

Trust Headquarters  
Russells Hall Hospital  
Dudley  
West Midlands  
DY1 2HQ

Date: 08/11/2013

**FREEDOM OF INFORMATION ACT 2000 - Ref: FOI/011625**

With reference to your FOI request that was received on 16/10/2013 in connection with 'Revenue withheld from the Trust'.

Your request for information has now been considered and the information requested is enclosed

Further information about your rights is also available from the Information Commissioner at:

**Information Commissioner**

Wycliffe House  
Water Lane  
Wilmslow  
Cheshire SK9 5AF  
Tel: 0303 123 1113  
Fax: 01625 524510  
[www.ico.gov.uk](http://www.ico.gov.uk)

Yours sincerely

Information Governance Manager  
Room 34a, First Floor, Esk House, Russells Hall Hospital, Dudley, DY1 2HQ  
Email: [FOI@dgh.nhs.uk](mailto:FOI@dgh.nhs.uk)

I'd like the following specific information about the revenue withheld from the Trust, as a result of the application of the marginal rate tariff for emergency activity.

This tariff is outlined in the PbR Guidance 2013-14 (Gateway Reference 18768), paragraphs 89 – 109. I am attaching the document for your convenience.

Where it's available, could you please provide information detailing:

1. The income retained by the commissioner (the CCG and their predecessors) as a result of funds withheld or 'defunded' from your Trust under the application of the 30% marginal emergency tariff in each financial year since it was introduced: so for financial years 2010-11, 2011-12 and 2012-13.

2. How the pool of money paid to (or retained by) the commissioner(s) under the marginal emergency tariff has been used, or plans for how it will be used (as discussed in the PbR Guidance 2013-14, paragraphs 104-109). I would like the information for each financial year: 2010-11, 2011-12 and 2012-13, and details of plans for 2013-14.

In 10/11 the impact to the Trust would have been £4.362m of lost income. However, only £2.421m was removed from our 2 main local commissioners by the Strategic HA, some of which was reinvested back with the Trust for the achievement of key performance indicators and the remainder linked to bids to fund schemes to reduce admissions (mainly commissioner led). Some of the funding was returned to the Trust in lieu of pressures although there remained a significant overall loss. The initial PCT schemes in 10/11 included virtual ward, domiciliary based intermediate care and a multi-agency IT based service directory. Trust priorities focused on pressures in A&E and EAU.

In 11/12, the Trust agreed an increase to the baseline to compensate for the stepped costs of opening additional beds to cope with a rise in emergency demand. The deduction was therefore much reduced and the host PCT agreed to block back 50% as transitional support and this was subsequently applied to other associate PCTs. The host PCT deduction was £1.6m with £0.8m blocked back. The associate commissioner share was £0.9m with £0.45m blocked back.

In 12/13 the Trust agreed a further uplift to the baseline to compensate for the stepped costs of opening additional beds due to continued growth in emergency demand. In addition, the Trust agreed a local price for patients that were "admitted" to CDU or EAU and subsequently discharged home on the same day. The local tariff reduced Trust income by approx £1m but due to being outside PbR, the activity falls outside the scope of activity included for the threshold calculation. As such, there were no further deductions linked to the threshold.

In 13/14 the same arrangements continue to apply although there has been a further uplift to the baseline to reflect the transfer of Vascular services to the Trust from two neighbouring hospitals. Based on current activity levels, it is not anticipated that any further deductions will be made in respect of the threshold although the local discharged home tariff continues to apply.