

**TRUST BOARD MEETING – 5<sup>th</sup> MARCH 2015**

**2014/15 FINANCIAL POSITION TO MONTH 10 (JANUARY)**

<b>DIRECTOR:</b>	Paul Traynor - Director of Finance
<b>AUTHOR:</b>	Paul Traynor - Director of Finance
<b>DATE:</b>	5 <sup>th</sup> March 2015
<b>PURPOSE:</b>	This paper provides the Trust Board with an update on performance against the key financial duties: <ul style="list-style-type: none"> <li>• Delivery against the planned deficit</li> <li>• Achieving the External Financing Limit (EFL)</li> <li>• Achieving the Capital Resource Limit (CRL)</li> </ul> The paper also provides further commentary on the key risks
<b>PREVIOUSLY CONSIDERED BY:</b>	Not applicable
<b>Objective(s) to which issue relates *</b>	<input type="checkbox"/> 1. Safe, high quality, patient-centred healthcare <input type="checkbox"/> 2. An effective, joined up emergency care system <input type="checkbox"/> 3. Responsive services which people choose to use (secondary, specialised and tertiary care) <input type="checkbox"/> 4. Integrated care in partnership with others (secondary, specialised and tertiary care) <input type="checkbox"/> 5. Enhanced reputation in research, innovation and clinical education <input type="checkbox"/> 6. Delivering services through a caring, professional, passionate and valued workforce <input checked="" type="checkbox"/> 7. A clinically and financially sustainable NHS Foundation Trust <input type="checkbox"/> 8. Enabled by excellent IM&T
<b>Please explain any Patient and Public Involvement actions taken or to be taken in relation to this matter:</b>	Considered but not relevant to this paper
<b>Please explain the results of any Equality Impact assessment undertaken in relation to this matter:</b>	Considered but not relevant to this paper
<b>Organisational Risk Register/ Board Assurance Framework *</b>	<input checked="" type="checkbox"/> <b>Organisational Risk Register</b> <input checked="" type="checkbox"/> <b>Board Assurance Framework</b> <input type="checkbox"/> <b>Not Featured</b>
<b>ACTION REQUIRED *</b>	
For decision <input type="checkbox"/>	For assurance <input checked="" type="checkbox"/>
	For information <input type="checkbox"/>

- ♦ We treat people how we would like to be treated
- ♦ We do what we say we are going to do
- ♦ We focus on what matters most
- ♦ We are one team and we are best when we work together
- ♦ We are passionate and creative in our work

\* tick applicable box

# UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

**REPORT TO: TRUST BOARD**

**DATE: 5<sup>TH</sup> MARCH 2015**

**REPORT FROM: PAUL TRAYNOR - DIRECTOR OF FINANCE**

**SUBJECT: 2014/15 FINANCIAL POSITION TO MONTH 10 (JANUARY)**

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## 1. INTRODUCTION AND CONTEXT

1.1. This paper provides the Trust Board with an update on performance against the Trust's key financial duties, namely:

- Delivery against the planned deficit
- Achieving the External Financing Limit (EFL)
- Achieving the Capital Resource Limit (CRL)

1.2. The paper provides further commentary on financial performance by the CMGs and Corporate Directorates, risk and assumptions and makes recommendations for the relevant Directors.

1.3. The paper also provides detail on the forecast outturn for 2014/15.

## 2. KEY FINANCIAL DUTIES

2.1. The following table summarises the year to date position and full year forecast against the financial duties of the Trust:

Financial Duty	YTD Plan £'Ms	YTD Actual £'Ms	RAG	Forecast Plan £'Ms	Forecast Actual £'Ms	RAG
Delivering the Planned Deficit	(31.8)	(33.9)	A	(40.7)	(40.7)	G
Achieving the EFL	46.8	26.4	A	50.3	50.3	G
Achieving the Capital Resource Limit	38.3	26.7	A	46.2	46.2	G

2.2. As well as the key financial duties, a subsidiary duty is to ensure suppliers invoices are paid within 30 days – the Better Payment Practice Code (BPPC). The year to date performance is shown in the table below:

Better Payment Practice Code	April - Dec YTD 2014	
	Number	Value £000s
Total bills paid in the year	110,479	497,698
Total bills paid within target	55,054	346,044
Percentage of bills paid within target	50%	70%

## Key issues

- In month favourable movement to plan of £0.4m, which is £0.1m better than forecast
- YTD adverse movement to plan of £2.1m
- Agreement has been reached with local CCGs and NHSE regarding 2014/15 income, removing significant risk to the forecast
- Pay is adverse to plan by £0.4m and £2m higher than the beginning of the year. Medical pay is a particular area of pressure
- Year end forecast of £40.7m can be delivered. CMGs and Directorates must deliver to control totals to ensure this

### 3. FINANCIAL POSITION (MONTH 10 – JANUARY)

3.1. The Month 10 results may be summarised as follows and as detailed in Appendix 1:

	January 2015			April - January 2015		
	Plan £m	Actual £m	Var (Adv) / Fav £m	Plan £m	Actual £m	Var (Adv) / Fav £m
<b>Income</b>						
Patient income	59.3	60.9	1.6	585.8	586.2	0.4
Teaching, R&D	6.6	6.4	(0.2)	67.7	67.2	(0.5)
Other operating Income	3.1	3.2	0.1	30.9	31.9	1.0
<b>Total Income</b>	<b>68.9</b>	<b>70.5</b>	<b>1.6</b>	<b>684.4</b>	<b>685.3</b>	<b>0.9</b>
<b>Operating expenditure</b>						
Pay	42.2	42.6	(0.4)	413.7	411.3	2.3
Non-pay	27.3	27.7	(0.5)	266.0	270.9	(5.0)
<b>Total Operating Expenditure</b>	<b>69.5</b>	<b>70.4</b>	<b>(0.9)</b>	<b>679.6</b>	<b>682.2</b>	<b>(2.6)</b>
<b>EBITDA</b>	<b>(0.5)</b>	<b>0.1</b>	<b>0.7</b>	<b>4.8</b>	<b>3.1</b>	<b>(1.7)</b>
Net interest	0.0	0.0	0.0	0.1	0.0	0.0
Depreciation	(2.7)	(2.7)	0.0	(27.9)	(27.9)	0.0
Impairment	-	-	-	(1.4)	(4.4)	(3.0)
PDC dividend payable	(0.8)	(1.0)	(0.2)	(8.8)	(9.2)	(0.4)
<b>Net deficit</b>	<b>(4.1)</b>	<b>(3.6)</b>	<b>0.5</b>	<b>(33.2)</b>	<b>(38.3)</b>	<b>(5.1)</b>
<b>EBITDA %</b>		<b>0.2%</b>			<b>0.5%</b>	
Less Impairments	-	(0.0)	(0.0)	1.4	4.4	3.0
<b>RETAINED SURPLUS / (DEFICIT)</b>	<b>(4.1)</b>	<b>(3.6)</b>	<b>0.4</b>	<b>(31.8)</b>	<b>(33.9)</b>	<b>(2.1)</b>

3.2 In the month of January, the Trust delivered a deficit of £3.6m against a planned deficit of £4.1m, a favourable variance of £0.4m. This was £0.1m better than forecast.

3.3 Year to date, the deficit at the end of January is £33.9m, £2.1m worse than the £31.8m planned deficit.

3.4 The significant reasons for the in month and year to date variances against income and operating expenditure are:

#### Income

Patient care income is £1.6m favourable to plan in month following the release of operational resilience monies and the finalisation of year end settlements with LLR CCGs and NHSE. Agreement has been reached with both NHSE and LLR CCGs that ensure income at

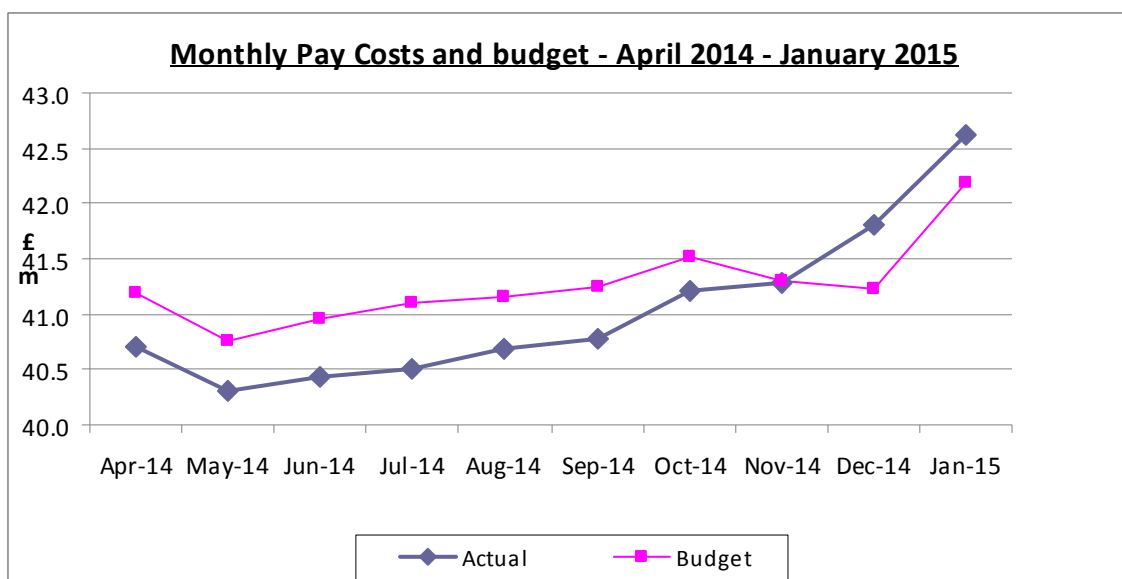
forecasted levels for the remainder of the year. These settlements ensure that there can be no further challenges on coding or activity as well as ensuring no further adverse impact from penalties.

Elective and daycase activity were £1.4m worse than plan in month and penalties £0.8m, offset by emergency activity being £0.5m better than plan and outpatients being £0.2m better than plan. The receipt of operational resilience funding and the agreement with commissioners as detailed above has offset this adverse variance, meaning a £1.6m positive variance to plan.

## Pay

Pay costs are £0.4m adverse to plan in January and £2.3m favourable to plan year to date. This is the second month that pay costs have been adverse to plan, with costs now £2m higher than the beginning of the year.

The total paybill compared to budget since April 2014 can be seen in the chart below. This removes VSS costs paid in year and shows the sharp upward trend in cost since November with spend now in excess of budget.



The variance to plan by staff group can be seen in the table below, including all premium costs. Medical pay spend remains the only staff group overspending. This overspend is increasing compared to earlier in the year. In addition, nurse recruitment means nurse underspends are reducing placing further pressures on the paybill.

Pay Type	In Month £000s			YTD £000s			WTE		
	Plan	Actual	Better / (worse)	Plan	Actual	Better / (worse)	Plan	Actual	Better / (worse)
Non Clinical	5,991	5,875	117	59,529	58,483	1,046	2,418	2,415	3
Other Clinical	5,292	5,127	165	53,251	50,354	2,897	1,710	1,613	97
Medical & Dental	14,227	15,036	(809)	138,922	142,296	(3,374)	1,744	1,730	14
Nursing & Midwifery	16,680	16,584	96	161,956	160,192	1,764	5,657	5,373	284
<b>Total</b>	<b>42,190</b>	<b>42,622</b>	<b>(431)</b>	<b>413,658</b>	<b>411,326</b>	<b>2,332</b>	<b>11,529</b>	<b>11,132</b>	<b>397</b>

Further analysis of the current spend shows that the value of vacancies is £1.3m in January across all staff groups, however the cost of each WTE that is in post is higher than planned and a total cost of £1.7m. It is this price variance that is driving the adverse variance to plan.

In January 2015, premium pay spend was at its highest at £4.7m, 11% of the paybill. This increasing premium cost, despite a decrease in the number of vacancies in the Trust, is driving the increasing cost and overspend

## **Non Pay**

Operating non pay spend is £0.5m adverse to plan in January and £5.0m adverse to plan YTD.

In month overspends relate to clinical supplies and service costs, including £0.2m of high cost devices.

Year to date, the key drivers of the overspend relate to consumables £4.8m, security £0.8m, printing and postage £1.0m, consultancy £0.5m, international nurse recruitment costs £0.3m, offset with phased release of reserves and supplier discounts of £2.2m.

A more detailed financial analysis of CMG and Corporate performance (see Appendix 2) is provided through the Executive Performance Board financial report and reviewed by the Integrated Finance, Performance & Investment Committee.

## **Cost Improvement Programme**

Appendix 2 shows CIP performance in January by CMG and Corporate Directorate against the 2014/15 CIP plan. This currently shows an over-delivery against the target YTD of £2.1m.

The year end forecast reflects identified schemes of £48m against a target of £45m. Development of schemes for 2015/16 is underway against a target of £40.7m.

## **4. FORECAST OUTTURN**

4.1 The table below details the forecast outturn delivering in line with the planned deficit.

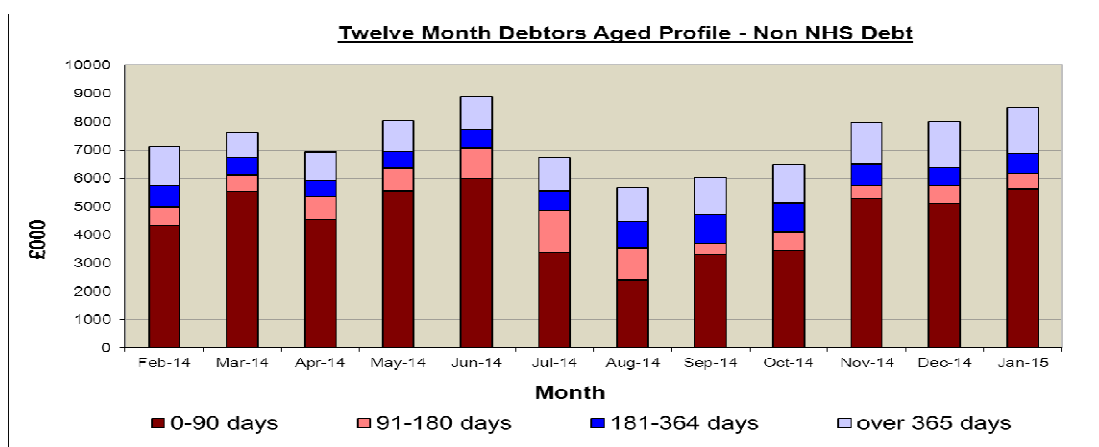
	Year End Forecast		
	Plan £m	Forecast £m	Var (Adv) / Fav £m
<b>Income</b>			
Patient income	701.7	705.8	4.1
Teaching, R&D	81.4	80.6	(0.8)
Other operating Income	37.7	38.5	0.8
<b>Total Income</b>	<b>820.8</b>	<b>824.8</b>	<b>4.0</b>
<b>Operating expenditure</b>			
Pay	499.7	496.8	2.9
Non-pay	319.2	327.8	(8.6)
<b>Total Operating Expenditure</b>	<b>818.9</b>	<b>824.6</b>	<b>(5.7)</b>
<b>EBITDA</b>	<b>1.9</b>	<b>0.2</b>	<b>(1.7)</b>
Net interest	0.1	0.1	0.0
Depreciation	(32.3)	(29.8)	2.6
Impairment	(1.4)	(4.4)	(3.0)
PDC dividend payable	(10.4)	(11.3)	(0.8)
<b>Net deficit</b>	<b>(42.2)</b>	<b>(45.2)</b>	<b>(3.0)</b>
<b>EBITDA %</b>		<b>0.0%</b>	
Less Impairments	1.4	4.5	3.1
<b>RETAINED SURPLUS / (DEFICIT)</b>	<b>(40.7)</b>	<b>(40.7)</b>	<b>-</b>

4.2 Control totals have been agreed for each CMG and Directorate and these need to be delivered in order to ensure delivery of the planned deficit. The agreement with commissioners on income for 2014/15 removes income risk and means focus should be on expenditure control. Measurement of forecasts and resolution of issues is ongoing where needed.

4.3 Overall, the Trust's planned forecast of £40.7m is now likely subject to expenditure control following the agreement of income levels.

## 5. BALANCE SHEET AND CASHFLOW

5.1 The effect of the Trust's financial position on its balance sheet is provided in Appendix 3. The retained earnings reserve has reduced by the Trust's deficit for the year to date. The level of non-NHS debt has fluctuated across the year as shown in the following table:



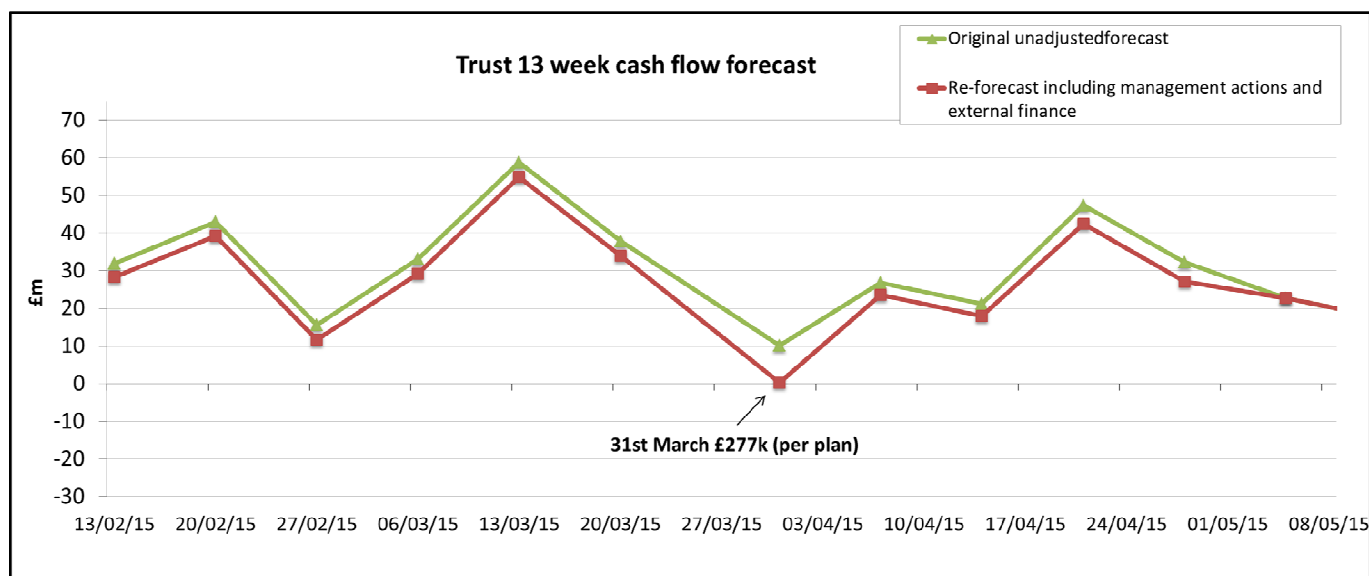
5.2 The overall level of non-NHS debt at the end of January increased to £8.5m from £7.9m in December. Total debt over 90 days is £2.9m and this has remained constant from December.

5.3 The proportion of total debt over 90 days has reduced from 36% to 34%. £1.7m of this debt relates to overseas patients where we expect a low recovery rate of approximately 25%. All overseas patient debt over 90 days old is provided for in full within the Trust's bad debt provision. A write-off of aged debt will be undertaken and reported to the Audit Committee on 5<sup>th</sup> March 2015.

5.4 The Better Payments Practice Code (BPPC) performance for end of December YTD, shown in the table below, shows a slight deterioration from 70% to 69% in terms of invoices paid within 30 days by value.

	By Volume Number	By Value £000s
<b>Current Month YTD</b>		
Total bills paid in the year	119,465	546,998
Total bills paid within target	60,247	375,460
<b>Percentage of bills paid within target</b>	<b>50%</b>	<b>69%</b>
<b>Prior month YTD</b>		
Total bills paid in the year	110,479	497,698
Total bills paid within target	55,054	346,044
<b>Percentage of bills paid within target</b>	<b>50%</b>	<b>70%</b>

- 5.5 The Trust's cashflow forecast is consistent with the income and expenditure position. The cash balance at the end of January was £17.3m which is £16.8m above plan of £0.5m.
- 5.6 The Trust's cash forecast to the year end is shown in the graph below. This indicates that, with the management actions and additional external financing, we will achieve the planned year end cash balance of £0.3m.



- 5.7 We have had a total of £58m financing approved for 2014/15 by the Independent Trust Financing Facility (ITFF) split between:
- £46m revenue financing (£40.7m to cover our deficit and £5.3m to improve liquidity)
  - £12m capital financing
- 5.8 We have received £46m of temporary borrowing in the year to date and this has enabled us to maintain sufficient cash whilst we awaited confirmation from the Department of Health (DoH) as to whether our £58m financing would take the form of PDC or a loan. The DoH has now confirmed that we will receive the £46m revenue financing as permanent PDC and the £12m capital financing will be a loan repayable over the economic life of the assets that are being funded.
- 5.9 We will receive the £46m revenue PDC on 2<sup>nd</sup> March 2015 and this will be used to repay the equivalent temporary borrowing on the same day. We are planning to draw down the £12m capital loan on 16<sup>th</sup> March 2015 and a separate paper has been presented to the Board outlining the process for approving the loan application. This is in accordance with our agreed final plan for 2014/15
- 5.10 We expect to have a backlog of authorised and unpaid invoices of £8.5m at the 31<sup>st</sup> March 2015. We will apply for temporary borrowing to be received in early April 2015 to enable us to make these payments and minimise the potential impact on our suppliers.
- 5.11 We will also not achieve the BPPC target of 95% for 2014/15 as the value of the approved funding will enable us to achieve 72% against the BPPC by value. We are currently on course to achieve this as the YTD performance is currently 69% as shown in Section 5.4.



## 6. CAPITAL

- 6.1 The total capital expenditure at the end of January 2015 was £26.9m. This is an underspend of £6.7m against the year to date plan of £33.6m and we have therefore achieved 80% of planned spend. The capital plan and expenditure can be seen in Appendix 4.
- 6.2 At the end of December, there was a total of £12.0m of outstanding orders. The combined position is that we have spent or committed £38.9m, or 84% of the annual plan which is also 116% of the year to date plan.
- 6.3 The table below details the capital plan at the start of the year compared with the revised plan at the end of January as well as forecast expenditure. We reduced our external capital funding requirement by £4.3m following advice from the NTDA. After a detailed review of schemes, forecast spend has reduced from £55.0m to £46.5m, which matches the full year plan.
- 6.4 The over-commitment against the capital funding has therefore reduced from £4.1m to £2.4m and this will be managed to ensure there is no overspend for the full year.

### Revised and original capital plan and forecast spend

	Original plan	Revised plan	Movement
	£000's	£000's	£000's
Capital Resource Limit	34,207	34,207	-
Plus Donations	300	300	-
Plus Anticipated PDC	16,322	12,000	(4,322)
<b>TOTAL Funding</b>	<b>50,829</b>	<b>46,507</b>	<b>(4,322)</b>
Forecast Spend	(54,932)	(46,507)	8,425
<b>Over Commitment</b>	<b>(4,103)</b>	<b>-</b>	<b>4,103</b>

## 7. RISKS

- 7.1 Within the financial position and year end plan, there continues to be the following potential risks:

- **Delivery of the forecast outturn position** has become challenged following revised forecasts from CMGs and Corporate Directorates. All areas must deliver to control totals

Mitigation: Agreement of income with local CCGs and NHSE reduces this risk significantly and allows focus on expenditure control

- **Capacity requirements** for theatres and beds beyond the levels planned resulting in premium costs not forecasted or planned for

Mitigation: The Trust has opened an additional 15 beds for which capital and revenue costs are within the financial plan. Work is ongoing on a theatres capacity plan

- **Referral To Treat (RTT) and Elective/Day Case Activity**

There is a risk to the delivery of the RTT target resulting in additional premium costs to ensure delivery of income lower than forecast, in particular theatre costs not identified. In addition, there is a risk that activity continues to be lower than the plan and forecast

Mitigation: RTT plan performance managed through fortnightly meeting with CCG/NTDA and IST to review robustness of the plan. Additional costs to weekend theatre sessions have been identified within the forecast and embedded in proposed control totals. In addition, further funding has been made available to support the clearance of the backlog

- **CIP Delivery**

The Trust's annual financial plan is predicated on delivery of £45m CIPs, which is in excess of the national efficiency rate (4%) built into tariff. The additional amount is required to reduce the underlying deficit

Mitigation: External consultancy support from Ernst & Young, along with revised CIP governance arrangements, a weekly CIP Board and CMG Performance Management meetings. £48m has been identified for 2014/15 and the programme for development of plans for £41m for 2015/16 is in place

- **Liquidity**

The projected £40.7m deficit creates liquidity issues for the Trust

Mitigation: Loan funding of £58m approved by the Independent Trust Financing Facility to support the deficit and capital plan

- **Unforeseen Events**

The Trust has very little flexibility and no contingency remains in reserves

Mitigation: The Trust is aware of commitments made and the constraints of specific funding streams

- **Contractual Challenges (Non Patient Care)**

The Trust is aware of potential contract challenges around the Interserve Contract, particularly relating to the impact of TUPE transfers and catering volumes

Mitigation: The Trust has reviewed the contract and has further contractual claims to more than negate the counter claims. Further legal advice will be sought to confirm the value and timescales for resolution

## 8. CONCLUSION

8.1. The Trust, at the end of Month 10, has an adverse position of £2.1m against the planned deficit of £31.8m but is forecasting the delivery of all its financial duties at year end.

## 9. NEXT STEPS AND RECOMMENDATIONS

9.1. The Trust Board is **recommended** to:

- **Note** the contents of this report
- **Discuss and agree** the actions required to address the key risks/issues

**Paul Traynor**  
**Director of Finance**  
**5<sup>th</sup> March 2015**

	January 2015			April - January 2015		
	Plan	Actual	Variance (Adv) / Fav	Plan	Actual	Variance (Adv) / Fav
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Elective	6,292	5,478	(815)	61,538	59,113	(2,425)
Day Case	5,042	4,481	(561)	50,695	48,622	(2,072)
Emergency (incl MRET)	14,939	15,454	515	146,937	147,376	439
Outpatient	8,752	8,973	220	87,965	87,129	(836)
Penalties	(292)	(1,078)	(787)	(2,917)	(6,941)	(4,024)
Non NHS Patient Care	483	495	12	4,694	5,233	539
Resilience Funding	0	2,085	2,085		4,574	4,574
Other	24,065	25,025	960	236,912	241,124	4,212
<b>Patient Care Income</b>	<b>59,282</b>	<b>60,912</b>	<b>1,630</b>	<b>585,824</b>	<b>586,230</b>	<b>406</b>
Teaching, R&D income	6,558	6,405	(153)	67,665	67,192	(473)
Other operating Income	3,084	3,183	99	30,940	31,922	982
<b>Total Income</b>	<b>68,924</b>	<b>70,500</b>	<b>1,576</b>	<b>684,429</b>	<b>685,344</b>	<b>915</b>
<b>Pay Expenditure</b>	<b>42,190</b>	<b>42,622</b>	<b>(432)</b>	<b>413,658</b>	<b>411,326</b>	<b>2,332</b>
<b>Non Pay Expenditure</b>	<b>27,277</b>	<b>27,733</b>	<b>(456)</b>	<b>265,966</b>	<b>270,917</b>	<b>(4,951)</b>
<b>Total Operating Expenditure</b>	<b>69,467</b>	<b>70,355</b>	<b>(888)</b>	<b>679,624</b>	<b>682,243</b>	<b>(2,619)</b>
<b>EBITDA</b>	<b>(543)</b>	<b>145</b>	<b>688</b>	<b>4,805</b>	<b>3,101</b>	<b>(1,704)</b>
Interest Receivable	8	8	0	80	69	(11)
Interest Payable	0	(3)	(3)	0	(29)	(29)
Depreciation & Amortisation	(2,691)	(2,686)	5	(27,878)	(27,859)	19
Impairment	0	0	0	(1,445)	(4,447)	(3,002)
<b>Surplus / (Deficit) Before Dividend and Disposal of Fixed Assets</b>	<b>(3,226)</b>	<b>(2,536)</b>	<b>690</b>	<b>(24,438)</b>	<b>(29,165)</b>	<b>(4,727)</b>
Profit / (Loss) on Disposal of Fixed Assets	(1)	1	2	(12)	0	12
Dividend Payable on PDC	(827)	(1,040)	(213)	(8,776)	(9,175)	(399)
<b>Net Surplus / (Deficit)</b>	<b>(4,054)</b>	<b>(3,575)</b>	<b>479</b>	<b>(33,226)</b>	<b>(38,340)</b>	<b>(5,114)</b>
Less Impairments	0	(48)	(48)	1,445	4,447	3,002
<b>RETAINED SURPLUS / (DEFICIT)</b>	<b>(4,054)</b>	<b>(3,623)</b>	<b>431</b>	<b>(31,781)</b>	<b>(33,893)</b>	<b>(2,112)</b>

**Financial Performance by CMG & Corporate Directorate****I&E and CIP – to January 2015**

CMG / Directorate	Year to Date					
	I&E			CIP		
	YTD			YTD		
	Budget £000s	YTD Actual £000s	Variance £000s	YTD Plan £000s	Actual £000s	Variance £000s
<b>CMGs:</b>						
C.H.U.G.S	36,924	37,338	414	4,359	4,482	123
Clinical Support & Imaging	-30,248	-30,247	1	4,621	4,709	88
Emergency & Specialist Med	14,790	16,473	1,683	5,554	6,324	770
I.T.A.P.S	-36,112	-38,203	-2,091	3,561	3,204	-357
Musculo & Specialist Surgery	33,871	29,478	-4,394	4,165	4,152	-13
Renal, Respiratory & Cardiac	26,874	26,362	-512	4,906	5,208	302
Womens & Childrens	37,123	37,244	120	5,300	5,381	81
	<b>83,222</b>	<b>78,443</b>	<b>-4,779</b>	<b>32,466</b>	<b>33,460</b>	<b>994</b>
<b>Corporate:</b>						
Communications & Ext Relations	-604	-569	35	57	57	0
Corporate & Legal	-2,870	-2,895	-25	72	94	22
Corporate Medical	-1,488	-1,394	94	79	86	7
Facilities	-32,721	-32,197	524	3,669	4,261	592
Finance & Procurement	-5,733	-5,302	432	275	489	214
Human Resources	-4,760	-4,505	255	179	303	124
Im&T	-8,263	-8,072	192	48	63	15
Nursing	-17,715	-17,377	337	280	344	64
Operations	-7,890	-8,106	-216	128	206	78
Strategic Devt	-802	-536	267	168	184	16
	<b>-82,846</b>	<b>-80,952</b>	<b>1,895</b>	<b>4,955</b>	<b>6,087</b>	<b>1,132</b>
<b>Other:</b>						
Alliance Elective Care	10	10	0			
R&D	4	161	158			
Central	-32,163	-31,513	650	4	0	-4
	<b>-32,150</b>	<b>-31,342</b>	<b>808</b>			
<b>Total</b>	<b>-31,774</b>	<b>-33,850</b>	<b>-2,076</b>	<b>37,425</b>	<b>39,547</b>	<b>2,123</b>

## Balance Sheet

	Mar-14 £000's Actual	Apr-14 £000's Actual	May-14 £000's Actual	Jun-14 £000's Actual	Jul-14 £000's Actual	Aug-14 £000's Actual	Sep-14 £000's Actual	Oct-14 £000's Actual	Nov-14 £000's Actual	Dec-14 £000's Actual	Jan-15 £000's Actual	Mar-15 £000's Forecast
<b>Non Current Assets</b>												
Property, plant and equipment	362,465	360,188	359,769	358,289	359,152	359,238	359,534	361,704	399,441	396,190	402,003	380,902
Intangible assets	8,019	7,788	7,555	7,338	7,109	6,877	6,636	6,408	6,180	6,452	6,217	5,327
Trade and other receivables	3,123	3,311	3,152	3,115	3,002	3,004	3,043	3,065	3,087	3,163	3,132	2,503
<b>TOTAL NON CURRENT ASSETS</b>	<b>373,607</b>	<b>371,287</b>	<b>370,476</b>	<b>368,742</b>	<b>369,263</b>	<b>369,119</b>	<b>369,213</b>	<b>371,177</b>	<b>408,708</b>	<b>405,805</b>	<b>411,352</b>	<b>388,732</b>
<b>Current Assets</b>												
Inventories	13,937	13,711	14,633	14,627	15,390	14,894	14,579	15,215	15,040	15,009	14,692	14,200
Trade and other receivables	49,892	44,492	44,580	51,192	47,903	38,966	32,335	36,344	36,383	32,211	33,094	46,932
Cash and cash equivalents	515	13,850	5,838	13,662	14,954	8,430	7,560	3,205	9,931	9,846	17,252	277
<b>TOTAL CURRENT ASSETS</b>	<b>64,344</b>	<b>72,053</b>	<b>65,051</b>	<b>79,481</b>	<b>78,247</b>	<b>62,290</b>	<b>54,474</b>	<b>54,764</b>	<b>61,354</b>	<b>57,066</b>	<b>65,038</b>	<b>61,409</b>
<b>Current Liabilities</b>												
Trade and other payables	(109,135)	(102,381)	(100,604)	(100,725)	(100,661)	(88,023)	(86,892)	(91,232)	(102,723)	(85,350)	(96,781)	(92,743)
Dividend payable	0	(1,025)	(1,894)	(2,763)	(3,632)	(4,540)	0	0	(2,080)	(3,120)	(4,160)	0
Borrowings	(6,590)	(6,590)	(6,590)	(6,590)	(6,590)	(6,590)	(2,919)	(2,919)	(3,753)	(4,170)	(4,170)	(2,800)
Provisions for liabilities and charges	(1,585)	(1,585)	(1,585)	(1,585)	(1,585)	(1,585)	(1,585)	(1,585)	(1,585)	(512)	(1,585)	(426)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(117,310)</b>	<b>(111,581)</b>	<b>(110,673)</b>	<b>(111,663)</b>	<b>(112,468)</b>	<b>(100,738)</b>	<b>(91,396)</b>	<b>(95,736)</b>	<b>(110,141)</b>	<b>(93,152)</b>	<b>(106,696)</b>	<b>(95,969)</b>
<b>NET CURRENT ASSETS (LIABILITIES)</b>	<b>(52,966)</b>	<b>(39,528)</b>	<b>(45,622)</b>	<b>(32,182)</b>	<b>(34,221)</b>	<b>(38,448)</b>	<b>(36,922)</b>	<b>(40,972)</b>	<b>(48,787)</b>	<b>(36,086)</b>	<b>(41,658)</b>	<b>(34,560)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>320,641</b>	<b>331,759</b>	<b>324,854</b>	<b>336,560</b>	<b>335,042</b>	<b>330,671</b>	<b>332,291</b>	<b>330,205</b>	<b>359,921</b>	<b>369,719</b>	<b>369,694</b>	<b>354,172</b>
<b>Non Current Liabilities</b>												
Borrowings	(5,890)	(5,794)	(5,785)	(5,730)	(5,676)	(5,683)	(9,179)	(9,186)	(8,075)	(7,663)	(7,668)	(9,356)
Other Liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Provisions for liabilities and charges	(2,070)	(2,048)	(2,022)	(2,006)	(1,830)	(1,207)	(1,171)	(1,156)	(1,110)	(2,194)	(1,069)	(1,873)
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>(7,960)</b>	<b>(7,842)</b>	<b>(7,807)</b>	<b>(7,736)</b>	<b>(7,506)</b>	<b>(6,890)</b>	<b>(10,350)</b>	<b>(10,342)</b>	<b>(9,185)</b>	<b>(9,857)</b>	<b>(8,737)</b>	<b>(11,229)</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>312,681</b>	<b>323,917</b>	<b>317,047</b>	<b>328,824</b>	<b>327,536</b>	<b>323,781</b>	<b>321,941</b>	<b>319,863</b>	<b>350,736</b>	<b>359,862</b>	<b>360,957</b>	<b>342,943</b>
Public dividend capital	282,625	298,125	298,125	311,625	311,625	311,625	311,625	311,625	311,625	329,837	329,725	353,602
Revaluation reserve	64,598	64,598	64,598	64,598	64,598	64,598	64,598	64,598	104,278	99,785	104,230	64,628
Retained earnings	(34,542)	(38,806)	(45,676)	(47,399)	(48,687)	(52,442)	(54,282)	(56,360)	(65,167)	(69,760)	(72,998)	(75,287)
<b>TOTAL TAXPAYERS EQUITY</b>	<b>312,681</b>	<b>323,917</b>	<b>317,047</b>	<b>328,824</b>	<b>327,536</b>	<b>323,781</b>	<b>321,941</b>	<b>319,863</b>	<b>350,736</b>	<b>359,862</b>	<b>360,957</b>	<b>342,943</b>

## Capital Plan

January 2015	Annual	Actual	Outstanding	Total	Variance	Full Year Forecast	
	Budget	Spend	Commitments	£'000	£'000	Outturn	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>CHUGGS CMG</b>							
Endoscopy GH	309	177	0	177	132	197	112
Lithotripter Machine	430	430	0	430	(0)	430	0
<b>Sub-total: CHUGGS CMG</b>	<b>739</b>	<b>607</b>	<b>0</b>	<b>607</b>	<b>132</b>	<b>627</b>	<b>112</b>
<b>CSI CMG</b>							
Aseptic Suite	400	181	214	395	5	200	200
MES Installation Costs	1,302	1,357	130	1,487	(185)	1,675	(373)
<b>Sub-total: CSI CMG</b>	<b>1,702</b>	<b>1,538</b>	<b>344</b>	<b>1,882</b>	<b>(180)</b>	<b>1,875</b>	<b>(173)</b>
<b>Women's and Children's CMG</b>							
Maternity Interim Development	1,000	827	12	839	161	900	100
Bereavement Facilities	62	113	0	113	(51)	162	(100)
Life Studies Centre	650	2	48	50	600	50	600
<b>Sub-total: Women's &amp; Children's CMG</b>	<b>1,712</b>	<b>941</b>	<b>60</b>	<b>1,001</b>	<b>711</b>	<b>1,112</b>	<b>600</b>
<b>Renal, Respiratory &amp; Cardiac CMG</b>							
Renal Home Dialysis Expansion	708	142	0	142	566	528	180
<b>Sub-total: Renal, Respiratory &amp; Cardiac CMG</b>	<b>708</b>	<b>142</b>	<b>0</b>	<b>142</b>	<b>566</b>	<b>528</b>	<b>180</b>
<b>Emergency &amp; Specialist Medicine CMG</b>							
Brain Injury Unit (BIU) Works	47	46	0	46	1	46	1
Equipment: 8th Resus Bay	40	42	0	42	(2)	42	(2)
DVT Clinic Air Conditioning	30	14	0	14	16	14	16
<b>Sub-total: Emergency &amp; Specialist Medicine CMG</b>	<b>117</b>	<b>101</b>	<b>0</b>	<b>101</b>	<b>16</b>	<b>102</b>	<b>15</b>
<b>ITAPS CMG</b>							
da Vinci Robot equipment	103	223	0	223	(120)	223	(120)
GH Theatre 6 Equipment	177	145	0	145	32	145	32
<b>Sub-total: ITAPS CMG</b>	<b>280</b>	<b>368</b>	<b>0</b>	<b>368</b>	<b>(88)</b>	<b>368</b>	<b>(88)</b>
<b>Corporate / Other Schemes</b>							
Stock Management Project	6	5	0	5	1	5	1
Medical Equipment Executive	3,237	2,333	387	2,720	517	3,237	0
LiA Schemes	250	82	25	107	143	250	0
Odames Library	1,500	1,217	190	1,406	94	1,500	0
Safecare Module	66	77	0	77	(11)	77	(11)
Other Developments	0	244	29	273	(273)	273	(273)
Donations	300	280	0	280	20	300	0
<b>Sub-total: Corporate / Other Schemes</b>	<b>5,359</b>	<b>4,238</b>	<b>630</b>	<b>4,868</b>	<b>491</b>	<b>5,642</b>	<b>(283)</b>
<b>IM&amp;T Schemes</b>							
IM&T Sub Group Budget	2,000	1,054	438	1,492	508	2,000	0
Safer Hospitals Technology Fund	1,150	290	27	316	834	1,150	0
EDRM System	3,300	705	604	1,310	1,990	3,300	0
EPR Programme	3,100	1,358	13	1,370	1,730	3,100	0
LRI Managed Print	412	74	351	425	(12)	412	0
Unified Comms	1,850	135	0	135	1,715	850	1,000
<b>Sub-total: IM&amp;T Schemes</b>	<b>11,812</b>	<b>3,616</b>	<b>1,432</b>	<b>5,048</b>	<b>6,765</b>	<b>10,812</b>	<b>1,000</b>
<b>Facilities / NHS Horizons Schemes</b>							
Facilities Backlog Budget	5,500	1,392	1,174	2,566	2,934	5,500	0
Accommodation Refurbishment	52	10	12	22	30	22	30
CHP Units LRI & GH	800	626	2	628	172	800	0
Multi-Storey Car Park (MSCP)	250	121	187	308	(58)	250	0
<b>Sub-total: Facilities / NHS Horizons Schemes</b>	<b>6,602</b>	<b>2,149</b>	<b>1,374</b>	<b>3,215</b>	<b>3,137</b>	<b>6,572</b>	<b>30</b>
<b>Reconfiguration Schemes</b>							
Theatre Recovery LRI	2,785	1,176	223	1,399	1,386	2,350	435
Interim ITU LRI	590	377	151	528	62	528	62
Ward 4 LGH	1,000	856	29	885	115	885	115
Additional Beds (GH & LRI)	2,000	42	378	420	1,580	1,700	300
Feasibility Studies	100	(10)	0	(10)	110	20	80
<b>Sub-total: Reconfiguration Schemes</b>	<b>6,475</b>	<b>2,441</b>	<b>781</b>	<b>3,222</b>	<b>3,253</b>	<b>5,483</b>	<b>992</b>
Over Commitment	(5,321)					(2,036)	(3,285)
<b>Total Schemes funded via internal sources</b>	<b>30,185</b>	<b>16,141</b>	<b>4,621</b>	<b>20,763</b>	<b>14,744</b>	<b>31,085</b>	<b>(900)</b>
<b>Schemes to be funded via external loan / PDC</b>							
<b>ED Enabling Schemes</b>							
Modular Wards LRI	3,700	4,730	500	5,230	(1,530)	3,700	0
Clinic 1 & 2 Works	814	75	34	109	705	814	0
Old Cancer Centre Conversion	1,050	1,141	8	1,149	(99)	1,050	0
Oliver Ward Conversion	1,260	1,718	53	1,771	(511)	1,260	0
Clinical Genetics	158	68	8	76	82	158	0
Chapel Relocation	315	102	16	118	197	315	0
Victoria Main Reception	525	85	26	111	414	525	0
<b>Sub-total: ED Enabling schemes</b>	<b>7,822</b>	<b>7,920</b>	<b>644</b>	<b>8,564</b>	<b>(742)</b>	<b>7,822</b>	<b>0</b>
Emergency Floor	6,000	2,754	5,070	7,824	(1,824)	6,400	(400)
GGH Vascular Surgery	2,500	124	1,650	1,774	726	1,200	1,300
<b>Sub-total: External Loans</b>	<b>16,322</b>	<b>10,798</b>	<b>7,364</b>	<b>18,161</b>	<b>(1,839)</b>	<b>15,422</b>	<b>900</b>
<b>Total Capital Plan</b>	<b>46,507</b>	<b>26,939</b>	<b>11,985</b>	<b>38,924</b>	<b>12,904</b>	<b>46,507</b>	<b>0</b>