

King's

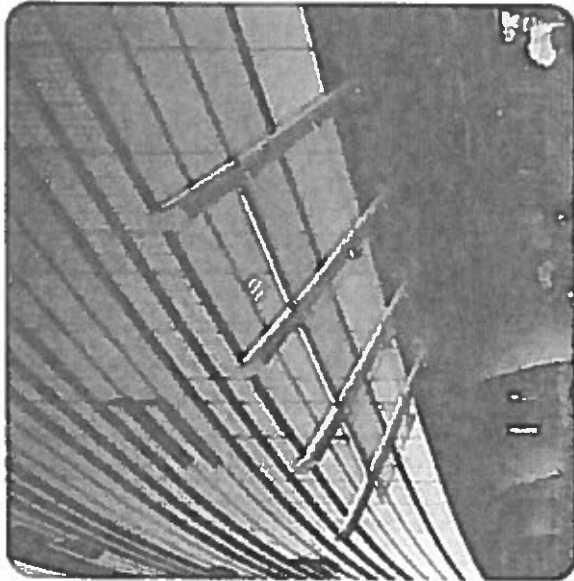
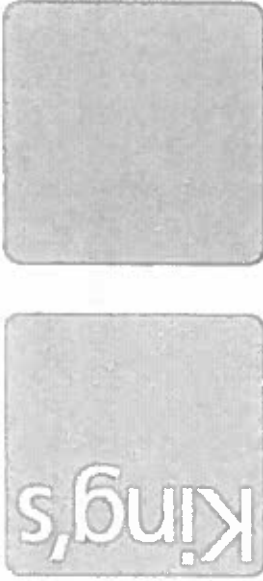
King's College Hospital
NHS Foundation Trust



Joint Health Overview and Scrutiny Committee

Nick Moberly
Chief Executive
Alan Goldsman
Interim Chief Financial Officer

King's College Hospital NHS Foundation Trust
March 12 2018



King's College Hospital NHS Foundation Trust
KING'S HEALTH PARTNERS

An Academic Health Sciences Centre for London

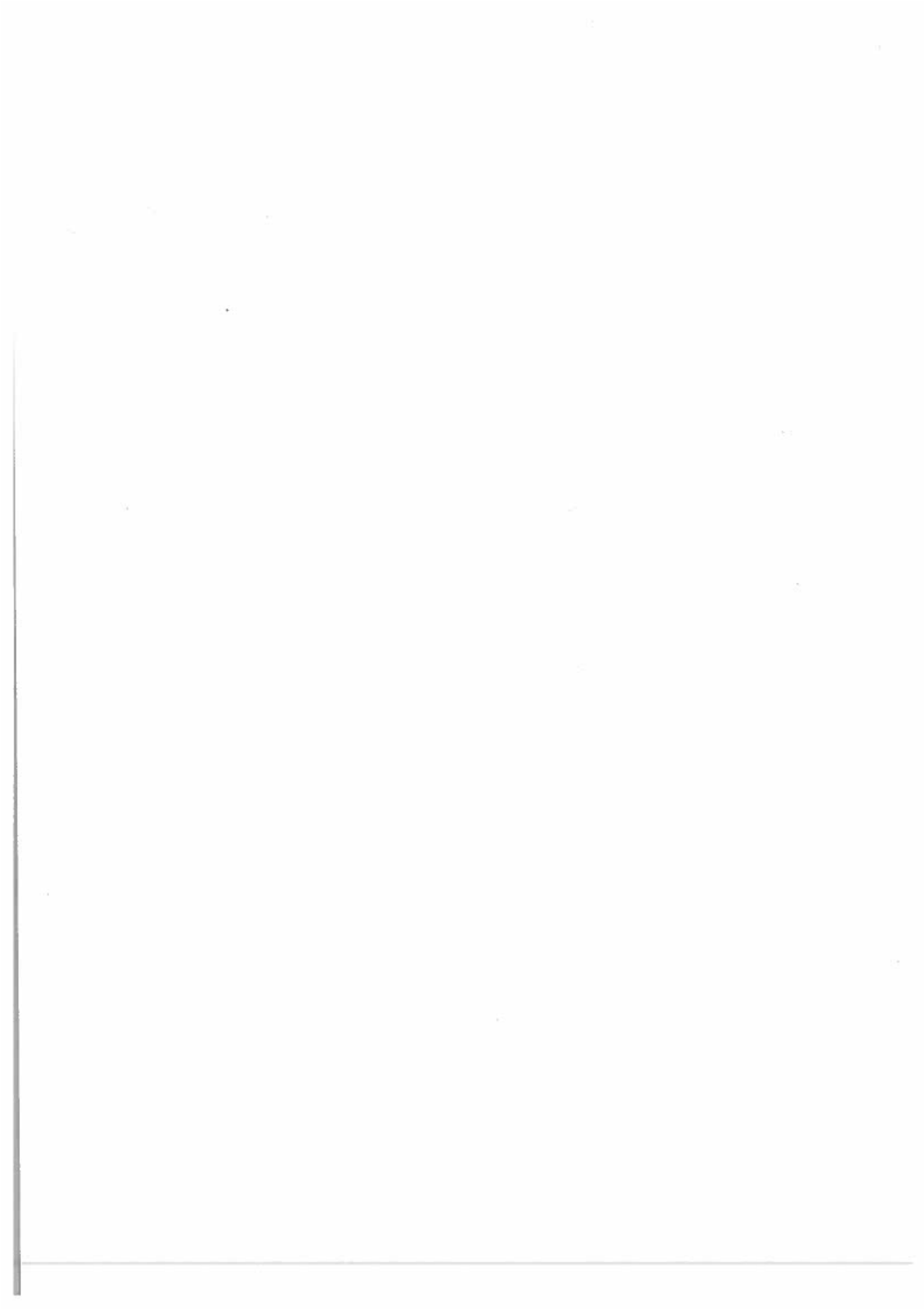
Pioneering better health for all



- Monday 11 December 2017 – King's College Hospital NHS Foundation Trust placed in Financial Special Measures by NHI Improvement; due to a forecast Year End deficit of £92.2 million compared to a plan Year End deficit of £38.8m

"Financial Special Measures is a package of measures applied to particular NHS bodies as part of a reset of expectations of financial discipline and performance in the NHS. FSM is designed to help bodies facing the biggest financial challenges.

- Financial Special Measures is not about:
 - The high quality and excellent care provided to our patients
 - The commitment and dedication of our staff
- The Trust will remain in Financial Special Measures "until NHS Improvement determines that the Trust has met the criteria agreed to exit FSM."
- This is not a threat, but an opportunity to shape our future.



- **£38.8m** Deficit– Trust's original budget set in April 2017
- **£92.2 million** Deficit – Year End forecast (December 2017) under ongoing review
- **£54.4 million** adverse variance explained by:
 - Overly optimistic planning assumptions for achieving income growth and cost improving efficiency savings.
 - Substantial operational challenges for non-elective and urgent care requiring increases in capacity (wards) and staffing to maintain patient flow and to continue to maintain safe staffing levels.
 - Lower than anticipated income from specialist elective activity (generally higher prices) due to pressure from acute emergency activity (generally lower prices) for patients generally staying longer in hospital.
 - Imposition of national policies that fine Trusts when they do not meet agreed national targets for referral to treatment times for elective patient care, Emergency Department waiting times.
 - Agreed reduction in long term financial support.

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2018/2019 Financial Planning

- Financial planning is progressing within NHS timescales
- Vital that it is based on an accurate assessment of the 'underlying deficit' over the last few years; and is realistic and achievable.
- Draft 2018/2019 Financial Plan presented to NHSI by early March 2018
- 2018/2019 Financial Plan approved by the Trust Board in April 2018

Team Building/Resources

- Consultancy support to fully analyse underlying deficit drivers and add support to financial recovery and cost improvement programme'
- Interim Director of Financial Recovery, with further interim support, especially on data quality and coding for 2018/19
- Recruitment of full-time CFO

Trust Clinical Strategy

- Developing the Trust's strategy with key priorities for the next five years
- Wide-ranging programme of 40 meetings has collected the views of staff and key stakeholders.
- A new cross functional Strategy Board will meet in March 2018



- Launch of a programme of work with NHSI's productivity team, headed by Patrick Carter and Tim Briggs (National Lead, "Getting It Right First Time" programme)
- The programme will deliver rapid quality and productivity improvements in key services
- Phase One - Trauma (King's 1 of 4 in London) and Orthopaedics, aiming to deliver significant change by August 2018
 - Activity: 32 Consultants, 32 Staff Grade/Fellows, 11 trainees; 4,000 inpatient, 4,000 day case; 7,400 elective, 600 trauma; 2,000 King's, 2,000 PRUH, 4,000 Orpington
 - Urgent coding and data review: job planning and rotas; ring-fenced trauma beds; 2 dedicated trauma theatres at King's; at least 4 cemented joint replacements per day at Orpington; single clinical lead across all 3 sites
 - Major improvements to the orthopaedic trauma pathway and service (Denmark Hill) to ensure that our Major Trauma Centre is achieving best outcomes nationally
 - Further developing Orpington as a high quality and highly productive "cold" centre for elective orthopaedics
 - Agreeing and implementing robust service models for both complex elective orthopaedics and fractured neck and femur (currently 3 a week)
 - Note that all proposed changes involving quality of services and patient care are fully assessed using Quality Impact Assessment by Medical Director and Chief Nurse.
- Subsequent phases will focus on:
 - Ophthalmology (and other front line services i.d.c)
 - Radiology
 - Back Office

