

Annual General Meeting 2021

23rd September 2021



Welcome

David Highton,
Chair of the Trust Board



Review of performance in 2020/21 - Overview

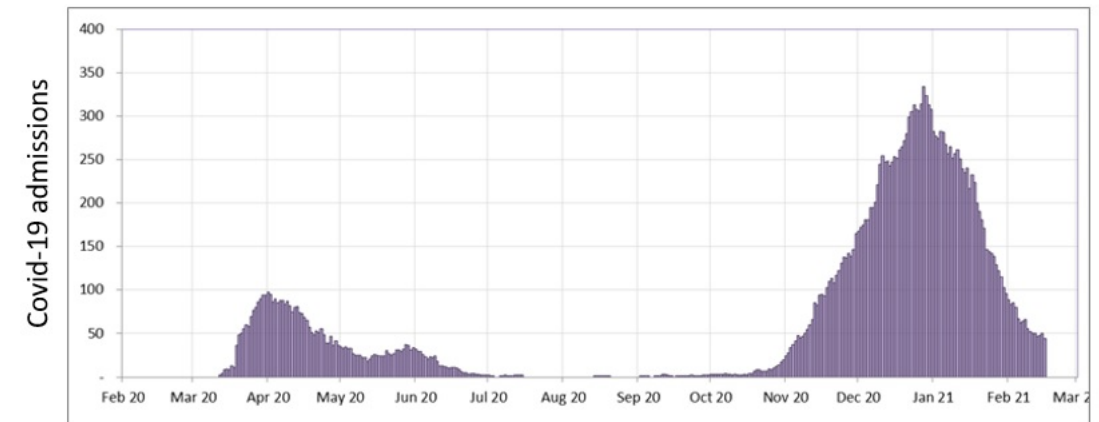
Miles Scott,
Chief Executive



Our priorities

Respond to Covid

- Established different “red”, “amber” and “green” areas within our hospitals
- Tripled our critical care capacity
- Ran a successful vaccination program for vulnerable patients, healthcare workers at the trust and other organisations – vaccinating more than 6,400 staff
- Introduced the One Team Runner programme



Our priorities

Respond to Covid

- Thanks to our Procurement Team, over 25 million items of PPE have been purchased
- Embedded regular testing for patients and staff
- Implemented virtual clinic appointments

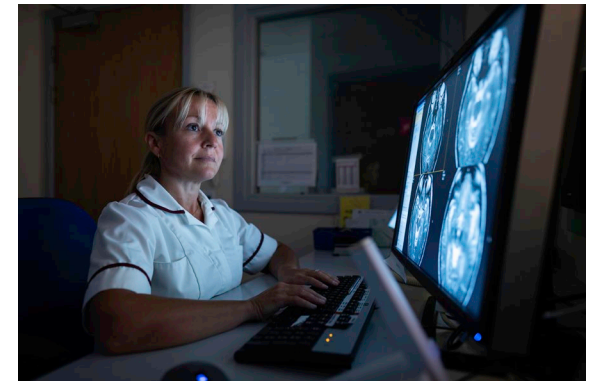
We would like to once again thank the public for their incredible support to our staff throughout the pandemic.



Our priorities

To increase surgical theatre and outpatient capacity

- An NHS leading 'reset and recovery' programme
- Use of the independent sector
- Continued delivery of the 62-day cancer access standard



Our priorities

Improve patient flow through our hospitals and the community

- Opened a purpose-built Surgical Assessment Unit at Tunbridge Wells Hospital
- Consistently featured in the top 10 nationally for Emergency Department Performance
- Partnership working with West Kent Primary Care
- Invested in a new patient flow system (Tele Tracking)
- Shortlisted in the 'Acute or Specialist Trust of the Year' category in the prestigious Health Service Journal (HSJ) Awards.



Our priorities

Recognise and reward the efforts of our staff

- Improved our response rate for the NHS national staff survey
- Introduced quarterly climate surveys
- Opened break out areas for staff through 'Wobble rooms' and Project Wingman
- Developed our wellbeing offer for all staff
- Implemented our future leaders and exceptional leaders programmes



In 2020/21

We also delivered in a number of key areas:

- Achieved our financial plan for 2020/21 and executed one of the largest capital programmes in the history of the Trust, investing £33.3 million in capital schemes
- Took over the provision of stroke care for Medway and Swale patients
- Ophthalmology services from Dartford and Gravesham NHS Trust were transferred to MTW
- Launched our Exceptional Leaders Outstanding Care programmes
- Following the development of the business case for the Kent and Medway Medical School education and accommodation building construction work has now begun and we will welcome the first cohort of medical students in September next year.



Our commitments for 2021/22

and the future

- Restore elective care, reducing the number of patients waiting over 18 weeks for elective treatment or an outpatients appointment
- Continue our journey towards the Trust vision of 'Exceptional People, Outstanding care'



Review of performance in 2020/21 - Finance

Steve Orpin,
Chief Finance Officer / Deputy Chief Executive



Financial performance 2020/21: Financial Position

- The Trust has achieved an in-year surplus in 2020/21 of £0.3 million (after technical adjustments) which was better than plan and reducing the cumulative deficit accordingly. This is the third year in a row that the Trust has delivered a surplus.
- The surpluses generated over the last three years have enabled the Trust to invest in new facilities, infrastructure and services to better meet the needs of the patients and public in our area.
- Trust's break-even period is normally measured over a three-year period. The Trust's latest formal three-year break-even cycle commenced in 2013/14 and was not met by the end of the period in 2015/16.

Financial performance 2020/21: Other Statutory Duties

- The Trust managed its cash position in accordance with the External Finance Limit (EFL). The changes to the financial regime as a consequence of the COVID-19 pandemic ensured that the Trust's cash position remained supported through 2020/21.
- The Capital Resource Limit (CRL) sets out for NHS Trusts the amount of capital spend they can commit in a financial year. The Trust had a significantly increased capital spend in the 2020/21 financial year however was still able to operate within its CRL. Further details of the capital spend for the year are shown later in the presentation.

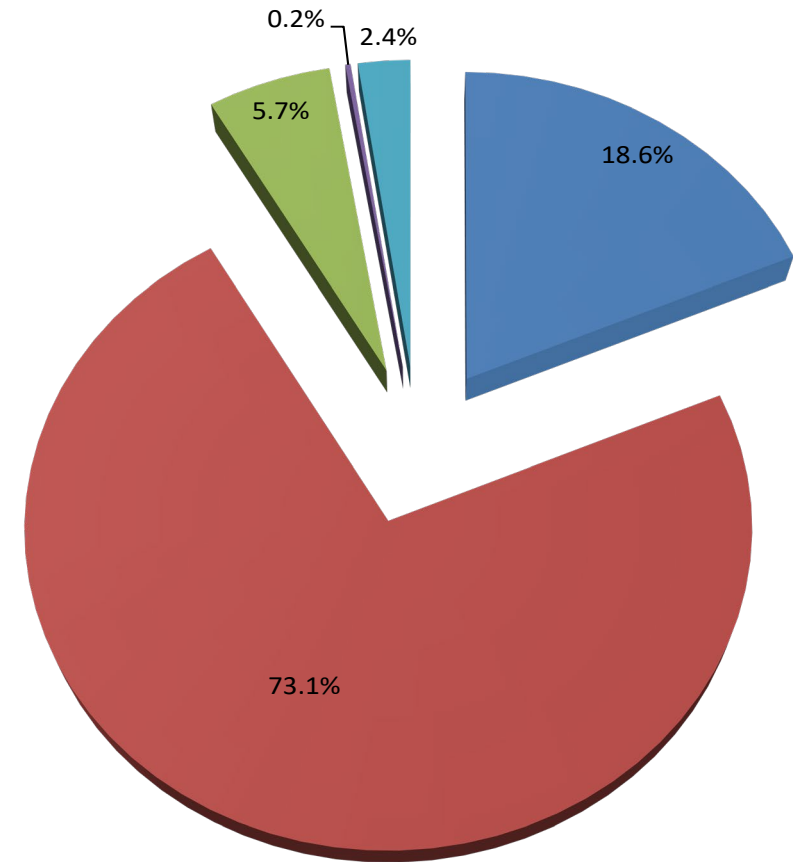
Financial performance 2020/21

Statement of Comprehensive Income	2020/21 (plan) £m	2020/21 (actual) £m	Variance £m
Income	540.2	564.2	24.0
Operating expenses	(529.2)	(550.3)	(21.1)
Operating surplus / (deficit):	11.0	13.9	2.9
Finance income	0.0	0.0	0.0
Finance expense	(14.7)	(14.7)	0.0
PDC dividend charge	(2.4)	(1.3)	1.1
Net finance costs	(17.1)	(16.0)	1.1
Other gains / (losses)	0.0	0.0	0.0
Surplus / (deficit) for the year before technical adjustments	(6.1)	(2.1)	4.0
Technical adjustments	1.1	2.4	1.3
Surplus / (deficit) for the year after technical adjustments	(5.0)	0.3	5.3

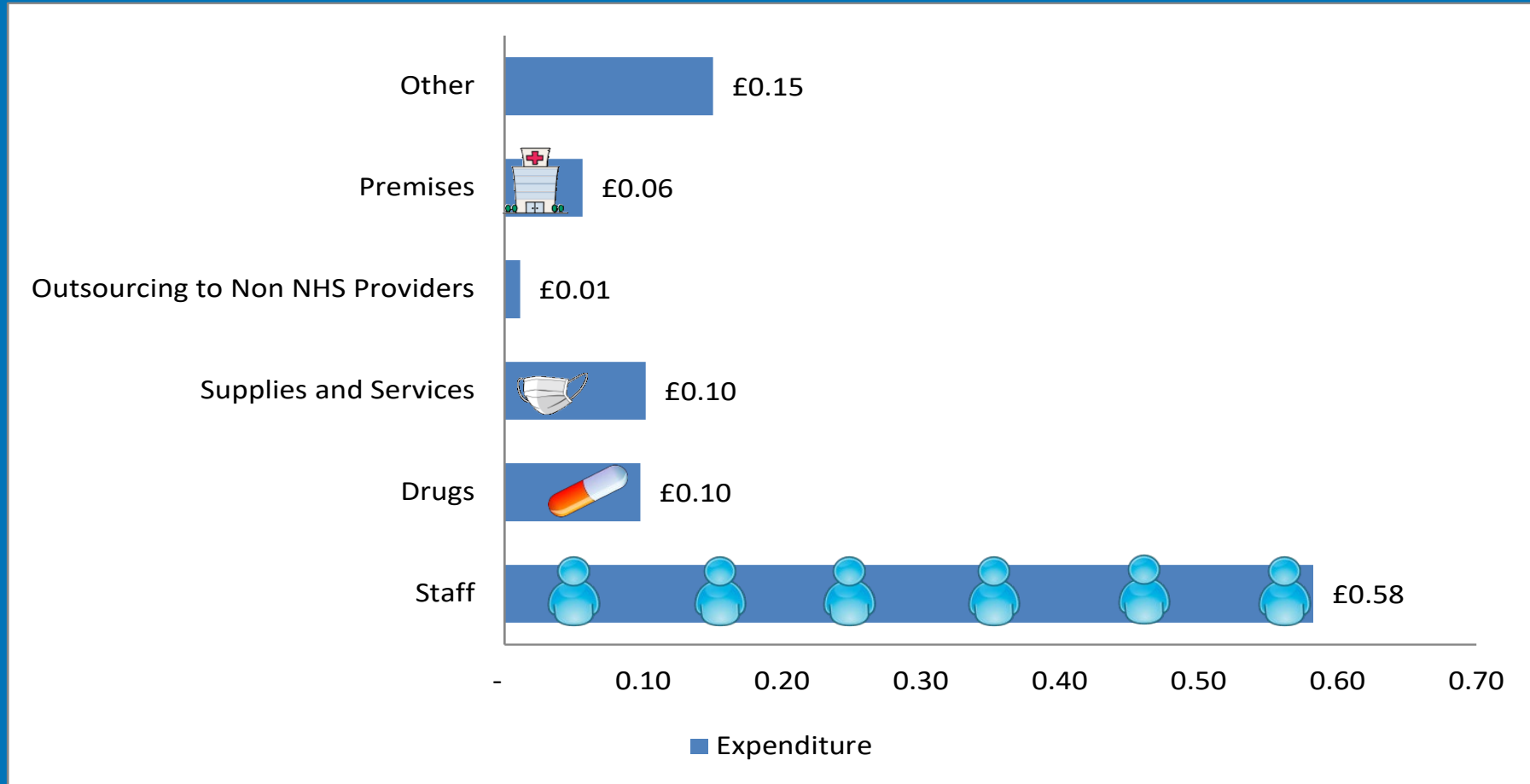
- The Trust met reported a surplus of £0.3m which was £5.3m better than plan.
- The finance regime for 2020/21 was different to previous years in response to the Covid-19 pandemic. The first half of the year the Trust was retrospectively funded for all costs. The second half of the year the Trust had to work within the Kent and Medway system envelope for funding.
- The planned £5m deficit related to outstanding annual leave not taken by staff due to the pressures of the pandemic. The final value for this was £4.7m, which was funded in full by NHSE/I.
- The Trust suspended its Cost Improvement Plan for 2020/21 as part of the changes to the national financial regime.

Where do we get our funding from?

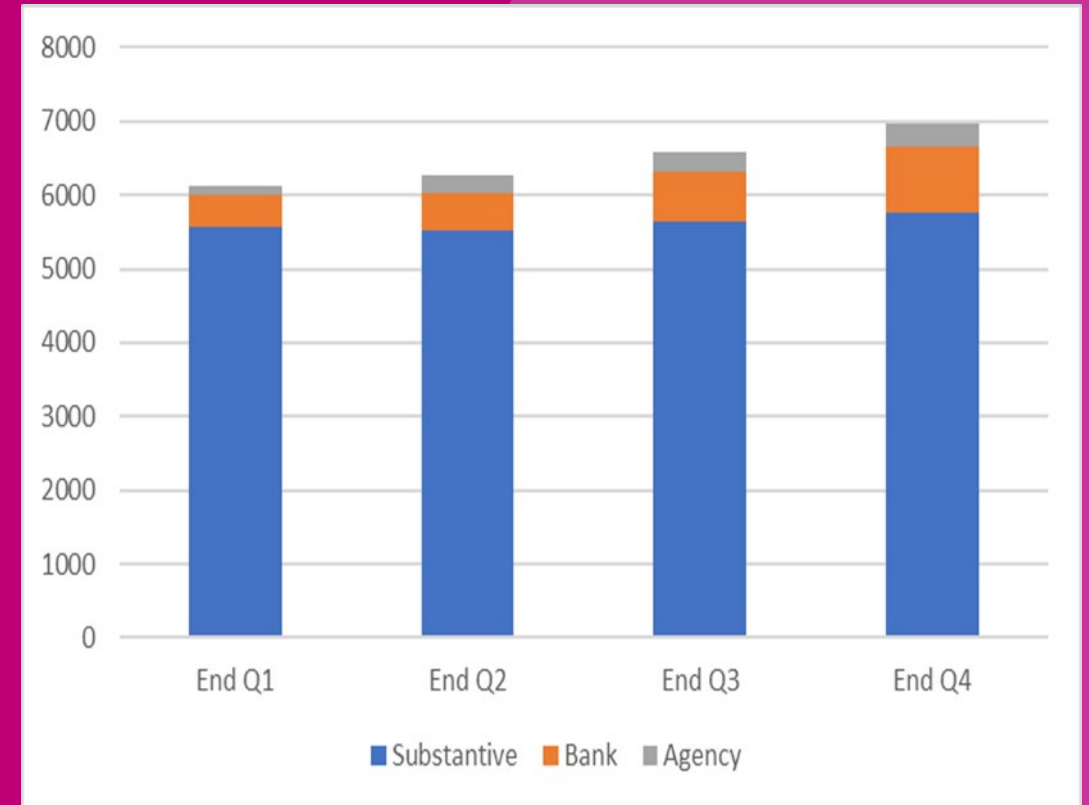
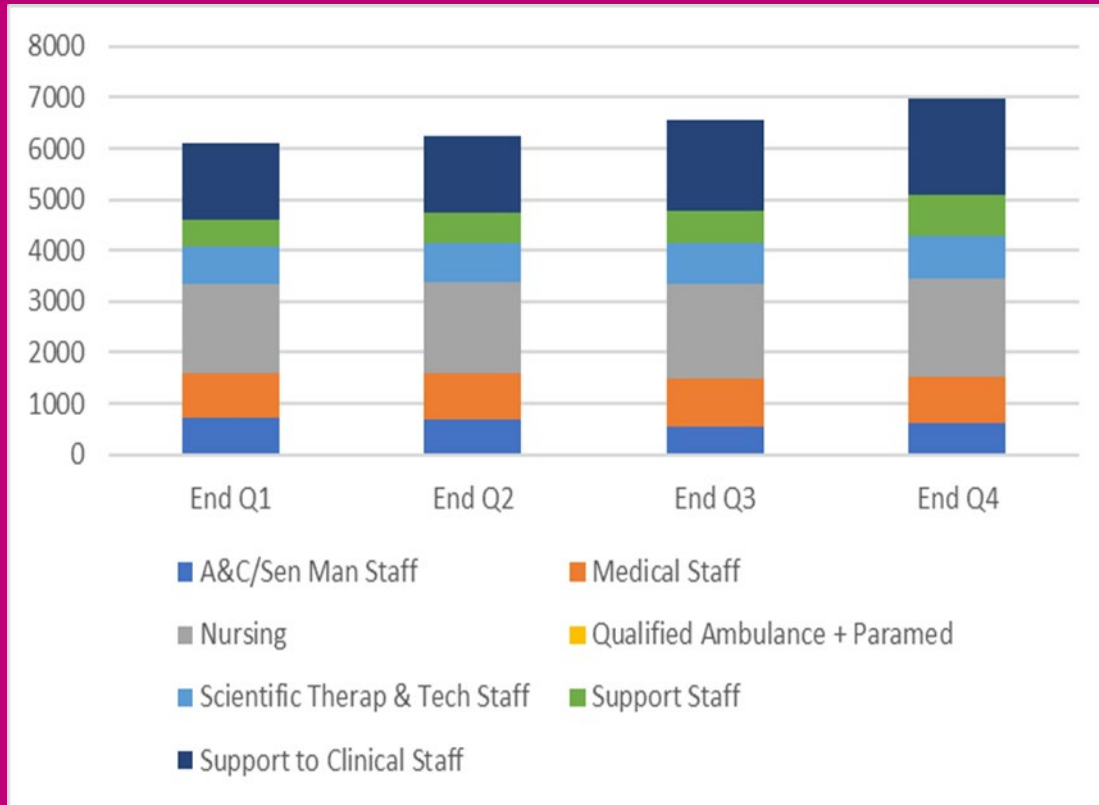
- NHS England
- Clinical commissioning groups
- Other Government Bodies
- Commercial Income Incl Private Patients
- Education, training and R&D



Where every £1 we spend goes:



Our staff (Whole Time Equivalents)



Capital investments in 2020/21

During 2020/21 the Trust made capital investments of £33.3m including £1.4m of assets funded from donated or charitable fund sources. Significant elements of the programme were:

- £4.1m on Covid-19 ICT, Estates costs and medical equipment (£1.1m centrally procured by the Department of Health and Social Care)
- £2.9m for the Electronic Patient Record programme; £8.9m relating to ICT schemes, including device replacement (£5.5m) and renewal of network infrastructure (£2.9m). In addition, national funding enabled spend on the Think 111 project (£0.5m) and Kent and Medway Care Record development (£0.45m).
- Expenditure of £2.8m was invested in the Urgent and Emergency Care projects (including the new Surgical Assessment Unit at TWH); and £2.9m related to Estates backlog and PFI Lifecycle.
- Equipment replacement including: £1.7m of endoscopy equipment funded from national monies; £2.2m replacing a Linear Accelerator for Cancer services; £1.0m on breast screening equipment; £0.9m to expand critical care and testing equipment for Covid -19 treatment; £0.7m to renew the Interventional Radiology room at Maidstone; £0.6m for a new CT simulator for Radiotherapy; £0.7m for Ophthalmology equipment supporting new services, and £1.8m of replacing end of life medical equipment.

Outlook for 2021/22

- The impact of Covid-19 and the development of Integrated Care Systems has changed the business planning process both nationally and internally within the Trust.
- The financial plan for 2021/22 is Kent and Medway system based and the Trust has agreed a plan with its partners to deliver a breakeven position for the first half of the year. A further planning round is expected to take place in Autumn to agree financial plans for the second half of the year.
- The financial regime for capital was updated in April 2020 to move to an ICS-led system approach to managing capital allocations and expenditure. For 2021/22 the Trust's agreed initial resource is £10.2m comprising £8.7m of internally generated and financed resource, £1.2m of PFI lifecycle for the Tunbridge Wells Hospital and £0.3m of system PDC.

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Question and answer session

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