

HEART OF ENGLAND NHS FOUNDATION TRUST

ANNUAL PERFORMANCE REPORT

2005/2006

1. INTRODUCTION

“In April 2005 we became Heart of England Foundation Trust. We accepted all the challenges that this placed upon us and it is extremely gratifying for me as Chief Executive to be able to tell you in this report of the successful year that followed. It was a year of prudence, planning and performance. This report shows evidence of high achievement in all of those areas. Most notably, we finished the year with a greater surplus than we originally identified, enabling us to plan for quality initiatives within the year and for the future for the benefit of our patients. The performance speaks for itself. We are a high achieving Trust, which exceeds its national targets and sets local goals that stretch the organisation.

We have set off as a Foundation Trust in good spirits and with intent. Our performance is a demonstration that we continue to pursue our mission statement to become a centre of excellence in healthcare and education.” – Mark Goldman – Chief Executive

2. THE PERFORMANCE MANAGEMENT PROCESS

The Trust has developed an effective performance monitoring system based on the principles of the European Framework for Quality Management (EFQM) excellence tool. This has led to the Trust becoming more ‘results’ focused with an emphasis on continuous improvement.

The development of a Trust Strategy Map (Fig 1) has provided the focus for the performance monitoring.

The performance measures identified above led to the development of a Trust scorecard, or Key Performance Indicators (KPI’s), an example, productivity, is shown in figure 2. These KPI’s are colour coded based on a traffic light system (green – achieved, amber - on target/making progress, red - not achieved further work required)

Figure 2 – KPI example

		EFFICIENT USE OF RESOURCES	
		RESULT	TARGET
WE ARE FINANCIALLY SECURE	1.2 PRODUCTIVITY	Out Patient Did Not Attend rates	≤12%
		Out Patient new to follow up ratio	≤ last years actual
		Theatre cases per list	≥ 3.39
		Delayed transfers of care	≤ 31 March 2005

Each performance indicator has an identified target, based on national and local criteria. Behind each result is an action plan. The Trust uses RADAR as its action planning tool; this comes from the EFQM model, and is explained in Figure 3 (overleaf).

Every month a full set of KPI’s is presented to the Executive Directors – who update their RADAR plans with action needed to achieve the targets. This in turn is presented to the Trust Board to provide assurance that the Trust is achieving its strategic objectives.

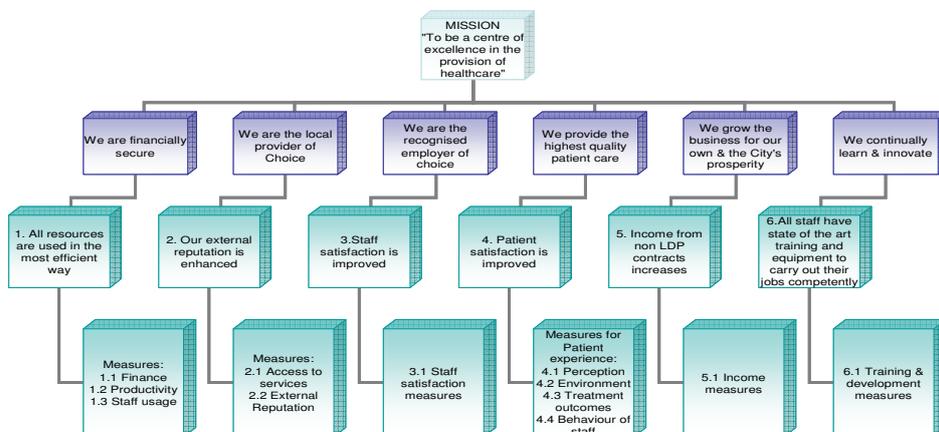
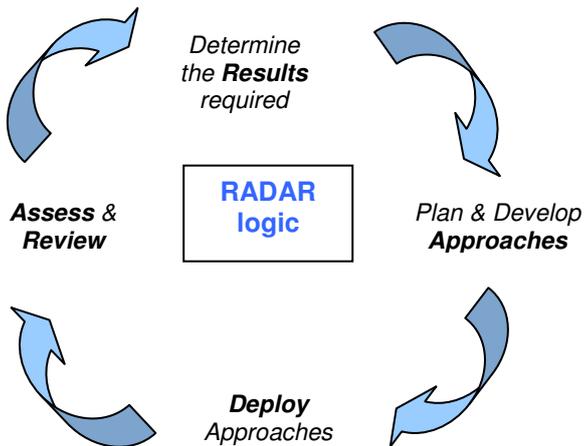


Fig 1 – Strategy Map

Figure 3 – RADAR



The report will focus on the 6 key strategic objectives:

1. We are financially secure
2. We are the local provider of choice
3. We are the recognised employer of choice
4. We provide the highest quality patient care
5. We grow the business for our own and the City's prosperity
6. We continually learn and innovate

3 WE ARE FINANCIALLY SECURE

Beccy Fenton - Chief Financial Officer and Adrian Stokes - Finance Director are pleased to report that:

"2005/06 has been one of the most successful years for the organisation financially. The Trust has exceeded all of its financial targets set out at the start of the year in the Monitor's approved Annual Plan. We have achieved the lowest financial risk rating possible for a Foundation Trust in its first year. As well as achieving this excellent financial position, the Trust has been able to invest over £2.5 million recurrently in real quality improvements, which will benefit patients."

Whilst the rest of the NHS faces significant financial difficulties, this Trust has had a prudent year, getting back into recurrent financial balance and putting ourselves in a strong position going into 2006/07 and beyond. This success is down to the strong financial management shown right across the organisation and the commitment from

Clinical Boards, the Facilities Board and the Corporate departments to achieve financial balance."

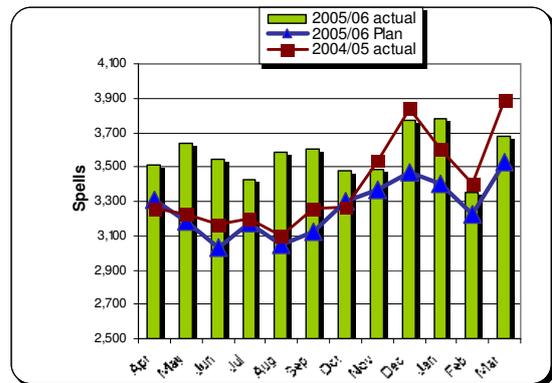
The strategic objective 'we are financially secure' allowed us to look at a number of measures to ensure we were making efficient use of our resources.

3.1 Financial measures:

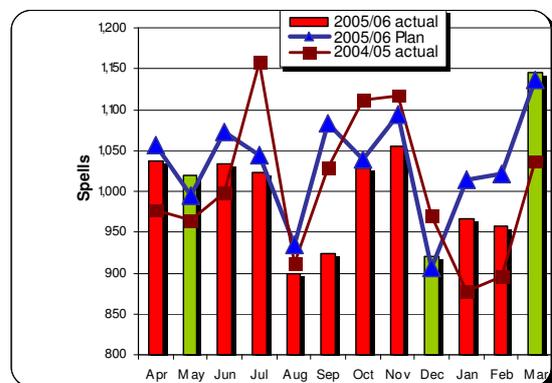
The following graphs highlight the activity performed to secure the Trust's income base. It is clear that the majority of the targets are green and by month 12 we achieved our Local Delivery Plan (LDP) targets across all categories.

The LDP details the amount of activity the Trust will undertake in a 12 month period and is a contractual agreement between the Trust and the Primary Care Trusts, who commission services on behalf of the general public.

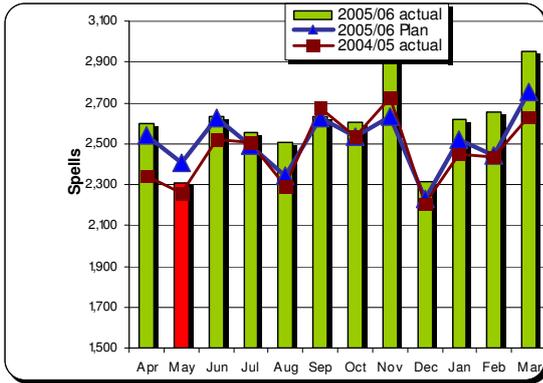
Emergency Activity 2005/06



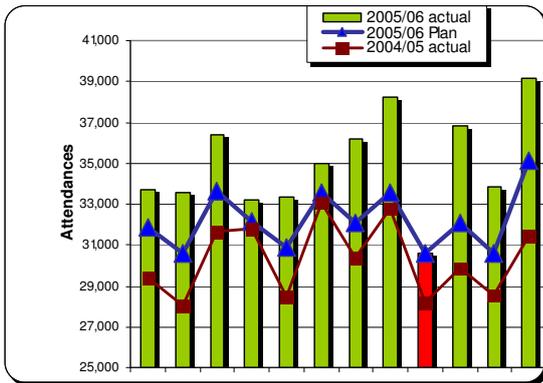
Elective Activity 2005/06



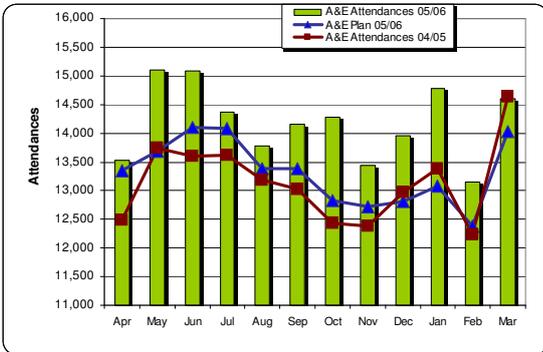
Day case Activity 2005/06



Out patient activity 2005/06

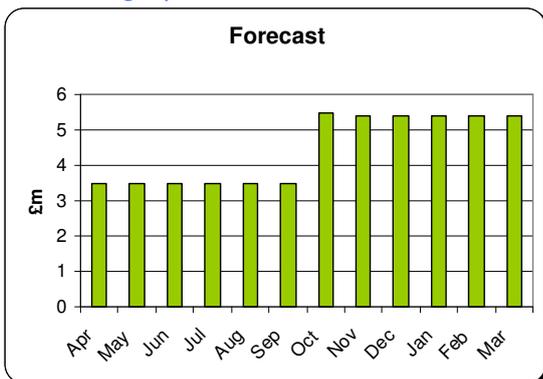


A&E Activity 2005/06



The graph below highlights the Trust's financial position each month. The Trust achieved its £5.4 million surplus position at year end, consistent with all forecasts.

Forecast graph



3.2 Productivity measures

For the following 3 results the Trust exceeded its target:

- Reduction in delayed transfers of care
- Reduction in in-patient length of stay for medical patients
- Reduction in in-patient length of stay for surgical patients

Whilst just missing our own challenging local targets, the Trust continues to improve on the previous year's performance. (Table 1) These targets will be closely monitored in 2006/07 with a view to maintaining and improving our results.

Table 1

Result	Target	March '05 position	March '06 position
Out- patient did not attend (DNA) rates	12%	14%	12.3%
Daycase rate for basket of procedures	75%	71.5%	74.4%
Theatre cases per list	3.39	3.13	3.25

3.3 Staff measures

Nationally there has been a focus on reducing the amount of money spent on agency nursing and medical staff. The Trust is pleased to report that it's expenditure on agency staff decreased in 2005/06.

4. WE ARE THE LOCAL PROVIDER OF CHOICE

The performance measures identified for this section of the scorecard aim to ensure that our external reputation is enhanced.

At the heart of our strategy is the belief that patients should be treated in the right place, by the right people at the right time, to support this, Dr Hugh Rayner – Medical Director for Medicine reports:

"A very wide range of innovative services are now being delivered by collaboration between staff in the Trust and from Eastern Birmingham

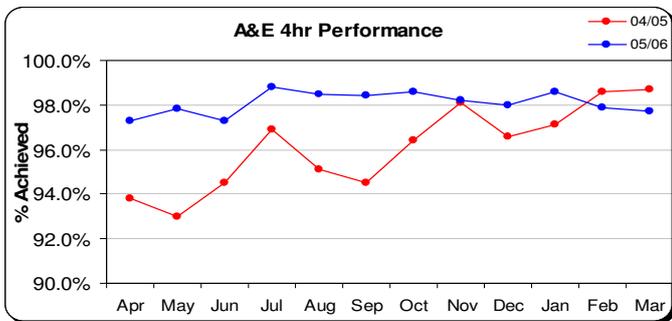
Primary Care Trust from the Partners in Health Centre, including patient education classes, group consultations, chronic disease management services and triage clinics. This will develop the Trust's role as the local provider of choice for specialist chronic disease management services."

4.1 Access

The Accident and Emergency 4 hour journey target has been one of the most difficult to achieve, partially due to a growth in the number of patients attending the A&E department.

The final position for the Trust was 98.1% of patients treated within the 4 hour target - see figure 6

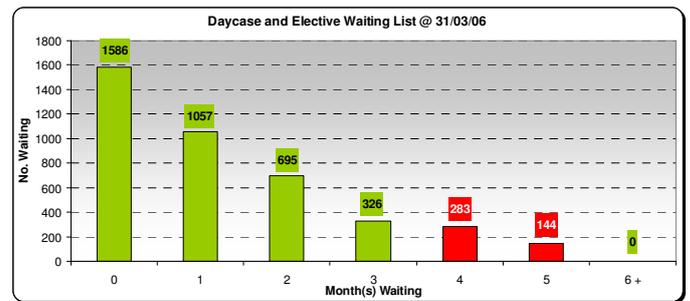
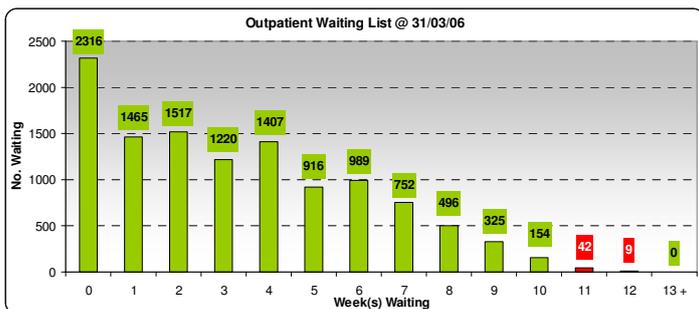
Figure 6



The Trust achieved all its in-patient and out-patient national targets including:

- 13 week wait for an out-patient appointment
- 6 month wait for in-patient care

However the Trust did not achieve complete success against more rigorous local targets. These local targets have been tightened for 2006/07 as the Trust works towards achieving the national target of 18 weeks from referral to treatment by December 2008.



The graphs above demonstrate that there was no one waiting above the national targets. The results highlighted in red, show where we were unable to achieve the very challenging locally agreed targets.

The Trust continued to maintain its 100% success rate throughout the year for:

- Patients being admitted for elective coronary artery revascularisation within 3 months
- Patients being seen in rapid access chest pain clinics within 2 weeks
- Patients being readmitted within 28 days of a cancelled operation

We have been equally successful with all patients being fully booked for out patient referrals, day cases and in-patient elective procedures.

The national cancer targets of 100% of patients being seen within:

- 2 weeks for urgent referral for suspected cancer
- 31 days from diagnosis to treatment of cancer
- 62 days from urgent referral to treatment

were all achieved by the December '05 deadline.

4.2 Reputation

2005/06 was the first time the Trust had attempted to monitor its reputation. Targets were identified, which have now been refined for the 2006/07 scorecard.

Lisa Dunn, Director of Corporate Affairs states:

"The reputation of the Trust is crucial in determining its future in the era of Patient Choice. Key channels for promoting services and securing referrals were identified, with the main targets being the Media, GPs and members of the Trust."

MORI poll results for Birmingham and the Black Country suggested that 76% of patients will ask their GP which hospital to choose for their treatment. Therefore, two of the indicators tackled the issue of GP Complaints and GP new referrals.

Referrals increased, and GP complaints dropped from 22 per month in April 2005 to just five a month in March 2006.

Despite some high profile negative media publicity the Trust has successfully increased its positive media coverage by over 50% on 2004/05 (Table 2). Where there was an opportunity, the media team tried to include a Trust statement in negative stories, to give a more balanced view. Over 82% of all the media coverage the Trust received was positive or balanced in nature.

Table 2

	2004/05	2005/06
Positive items of media coverage	243	372

With almost 50,000 members, the aim was to build a good reputation with members through regular communication. Although membership increased, the ambitious target set for 2005/06 was not met, as the level of members leaving was greater than expected.

5. WE ARE THE RECOGNISED EMPLOYER OF CHOICE

Two things have dominated the Human Resources agenda this year:

- Agenda for Change – the new pay structure for the NHS. The Trust achieved all the targets set nationally and was consistently one of the best performing Trusts in the region.

- Improving Working Lives (IWL) – during 2005/06 the Trust achieved Practice Plus status. The presentation of this award followed a week long external review and demonstrates that the Trust is committed to the principles of:

- Flexible working and retirement
- Training and Development
- Healthy Working
- Equality and Diversity
- Staff Involvement
- Childcare and carers

IWL Practice Plus means that the Trust demonstrated, through effective partnership working and through staff involvement that the working lives of staff across all staff groups have improved.

Other indicators such as vacancy rates have not been easy to measure and work is in progress to ensure that this data will be provided for next year.

Sickness has increased with a position of 5.31% for March 2006 compared to 4.71% for the same time last year. The Trust is to shortly begin a pilot study using a Sickness Call Centre – with an aim for it facilitate a reduction in sickness rates.

The annual staff satisfaction survey for 2005 showed an improvement on last year, our score being higher than the average for Acute Trusts.

Anne Gynane, Acting HR Director states:

"Staff satisfaction levels have improved this year, with the Trust scoring in the top 20% of trusts in a number of areas of the annual Staff Opinion Survey conducted by the Healthcare Commission. This has impacted on staff turnover which continues to fall and is nearly 2% less than 2004/5."

A Staff Charter has been developed, detailing staff's rights and responsibilities and has been widely circulated.

6. WE PROVIDE THE HIGHEST QUALITY PATIENT CARE

Dame Jill Ellison – Nursing Director says:

“The provision of high standards of patient care is crucial to the long term success of the Trust. Patient perception is now second only to infection control on the Trust’s Strategic Risk Register. Many of the Trust’s KPI’s are aimed at providing high standards of patient care. These have been produced directly in response to feedback from patients and carers. It is very encouraging therefore that in 2005/6 solid progress has been made against the majority of performance indicators.”

The Trust is committed to ensuring that patient satisfaction is improved and to measure this developed results in 4 key areas:

- Perception
- Environment
- Treatment outcomes
- Behaviour

A number of these measures were new with no previous baseline data to measure against and others that have proved difficult to measure. However time has been spent during the year to develop new data collection processes that will come into effect during 2006/07.

Hugh Rayner – Medical Director for Medicine has stated:

“The importance of the quality of our patient care was recognised during the year by the writing of an Inpatient Care Strategy, subtitled ‘Putting Ourselves in the Patient’s Position’. The strategy deals with all aspects of the quality of our service and includes a detailed implementation plan against clear targets. This is being managed by a dedicated Board, chaired by the Deputy Director of Nursing, Nicola Rabjohns.”

6.1 Perception

This section of the scorecard looks at how patients perceive the care they receive and focuses on patient feedback in the form of complaints and claims.

The Trust aims to respond to complaints within 20 days. The Trust achieved 80.8% against a local target of 85%, and a national

target of 65%, this is however a decrease against the 90.4% achieved for 2004/05.

It is reassuring to note that the number of successful claims against the Trust has reduced from 2004/05 (table 3) and it is hoped this trend will continue.

Table 3 – successful claims

Type of claim	2004/05	2005/06
Clinical Claims	19	16
Non-clinical Claims	17	7

6.2 Safety and Environment

This section of the scorecard concentrates on a number of aspects of safety and the environment, including cleanliness, health and safety and other aspects of risk management.

Dr Rowland Hopkinson – Medical Director Governance states:

“In March the Trust successfully renewed its Clinical Negligence Scheme for Trusts (CNST) Level 2 accreditation, a significant achievement given the increasingly stringent standards. This compliments the achievement of the Maternity Services in obtaining CNST Level 3. The Trust is also using risk prioritisation to guide investment decisions with developed risk registers at all levels of the organisation.”

The CNST level achieved is an important indicator of patient safety.

In 2005/06 the Trust reduced the number of serious patient incidents from 8 to 5, there were no serious staff incidents and no Health and Safety Executive Enforcements notices served on the Trust.

The Trust participated in the national patient surveys and a number of MORI polls were undertaken on specific issues.

Dame Jill Ellison – Nursing Director says:

“The MORI polls produced very positive results. The national in-patient surveys identified real improvements compared with the previous year in relation to patient’s confidence in nursing staff, being treated with respect and dignity and cleanliness. The vast majority of patients felt that

the quality of care they received was good or excellent, only 2% thought it was poor.”

Early in the year the Trust received significant adverse publicity about its cleaning standards. A considerable amount of work was undertaken to address the issues raised and the feedback following this work was extremely positive.

A number of measures were developed to monitor cleaning standards and these have been achieved.

6.3 Treatment outcomes

The measures for treatment outcomes have been primarily based on current or previous national targets.

Mortality rates following surgery have shown a continued downward trend on the last 2 years - table 4

Table 4 – Mortality rates

Result	Target	March 04	March 05	March 06
Mortality rates (within 30 days of surgery)	≤ last years actual	7.04%	4.73%	3.83%

Over the year there was a fall in MRSA rates. This was within the national target of 85 set for the Trust.

The Trust had significantly fewer cases of clostridium difficile, down 30% to 513 from 729 in 2004/05.

6.4 Behaviour

The only measure within this section of the KPI's relates to the number of red/amber serious nursing complaints. It has been agreed that this is not an appropriate measure as we have no comparative or benchmarking information to identify if our performance is good or bad.

Dame Jill Ellison – Nursing Director states:

“The Trust receives approximately 1 nursing complaint for every 825 episodes of care. A common thread in complaints relates to communications and in order to tackle this head on, there have been a number of new initiatives including the introduction of the new “Red Coat” customer care role at ward level. Although it is too early to measure the impact, initial feedback is suggesting that these posts are proving popular with patients, visitors and staff.”

7 – WE GROW THE BUSINESS FOR OUR OWN AND THE CITY'S PROSPERITY

This is a new strategic objective and arose from the Service Development Strategy produced for our Foundation Trust application. This allows our income from non-LDP (Local Delivery Plan) contracts to increase.

In 2005/06 there has been a small increase in the Trust's private patient and research and development incomes. As a result of the loss of an external contract our catering income decreased.

Chief Finance Officer, Beccy Fenton states:

“In our first year as a Foundation Trust, we have started to look at ways of generating income streams from non-traditional NHS markets. The Trust has generated over 50 ideas and a new committee, the Commercial Development Committee, which was established in April 2006, will start to prioritise these ideas and turn them into full business cases for consideration by the Trust Board.

A Trust Commercial Strategy is currently being drafted which will set out the targets process for growing new income streams. Current areas of development include a Medipark on Belchers Lane, expansion of external catering contracts and development of private patient income. The performance for 2005/06 creates a sound basis for development of our Commercial Strategy”

8 WE CONTINUALLY LEARN AND INNOVATE

Our aim as a Trust is to ensure that all staff have state of the art training and equipment to carry out their job competently.

As with a number of results this year it has been problematic gathering the data in the format we would have liked and as a consequence the first year has been spent developing monitoring systems.

As part of the Agenda for Change process all posts in the Trust need to have a Knowledge and Skills Framework (KSF) developed. A KSF identifies the knowledge and skills required for a job, it will help guide the development of individuals and provide a fair and objective assessment framework

The Trust successfully achieved the target of all posts having a KSF outline by the end of March 2006.

A number of the results identified for this section of the performance monitoring framework have been reviewed and changed for 2006/07, to allow better data collection.

As a Trust we are keen to innovate and develop new ways of working, Hugh Rayner – Medical Director for Medicine explains:

“The Working Together for Health Programme has progressed well during 2005/06. The WTfH Service Strategy was developed by the Medical Directors of the Trust, Eastern Birmingham and Solihull PCT’s following their attendance at the Kaiser Permanente Medical Group’s New Chiefs’ Orientation Programme in California in October 2005. It was disseminated to a large number of staff from the three organisations at a week-long workshop held in Torbay in January 2006. Its content was subsequently reiterated in the Government White Paper ‘Our Health, Our Care, Our Say.’”

Innovative developments in care require the need for new skills and competencies. This will be taken forward through a new Organisational Development programme.

Rowland Hopkinson – Medical Director for Governance commented:

“After a comprehensive tendering exercise the Trust is in the process of commissioning an Organisational Development programme to target the changing demands of the service upon employees and the Trust.”

9 SUMMARY

In summary Heart of England NHS Foundation Trust has enjoyed a very successful first year as demonstrated by the achievement of all the national targets.

The development of the monthly performance monitoring pack has been one of its key successes, allowing an at a glance guide to the Trust’s current position against over 80 key performance indicators.

The Trust believes that the focus on continuous improvement is the way to take

the organisation forward and has set more stringent targets to challenge the organisation in 2006/07.

10. KEY POINTS

- One of the best financial positions in the country
- Achievement of all the key national targets
- Continued effective working relationships with Primary Care through the Working Together for Health programme and the new Partners in Health Centre.
- Achievement of Improving Working Lives Practice Plus Standard
- development of the Performance Monitoring monthly pack
- Continued compliance with CNST Level 2 for the acute section of the Trust and the achievement of Level 3 in the Maternity Unit
- Recognised as one of the Nursing Times Top 10 Best Places to work
-

Clive Wilkinson – Trust Chairman states:

“I am delighted with the outcome of this year. The reason behind our success has been the excellent leadership given by Mark Goldman and his Executive team, who have been fully supported by the Board throughout the year.

We have a first class workforce who responded in a highly professional and dedicated way to the challenge of being an NHS Foundation Trust.

I believe patients have benefited enormously and will continue to benefit from our Foundation Trust status. Our links with the local community through the membership and Governor’s Council are extremely important to us and are at the heart of our accountability to the community we serve.”