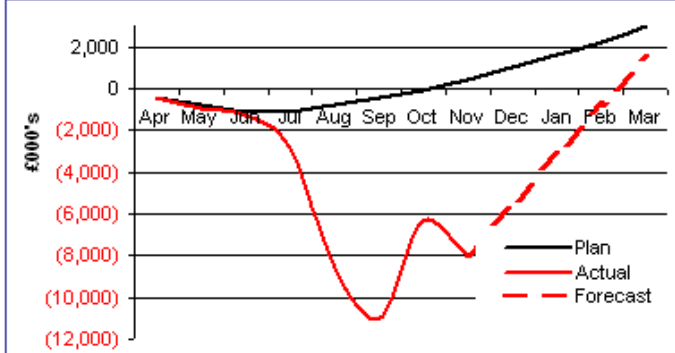
The Trusts year-end financial target is for a surplus of £3,000k (adjusting for the impact of IFRS this will be £1,500k against the break-even duty) which is predicated on full delivery of the CIP target and the cost recovery programme.

FINANCIAL OVERVIEW - 30 November 2010 (Month 8)

Income & Expenditure

The Trust is reporting a deficit of £7,953k against a planned surplus of £452k, resulting in a variance of £8,405k. This includes a proportionate amount of the funding received from NHS North West to cover the shortfall in contract income. The underlying deficit is driven by expenditure levels above plan and the slower than planned implementation of CIP.

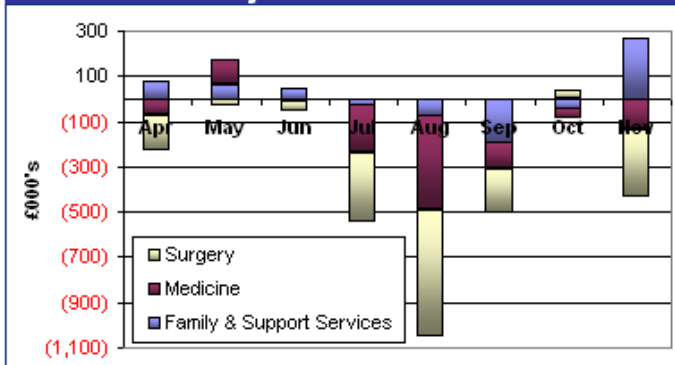
I&E Performance 2010/11



Divisional Performance

The Clinical Divisions overspent by £169k in month are now currently overspent by £2,339k. The overspend is split between Medicine (£889k) and Surgery (£1,580k), with Family & Support Services underspent by £129k following reduction in costs associated with the suspension of the breast screening service. Budgets will be reduced in December to reflect the implementation of CIP which will effect these variances.

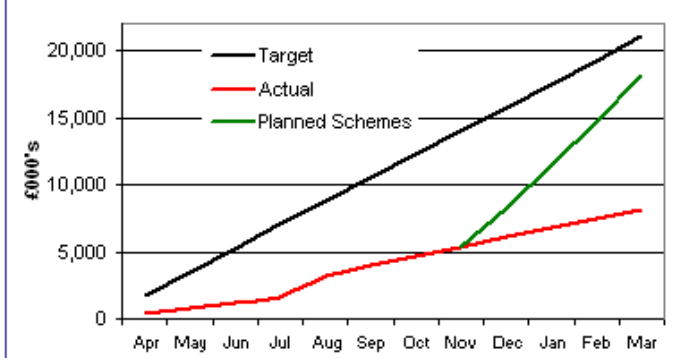
Divisional Monthly Variance



CIP Delivery

£8,120k has been delivered against the target of £21,018k. Plans are in place to deliver this level of savings although the pace of delivery needs to significantly improve over the last quarter. A number of schemes have been implemented in December which will be reflected in the report next month. There remains some high risk schemes which could impact on the delivery of the statutory financial targets.

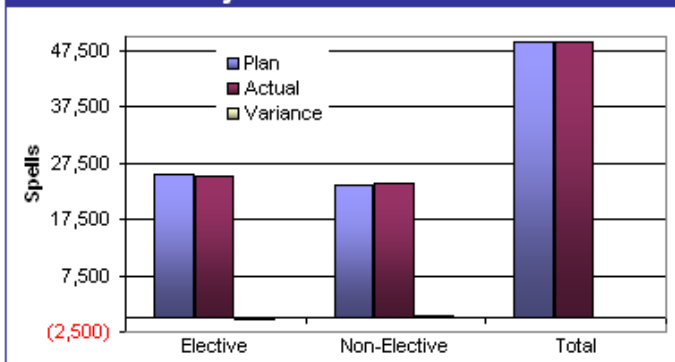
CIP 2010/11



Performance Against SLAs

Elective activity is 229 spells below plan, although November's activity was above the average for previous months. Non-electives are 371 spells above plan but have been lower in November than recent months. In total, inpatient activity is 142 above plan and overall slightly above the run-rate of recent months.

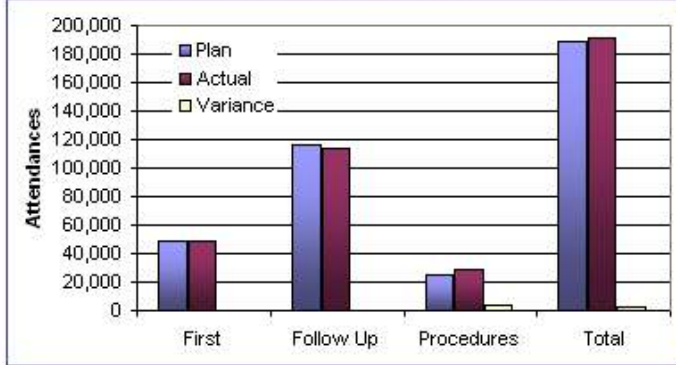
Contract Activity Performance



Outpatient Performance

Total Outpatient activity continues to be above plan due to Outpatient Procedures being higher than plan by 3,800 attendances. Follow-Ups are reducing in line with NHS Cumbria's commissioning intentions to reduce the New to Follow-Up ratio of attendances. This will allow capacity to be released and costs to be reduced.

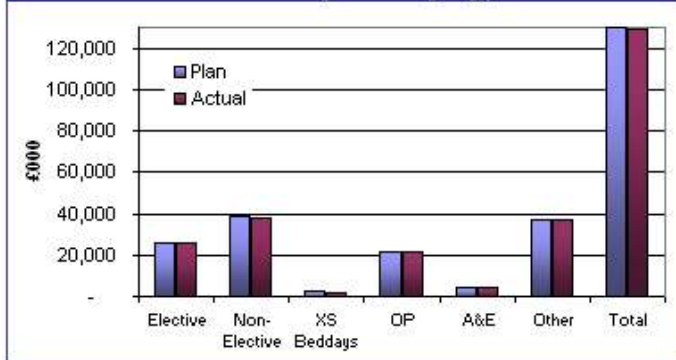
Outpatient Contract Activity Performance



Total NHS Clinical Income

Total clinical income is below plan by £684k. Non-Elective activity is behind the plan by £981k despite being ahead of the activity plan, this reflects a change in the casemix. Elective income and Excess Bedday income are behind plan although this is offset by performances above plan primarily in Outpatients and 'Other'.

Income Performance by Activity Type



Statutory Financial Targets

The Trust is currently forecasting that it will achieve all its primary statutory financial targets, this is however predicated on the CIP target being delivered in full. The performance of the Better Payment Practice Code will however not be met due to the liquidity issues faced over recent months.

2010/11 Performance Against Targets

Duty	Target	MOB	Forecast
Breakeven Duty	To achieve a breakeven I&E	£7,953k deficit	£1,500k surplus
Capital Absorption Rate	To achieve a rate of 3.5%	3.50%	3.50%
Better Payment Practice Code	95% of payments within 30 days by volume & value	●	●
External Financing Limit (EFL)	To achieve the EFL	●	●
Capital Resource Limit (CRL)	To remain within the CRL	●	●

SECTION 5

CONCLUSION & RECOMMENDATION

CONCLUSION

The Trust continues to demonstrate overall good performance in respect of operating and quality performance metrics. However the pace of financial recovery needs to improve in the last quarter of the financial year in order for the Trust to achieve its statutory financial targets. Every effort must be made throughout the organisation to minimise expenditure and reduce the overall cost base as we start our planning preparations for 2011/12.

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

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
