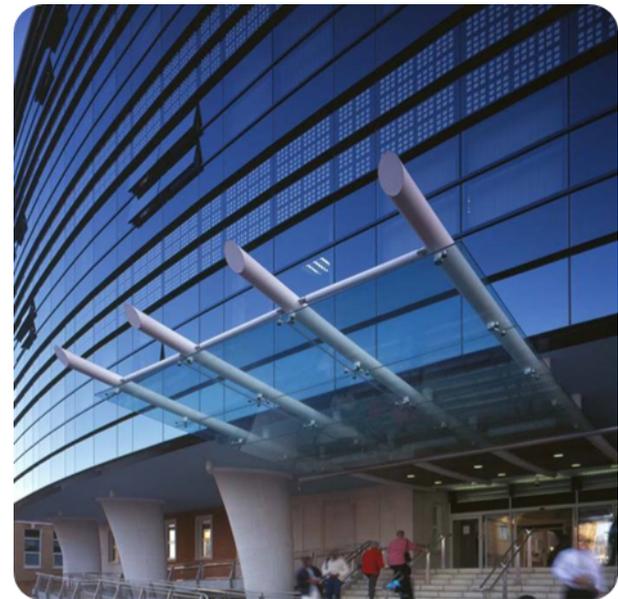
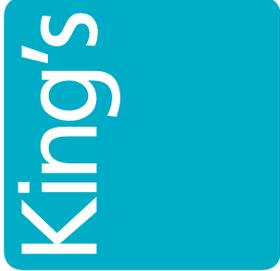


Joint Health Overview and Scrutiny Committee

Nick Moberly
Chief Executive
Alan Goldsman

Interim Chief Financial Officer

King's College Hospital NHS Foundation Trust
March 12 2018



KING'S HEALTH PARTNERS

- 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.

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