

# 2015/16 Financial Position (Month 3)

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Date: Trust Board 6 August 2015

## Executive Summary

Trust Board Paper S

### Context

The Trust is planning for a deficit of £36.1m in 2015/16, including delivery of £43m of CIP.

This paper updates on the progress against this plan.

### Questions

1. What is the financial position compared to plan as at the end of June?
2. What are the drivers of this position?
3. What are the actions needed to support delivery of the planned deficit?

### Conclusion

1. As at the end of June, the net I&E position was a deficit of £16.7m, compared to a plan of £14.5m, an adverse position of £2.2m
2. The driver of this was pay, which is £2.3m overspent year to date; including additional theatre sessions, premium costs for cover of nursing vacancies and medical overspends
3. Forecasts and recovery plans have been further developed at Month 3. The Trust is forecasting to deliver the planned deficit

### Input Sought

We would like the Trust Board to **note** the issues to date and the actions being taken as well as welcome the Trust Board's input regarding whether actions taken are sufficient to address the identified issues.

# For Reference

Edit as appropriate:

1. The following **objectives** were considered when preparing this report:

Safe, high quality, patient centred healthcare	[Yes / <del>No</del> / <del>Not applicable</del> ]
Effective, integrated emergency care	[Yes / <del>No</del> / <del>Not applicable</del> ]
Consistently meeting national access standards	[Yes / <del>No</del> / <del>Not applicable</del> ]
Integrated care in partnership with others	[Yes / <del>No</del> / <del>Not applicable</del> ]
Enhanced delivery in research, innovation & ed'	[Yes / <del>No</del> / <del>Not applicable</del> ]
A caring, professional, engaged workforce	[Yes / <del>No</del> / <del>Not applicable</del> ]
Clinically sustainable services with excellent facilities	[Yes / <del>No</del> / <del>Not applicable</del> ]
Financially sustainable NHS organisation	[Yes / <del>No</del> / <del>Not applicable</del> ]
Enabled by excellent IM&T	[Yes / <del>No</del> / <del>Not applicable</del> ]

2. This matter relates to the following **governance** initiatives:

Organisational Risk Register	[Yes / No / <del>Not applicable</del> ]
Board Assurance Framework	[Yes / <del>No</del> / <del>Not applicable</del> ]

3. Related **Patient and Public Involvement** actions taken, or to be taken: Not applicable

4. Results of any **Equality Impact Assessment**, relating to this matter: Not applicable

5. Scheduled date for the **next paper** on this topic: 03/09/2015

6. Executive Summaries should not exceed **1 page**. [My paper does ~~/~~ ~~does not~~ comply]

7. Papers should not exceed **7 pages**. [My paper ~~does~~ ~~/~~ does not comply]

# UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

**REPORT TO: TRUST BOARD**

**DATE: 6<sup>TH</sup> AUGUST 2015**

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

**SUBJECT: 2015/16 FINANCIAL POSITION (MONTH 3)**

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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, risks and assumptions and makes recommendations for the relevant Directors.

## 2. KEY FINANCIAL DUTIES

2.1 The following table summarises the year to date (YTD) 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	(14.5)	(16.7)	A	(36.1)	(36.1)	G
Achieving the EFL	26.2	7.6	A	109.0	109.0	G
Achieving the CRL	7.3	4.4	A	106.4	106.4	G

2.2 We are permitted to underspend against the EFL. We are significantly underspent against the EFL plan due to a net increase in payables on the balance sheet which has reduced the requirement for external financing. We expect to achieve the full year EFL.

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

Better Payment Practice Code	April - June YTD 2015	
	Number	Value £000s
Total bills paid in the year	30,558	156,546
Total bills paid within target	20,051	131,049
Percentage of bills paid within target	66%	84%

### Key Issues

- In month adverse movement to plan of £0.7m and £2.2m YTD. Pay overspends and CIP slippage are the driver of this
- EBITDA is £0.7m adverse to plan in month and £2.4m adverse to plan YTD
- CIP delivery of £8.3m YTD, £0.8m worse than plan
- Key areas of pressures are in cover of nursing vacancies, additional theatre sessions and medical staffoverspends in all CMGs
- Capital spend YTD is £4.4m, with a further £10.4m committed via orders

### 3. FINANCIAL POSITION (MONTH3)

3.1 The Month 3 results may be summarised as follows and as detailed in Appendix 1:

	June 2015			April - June 2015		
	Plan £m	Actual £m	Var (Adv) / Fav £m	Plan £m	Actual £m	Var (Adv) / Fav £m
<b>Income</b>						
Patient income	61.1	61.3	0.3	178.0	178.2	0.1
Teaching, R&D	5.9	5.7	(0.2)	19.0	19.1	0.0
Other operating Income	3.8	3.8	0.0	9.5	9.4	(0.1)
<b>Total Income</b>	<b>70.8</b>	<b>70.9</b>	<b>0.1</b>	<b>206.6</b>	<b>206.6</b>	<b>0.0</b>
<b>Operating expenditure</b>						
Pay	(42.3)	(43.0)	(0.7)	(126.3)	(128.6)	(2.3)
Non-pay	(28.0)	(28.1)	(0.1)	(83.2)	(83.4)	(0.2)
<b>Total Operating Expenditure</b>	<b>(70.3)</b>	<b>(71.1)</b>	<b>(0.8)</b>	<b>(209.5)</b>	<b>(212.0)</b>	<b>(2.5)</b>
<b>EBITDA</b>	<b>0.5</b>	<b>(0.2)</b>	<b>(0.7)</b>	<b>(2.9)</b>	<b>(5.4)</b>	<b>(2.4)</b>
Net interest	(0.1)	(0.1)	(0.0)	(0.5)	(0.4)	0.1
Depreciation	(2.8)	(2.7)	0.1	(8.4)	(8.1)	0.2
Profit / (loss) of disposal of fixed asset	-	-	-	0.0	(0.0)	(0.0)
PDC dividend payable	(2.0)	(2.0)	-	(2.9)	(2.9)	-
<b>Net deficit</b>	<b>(4.4)</b>	<b>(5.1)</b>	<b>(0.7)</b>	<b>(14.6)</b>	<b>(16.8)</b>	<b>(2.1)</b>
<b>EBITDA %</b>		<b>-0.3%</b>			<b>-2.6%</b>	
Adjustments for donated assets	0.1	(0.0)	(0.1)	0.2	0.1	(0.1)
<b>RETAINED SURPLUS / (DEFICIT)</b>	<b>(4.3)</b>	<b>(5.1)</b>	<b>(0.7)</b>	<b>(14.5)</b>	<b>(16.7)</b>	<b>(2.2)</b>

3.2 In the month of June, the Trust delivered a deficit of £5.1m against a planned deficit of £4.3m, an adverse variance of £0.7m.

3.3 Year to date (YTD), the Trust has a deficit of £16.7m, £2.2m adverse to the £14.5m plan. Appendix 3 details this by CMG.

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

### 3.5 Income

Patient care income is £0.3m favourable to plan in month and £0.1m favourable to plan YTD. Key movements YTD can be summarised as follows:

- Emergency activity £0.5m above plan in month in ESM, £1.4m above plan YTD. ED is £0.2m above plan in month and £0.4m above plan year to date. Both of these are at 100% before adjustment for local agreement on marginal rates. The marginal rate adjustment is £0.5m in month and £1.1m year to date. Therefore, emergency work over-performance will be paid at £0.3m YTD
- Elective activity £0.4m below plan in month, £0.3m YTD. In month under-performance is in W&C, £0.2m, CHUGGS, £0.1m and ESM, £0.1m. This under-performance is new in month
- Outpatients £0.7m above plan in month, £0.6m above plan YTD. All CMGs are over-performing with the exception of CHUGGS
- Critical Care £0.1m below plan in month and £0.7m below plan YTD in ITAPS
- Renal activity £0.1m adverse to plan in month, £0.4m adverse to plan year to date primarily in transplantation
- A benefit of £0.5m compared to plan YTD for specialised activity marginal rate adjustment. Specialised activity is below plan YTD so the deduction for payment at 70% is less than planned for

Appendix 2 details the income position by point of delivery, including price and volume variances.

### 3.6 Pay

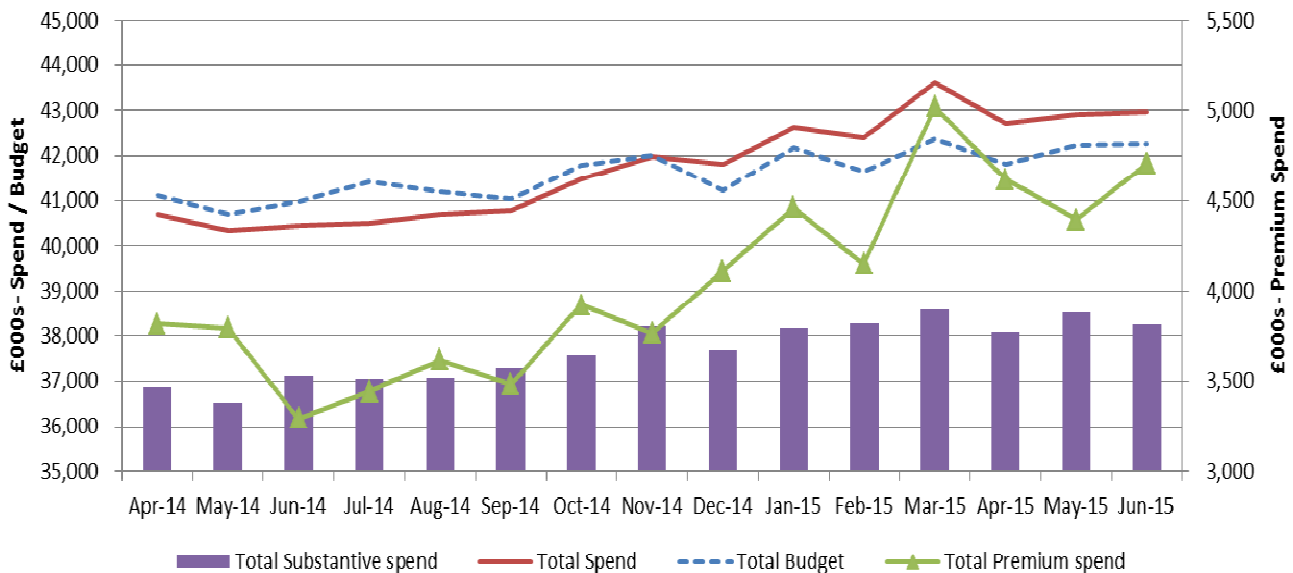
Pay costs are £0.7m adverse to plan in June and £2.3m adverse to plan YTD. This is the main driver of the Trust's overspend, in particular premium pay.

The total paybill compared to budget since April 2014 can be seen in the chart below, which shows the following:

- Total pay spend (solid line) has been in excess of budget (dashed line) since December 2014
- Pay spend is £2.5m higher in June 2015 than June 2014
- Substantive pay is £1m higher than a year ago (bars) but premium pay is not decreasing (triangled line) as substantive spend increases, it is in fact £1.4m higher than a year ago

In addition to the above, there are 427 more worked WTE in June 2015 compared to June 2014

## Pay spend (incl premium) and budget from April 2014



The variance to plan by staff group can be seen in the table below, including all premium costs. In month, the number of WTEs worked was 410 below the plan, a favourable volume variance of £1.5m. However, this was offset by the increased cost for the WTEs that were worked, leading to an adverse price variance of £2.1m. It is this price variance due to premium pay that is the driver of the overspend.

Pay Type	In Month £000s			YTD £000s			WTE			Price variance £000s	Volume Variance £000s
	Plan	Actual	Better / (worse)	Plan	Actual	Better / (worse)	Plan	Actual	Better / (worse)		
Non Clinical	6,334	6,130	204	18,650	18,378	272	2,482	2,496	(14)	241	(36)
Other Clinical	5,373	5,142	231	16,048	15,438	610	1,759	1,629	130	(166)	397
Medical & Dental	14,071	14,792	(720)	42,151	44,324	(2,173)	1,780	1,725	55	(1,153)	433
Nursing & Midwifery	16,488	16,895	(406)	49,480	50,449	(969)	5,650	5,410	240	(1,105)	699
<b>Total</b>	<b>42,267</b>	<b>42,958</b>	<b>(691)</b>	<b>126,329</b>	<b>128,589</b>	<b>(2,260)</b>	<b>11,671</b>	<b>11,261</b>	<b>410</b>	<b>(2,176)</b>	<b>1,485</b>

There are three main reasons for the overspend in month and year to date:

- Additional Theatre Sessions

In month, there were 200 additional theatre sessions provided (31 at weekends the remainder in week) at a cost of £0.3m; pay costs of £0.2m and non pay costs of £0.1m. In total, YTD additional theatre sessions above the plan are a cost of £0.6m.

The revised theatre model has now been agreed in all specialties.

Actions proposed are therefore:

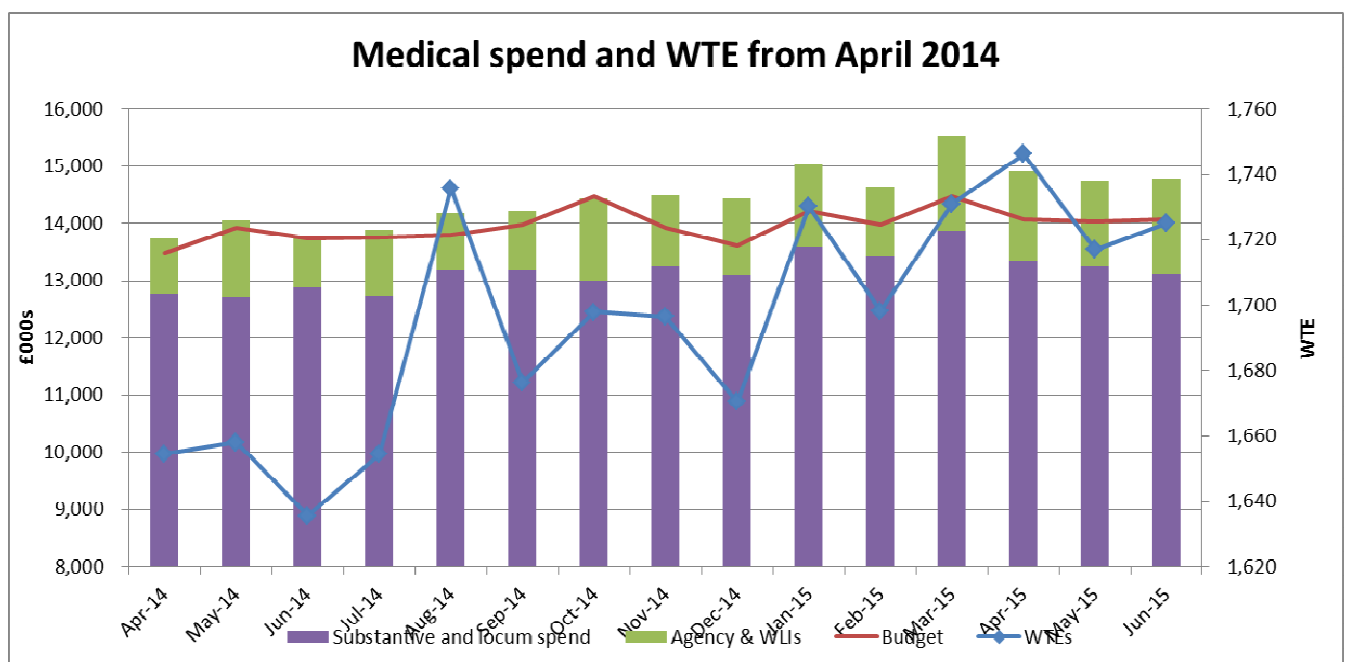
- Focus on reduction of WLIs and cancellations as an immediate reduction to costs incurred
- Ongoing review of sessions utilised, including in hours, to ensure theatre plan is managed with for the planned level of activity via the Theatres Board

• Medical Pay Overspends

In month, medical pay is overspent by £0.7m and by £2.2m YTD. All CMGs are overspent on medical staffing. Of this YTD overspend, £0.3m relates to additional sessions in theatres. All CMGs are overspent on medical staffing, but for different reasons.

Overspends YTD in CHUGGS (£0.2m), CSI (£0.1m), ESM (£0.5m) and RRC (£0.2m) are due to the cover of vacant junior grade and consultant posts (ESM) being covered by agency posts. Overspends in ITAPS (£0.3m) are due to additional theatre session cover. Overspends in MSS (£0.8m) are due in part to premium cover, £0.4m, and in part due to a non recurrent CIP within pay that has not delivered.

The chart below shows medical spend since April 2014, showing that £1m per month more is spent on medical staff compared to the same period last year. Spend increased in excess of budget from November 2014 as RTT activity intensified, but has not reduced since this time.



Actions proposed are therefore:

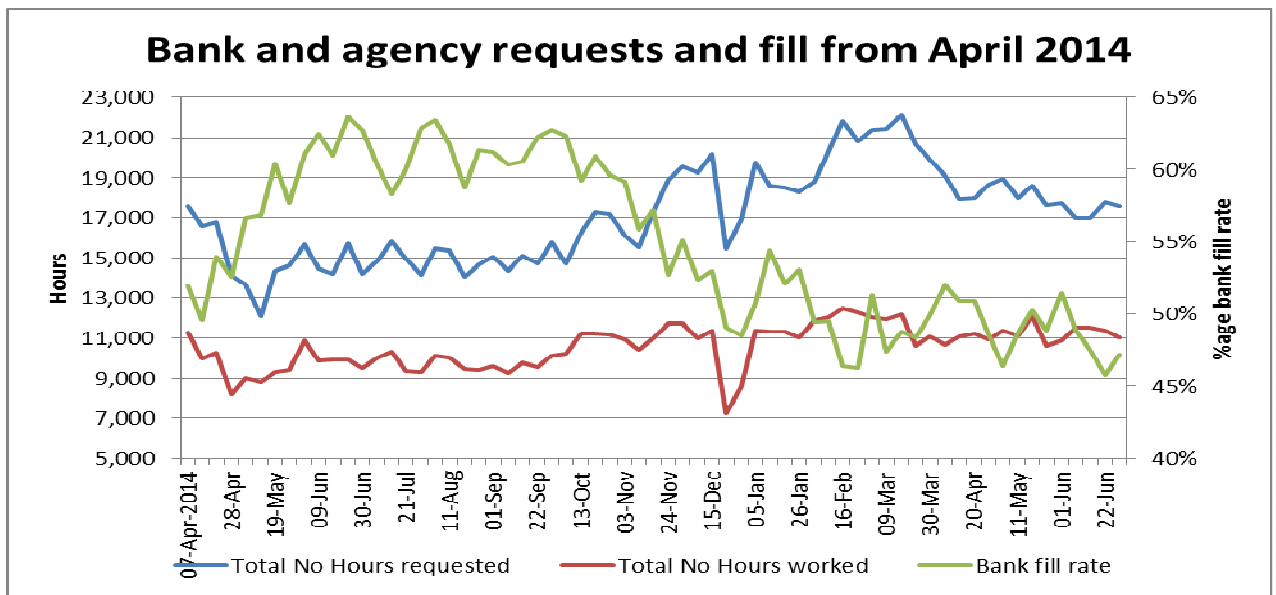
- As with theatre sessions, an aim to reduce WLTs and cancellations so reducing surgeon operating costs
- Ensure proactive recruitment for upcoming rotations, including possible over-recruitment to reduce reliance on premium cover
- Review of all medical gaps and cover arrangements
- Cover of Nursing Vacancies

Nursing is overspent in YTD by £1m, and in month by £0.4m, the worst month so far this year, although 240 less WTEs than budget were worked in month. The overspend YTD is broken down as follows:

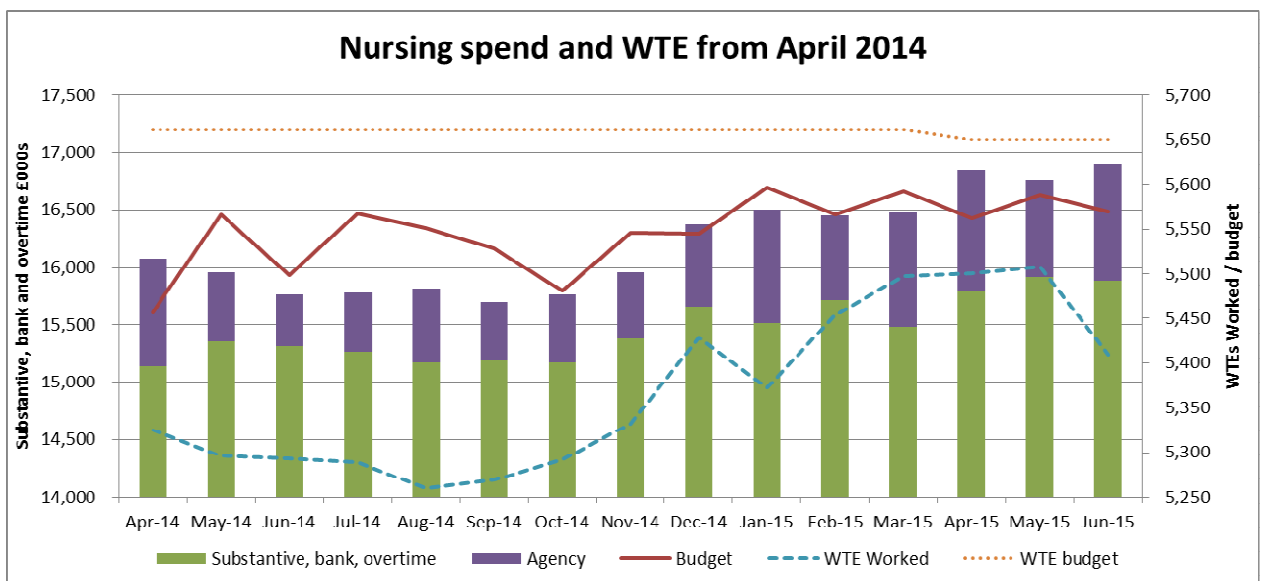
- Cover for vacancies - £0.7m – see below
- Additional theatre sessions (see above) - £0.25m
- Research costs – offset with income - £0.05m

Since investment in increased nursing ratios, spend on nursing has been steadily increasing as vacancies are recruited to. In 2014/15, vacancy rates were high and fill rate for bank and agency shifts was at 55%-60%. This meant that underspends on vacancies were sufficient to offset premium costs of cover. As recruitment has increased and reduction in beds has seen the removal of vacancies, there is no longer sufficient underspend on substantive vacancies to offset the premium costs of cover. This pressure materialises most significantly in ESM and CHUGGS, where nursing overspends are £0.5m and £0.2m YTD respectively.

The chart below demonstrates the requested hours of bank and agency as well as fill since April 2014. As can be seen, requests have always been higher than fill. It should also be noted that only 50% of the hours filled is via bank (approximately 150 WTE of the 300 WTE utilised per week), the remainder being filled by agency. The workforce workstream is looking at options as to how to increase bank fill and so reduce costs.



The chart below shows the nursing spend since April 2014 increasing in line with recruitment and investment in acuity. A total of 117 additional nurses worked in June 2015 compared to June 2014.



Actions proposed are therefore:



- Workforce workstream investigating options to make bank shifts more attractive and so increase fill from bank
- A focus on managing within the nursing budgets in addition to ensuring safe staffing levels on wards

The overspends in these three areas are offset by underspends on other clinical and non-clinical staffing.

### **3.7 Non Pay**

Operating non pay spend is £0.1m adverse to plan in month and £0.2m adverse to plan YTD.

Other nonpay overspends YTD relate to additional theatre sessions, £0.2m, Pathology, £0.2m, Imaging £0.2m, use of the independent sector in MSS, £0.5m and Prostheses, £0.2m. These overspends are offset by underspends on drugs of £0.8m and release of contingency to support the position.

### **3.8 Cost Improvement Programme**

Appendix 3 shows CIP performance YTD by area against the 2015/16 CIP plan. This currently shows under-delivery against plan of £0.8m YTD. Further detail is included within the CIP paper elsewhere on this agenda.

## **4. FORECAST**

- 4.1 All CMGs and Directorates have completed a full forecast and, where relevant, recovery plans. Detail on these recovery plans is within the Delivery of the 2015/16 Plan paper elsewhere on this agenda.
- 4.2 In summary, the Trust is forecasting to deliver the 2015/16 deficit plan. In addition, it is proposed that the Trust works towards a stretch target of £1m improvement; that is a £35.1m deficit. This has been requested by the NTDA in support of the national financial position, which is currently unaffordable. Further detail is included in the forecast paper.

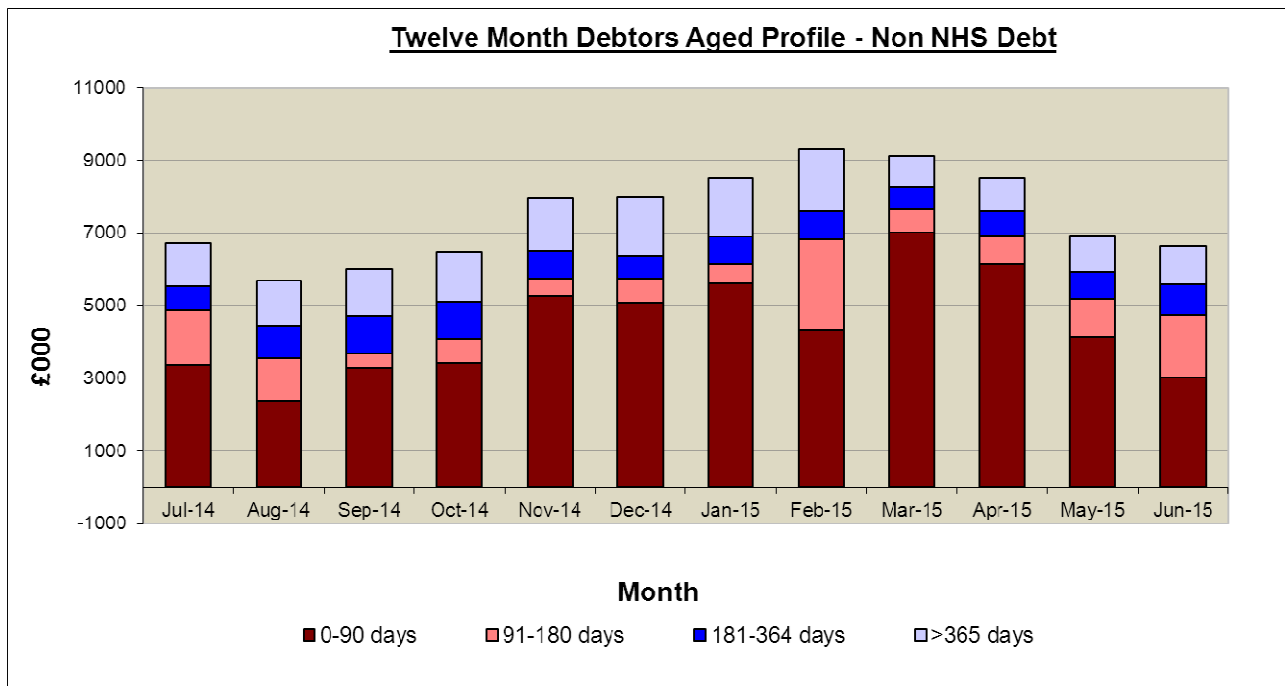
## **5. RESERVES**

- 5.1 The table below details the reserves holdings as well as current known commitments in year. The balance of reserves is £6.4m. Of this, £4.8m has been committed, including £1.7m YTD to support the position and a further £1m to support the position to year end. This leaves £1.9m uncommitted. If CMG positions improve further, we would look to replenish this reserve.

	<b>Opening balance £000s</b>
Inflation - Non Pay	700
Inflation - Pay	300
Contingency	4,060
Provisions for items agreed to be funded when incurred	1,374
<b>Reserves balance</b>	<b>6,434</b>
Commitments	
Inflation to support recovery plan	(1,000)
Released to support position YTD	(1,745)
Reserve committed to support year end position	(1,000)
Items committed to be funded when incurred	(769)
<b>Total Commitments at M3</b>	<b>(4,514)</b>
<b>Remaining reserve</b>	<b>1,920</b>

## 6. BALANCE SHEET AND CASHFLOW

6.1 The effect of the Trust's financial position on its balance sheet is provided in Appendix 4. The retained earnings reserve has reduced by our deficit for the year to date. The level of non-NHS debt has fluctuated across the last year as shown in the following table:



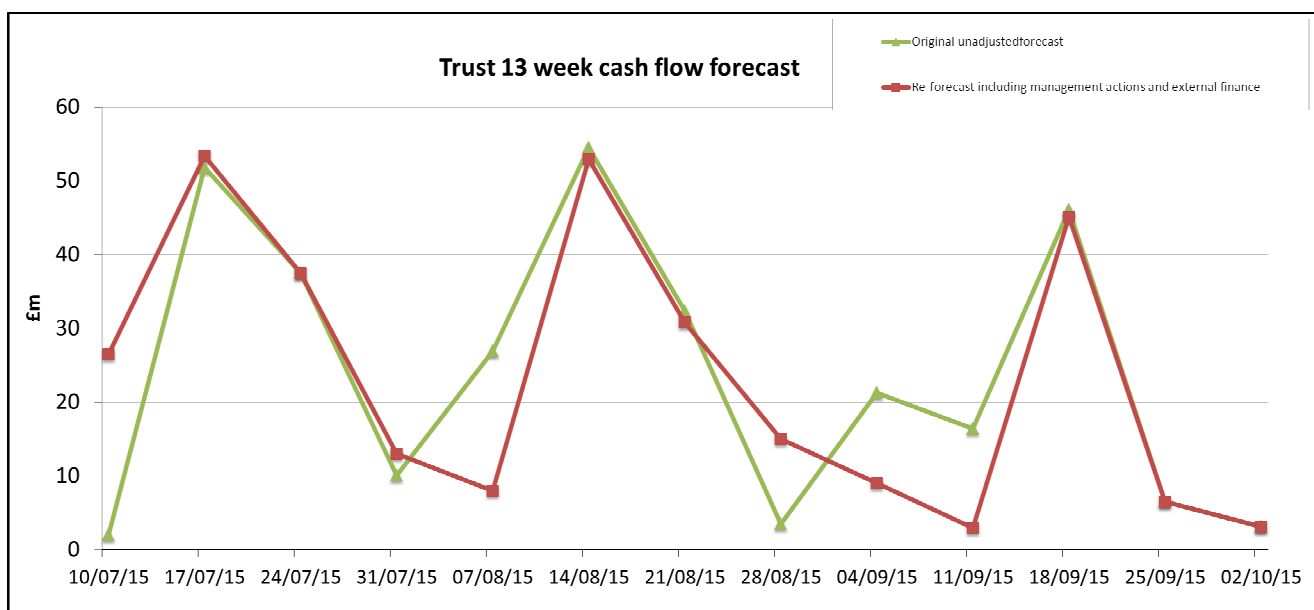
6.2 The overall level of non-NHS debt at the end of June decreased to £6.6m from £6.9m in May. Total debt over 90 days is £3.6m which is an increase of £2.8m from May. £1.1m of this increase is due to the ageing of an Asteral invoice for which we have a matching payable invoice and both of which will be cleared in July. £420k of the increase relates to several University of Leicester invoices which are disputed for technical and VAT reasons and we are working with the University to resolve these issues. The proportion of total debt over 90 days has increased from 40% to 54%.

6.3 The Better Payments Practice Code (BPPC) performance for June, shown in the table below, shows an improvement from May 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	30,558	156,546
Total bills paid within target	20,051	131,049
<b>Percentage of bills paid within target</b>	<b>66%</b>	<b>84%</b>
<b>Prior month YTD</b>		
Total bills paid in the year	19,685	97,606
Total bills paid within target	12,958	79,928
<b>Percentage of bills paid within target</b>	<b>66%</b>	<b>82%</b>

6.4 Our cashflow forecast is consistent with the income and expenditure position and our cash balance at the end of June was £16.3m which is £13.3m above plan of £3.0m. This difference is due to the fact that we are required to plan for a £3.0m month end balance although in reality we achieve this towards the middle of each month.

6.5 Our cash forecast for the next 13 weeks is shown in the graph below. This indicates that, with external financing, we will maintain our £3m minimum permissible cash balance.



6.6 The above graph includes £21.9m of external financing in the form of our Revolving Working Capital facility.

## 7. CAPITAL

7.1 The total capital expenditure at the end of June 2015 was £4.5m. This is an underspend of £7.5m against the year to date plan of £11.9m and we have achieved 38% of planned spend. The capital plan and expenditure can be seen in Appendix 5.

7.2 Outstanding orders totalled £10.4m at the end of June. The combined position is that we have spent or committed £14.9m, or 14% of the annual plan.

## 8. RISKS

8.1 Within the financial position, there are the following potential risks:

- **Premium pay spend** – continued spend in excess of £4m a month on premium pay is the largest financial risk to the Trust in delivery of the planned deficit

Mitigation: Detailed actions as per Section 4 to be undertaken, with further input from workforce workstream to support and accelerate

- **Managing within capacity (theatres and beds)** – there is a risk that the bottom up theatre capacity plan is not delivered within, meaning costs for premium sessions continue. In addition, there is a risk that we cannot manage within our bed capacity, either as a result of increased activity or increased ALOS

Mitigation: Final agreement of theatre plan now gained, and trading of additional sessions has commenced, which will be monitored and reviewed through the Theatre Programme Board. In addition, bed modelling has been undertaken to ensure correct capacity, particularly within ESM and is managed through the Bed Programme Board

- **Management of vacancies within nursing** – there is a risk that as nursing vacancies continue to be filled or bed capacity reduces, there is no corresponding reduction in agency spend until full recruitment is reached

Mitigation: Ongoing detailed review (weekly) of nursing agency requests in line with vacancies. In addition, active recruitment is ongoing

- **Medical pay position** - there is a risk that medical pay spend does not reduce in line with budget and presents a cost pressure for the remainder of the year

Mitigation: Medical pay spend is part of a focussed review in the workforce workstream. Managing within the agreed capacity plan will reduce costs. CMGs are taking a more proactive view of vacant junior posts for August and recruiting where possible

- **CIP delivery** – Under-delivery against the CIP target of £43m will risk delivery of the Trust's financial position

Mitigation: Ongoing monitoring of CIP through performance management structure, including full exception reporting and specific additional support in challenged areas

- **Delivery of activity levels and possible growth** – There is a risk that activity increases to such an extent that further additional cost is incurred in delivery. This is particularly a risk within emergency where there has been growth above plan in Quarter 1. Continued increase may impact on ability to maintain elective levels of activity

Mitigation: Work is ongoing as part of BCT to left shift activity where possible and to reduce emergency admissions. Activity is monitored routinely through the contract

- **Management of cash** – the deficit and the reconfiguration capital plan means that there is a need for significant borrowing. There is a risk that we do not access this borrowing in a timely way, leading to a shortage of cash

Mitigation: The Trust has agreed a Revolving Working Capital Facility with the DoH. Applications for loans will be made in a timely way on agreement of business cases.

The Trust is working closely with the NTDA to ensure that requirements are known and the correct process is followed

- **Unforeseen events** – The financial position could be at risk through additional costs incurred in response to unforeseen events

Mitigation: The Trust holds a small contingency

## 9. CONCLUSION

9.1 The Trust has reported to the NTDA a position that is £2.2m adverse to plan YTD. This is driven by pay overspends.

## 10. NEXT STEPS AND RECOMMENDATIONS

10.1 The Trust board is asked to:

- **Note** the financial performance at Month 3
- **Agree** the proposed actions
- **Note** the risks to the financial position

**Paul Traynor**  
**Director of Finance**

**6<sup>th</sup> August 2015**

	June 2015			April - June 2015		
	Plan	Actual	Variance (Adv) / Fav	Plan	Actual	Variance (Adv) / Fav
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Elective	6,168	5,749	(419)	17,656	17,359	(296)
Day Case	4,836	4,832	(4)	13,676	13,541	(135)
Emergency (incl MRET)	14,737	15,224	487	44,701	45,172	471
Outpatient	9,282	9,931	649	26,410	27,023	613
Penalties	0	0	0	0	0	0
Non NHS Patient Care	533	393	(140)	1,597	1,721	124
Resilience Funding	0	0	0			0
Other	25,513	25,194	(319)	73,999	73,350	(649)
<b>Patient Care Income</b>	<b>61,069</b>	<b>61,323</b>	<b>254</b>	<b>178,038</b>	<b>178,166</b>	<b>127</b>
Teaching, R&D income	5,885	5,696	(189)	19,042	19,065	23
Other operating Income	3,838	3,842	4	9,492	9,389	(103)
<b>Total Income</b>	<b>70,792</b>	<b>70,861</b>	<b>69</b>	<b>206,572</b>	<b>206,620</b>	<b>48</b>
<b>Pay Expenditure</b>	<b>(42,268)</b>	<b>(42,959)</b>	<b>(691)</b>	<b>(126,329)</b>	<b>(128,589)</b>	<b>(2,260)</b>
<b>Non Pay Expenditure</b>	<b>(28,039)</b>	<b>(28,136)</b>	<b>(97)</b>	<b>(83,173)</b>	<b>(83,381)</b>	<b>(208)</b>
<b>Total Operating Expenditure</b>	<b>(70,307)</b>	<b>(71,095)</b>	<b>(788)</b>	<b>(209,502)</b>	<b>(211,970)</b>	<b>(2,468)</b>
<b>EBITDA</b>	<b>485</b>	<b>(233)</b>	<b>(719)</b>	<b>(2,930)</b>	<b>(5,350)</b>	<b>(2,420)</b>
Interest Receivable	6	22	16	18	24	6
Interest Payable	(141)	(123)	18	(493)	(381)	112
Depreciation & Amortisation	(2,788)	(2,712)	76	(8,366)	(8,135)	231
<b>Surplus / (Deficit) Before Dividend and Disposal of Fixed Assets</b>	<b>(2,438)</b>	<b>(3,046)</b>	<b>(608)</b>	<b>(11,771)</b>	<b>(13,842)</b>	<b>(2,071)</b>
Profit / (Loss) on Disposal of Fixed Assets	0	0	0	(1)	(16)	(15)
Dividend Payable on PDC	(959)	(959)	0	(2,877)	(2,877)	0
<b>Net Surplus / (Deficit)</b>	<b>(3,397)</b>	<b>(4,005)</b>	<b>(608)</b>	<b>(14,649)</b>	<b>(16,734)</b>	<b>(2,085)</b>
Less Impairments	0	0	0	0	0	0
Adjustments in respect of donated assets	55	(20)	(75)	167	70	(97)
<b>RETAINED SURPLUS / (DEFICIT)</b>	<b>(3,342)</b>	<b>(4,025)</b>	<b>(683)</b>	<b>(14,482)</b>	<b>(16,664)</b>	<b>(2,182)</b>

**INCOME POSITION BY POINT OF DELIVERY AND PRICE AND VOLUME VARIANCES**

Case mix	Plan to Date (Activity)	Total YTD (Activity)	Variance YTD (Activity)	Variance YTD (Activity %)	Plan to Date (£000)	Total YTD (£000)	Variance YTD (£000)	Variance YTD (Activity %)
Day Case	23,747	24,043	296	1.25	13,676	13,541	(135)	(0.99)
Elective Inpatient	5,417	5,453	36	0.67	17,656	17,359	(296)	(1.68)
Emergency / Non-elective Inpatient	26,289	27,089	800	3.04	46,216	46,617	401	0.87
Marginal Rate Emergency Threshold (MRET)	0	0	0	0.00	(1,515)	(1,445)	70	(4.63)
Outpatient	218,076	217,225	(851)	(0.39)	26,410	27,023	613	2.32
Emergency Department	37,154	39,852	2,698	7.26	4,549	4,883	334	7.34
Penalties	0	0	0		0	0	0	
Other	2,158,424	2,081,395	(77,029)	(3.57)	71,047	70,187	(859)	(1.21)
<b>Grand Total</b>	<b>2,469,106</b>	<b>2,395,057</b>	<b>(74,049)</b>	<b>(3.00)</b>	<b>178,038</b>	<b>178,166</b>	<b>127</b>	<b>0.07</b>

Average tariff	Price Variance YTD %	Volume Variance YTD %	Price / Mix Variance (£000)	Volume Variance (£000)	Variance YTD (£000)
Day Case	(2.2)	1.2	(305)	171	(135)
Elective Inpatient	(2.3)	0.7	(414)	118	(296)
Emergency / Non-elective Inpatient	(2.1)	3.0	(1,006)	1,406	401
Marginal Rate Emergency Threshold (MRET)			70	0	70
Outpatient	2.7	(0.4)	716	(103)	613
Emergency Department	0.1	7.3	4	330	334
Penalties			0		0
Other			0	(859)	(859)
<b>Grand Total</b>	<b>3.2</b>	<b>(3.0)</b>	<b>(935)</b>	<b>1,062</b>	<b>127</b>

## Financial Performance by CMG & Corporate Directorate

### I&E and CIP – Jun 2015

	Year to Date					
	I&E			CIP		
	YTD Budget	YTD Actual	YTD Variance	YTD Plan	YTD Actual	YTD Variance
CMG / Directorate	£000s	£000s	£000s	£000s	£000s	£000s
<b>CMGs:</b>						
C.H.U.G.S	10,677	10,106	-571	1,041	979	-62
Clinical Support & Imaging	-8,886	-9,151	-265	1,267	1,361	94
Emergency & Specialist Med	5,435	5,330	-106	1,279	1,004	-275
I.T.A.P.S	-10,660	-11,275	-615	938	701	-237
Musculo & Specialist Surgery	9,145	7,172	-1,974	1,246	1,257	11
Renal, Respiratory & Cardiac	7,967	7,477	-490	1,285	1,030	-255
Womens & Childrens	10,081	9,527	-555	1,079	1,043	-36
	<b>23,760</b>	<b>19,184</b>	<b>-4,576</b>	<b>8,135</b>	<b>7,375</b>	<b>-760</b>
<b>Corporate:</b>						
	<b>-25,183</b>	<b>-25,239</b>	<b>-57</b>	<b>716</b>	<b>704</b>	<b>-12</b>
<b>Other:</b>						
Alliance Elective Care	-166	-140	26			0
R&D	63	64	0	250	250	0
Central	-12,957	-10,533	2,424		0	0
	<b>-13,059</b>	<b>-10,609</b>	<b>2,450</b>			
<b>Total</b>	<b>-14,482</b>	<b>-16,665</b>	<b>-2,182</b>	<b>9,101</b>	<b>8,329</b>	<b>-772</b>



## Balance Sheet

	Mar-15 £000's Actual	Apr-15 £000's Actual	May-15 £000's Actual	Jun-15 £000's Actual	Mar-16 £000's Forecast
<b>Non Current Assets</b>					
Property, plant and equipment	414,193	413,269	412,059	409,918	487,619
Intangible assets	10,134	9,854	9,573	10,761	7,350
Trade and other receivables	2,702	2,754	2,829	2,853	2,354
<b>TOTAL NON CURRENT ASSETS</b>	<b>427,029</b>	<b>425,877</b>	<b>424,461</b>	<b>423,532</b>	<b>497,323</b>
<b>Current Assets</b>					
Inventories	14,141	14,462	14,413	13,811	14,141
Trade and other receivables	35,292	25,650	34,813	31,009	26,292
Cash and cash equivalents	8,498	19,762	22,565	16,303	3,000
<b>TOTAL CURRENT ASSETS</b>	<b>57,931</b>	<b>59,874</b>	<b>71,791</b>	<b>61,123</b>	<b>43,433</b>
<b>Current Liabilities</b>					
Trade and other payables	(103,194)	(96,854)	(105,833)	(99,569)	(86,067)
Dividend payable	0	(959)	(1,918)	(2,877)	0
Borrowings / Finance Leases	(4,919)	(4,919)	(4,919)	(4,919)	(4,170)
Loan	(545)	(545)	(545)	(545)	(3,251)
Provisions for liabilities and charges	(820)	(820)	(820)	(820)	(567)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(108,933)</b>	<b>(104,097)</b>	<b>(114,035)</b>	<b>(108,730)</b>	<b>(94,055)</b>
<b>NET CURRENT ASSETS (LIABILITIES)</b>	<b>(51,002)</b>	<b>(44,223)</b>	<b>(42,244)</b>	<b>(47,607)</b>	<b>(50,622)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>376,027</b>	<b>381,654</b>	<b>382,217</b>	<b>375,925</b>	<b>446,701</b>
<b>Non Current Liabilities</b>					
Borrowings / Finance Leases	(6,869)	(6,945)	(6,887)	(6,958)	(8,427)
Other Liabilities / Loan	(11,455)	(22,540)	(28,571)	(28,625)	(76,125)
Provisions for liabilities and charges	(1,982)	(2,015)	(1,936)	(1,902)	(1,973)
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>(20,306)</b>	<b>(31,500)</b>	<b>(37,394)</b>	<b>(37,485)</b>	<b>(86,525)</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>355,721</b>	<b>350,154</b>	<b>344,823</b>	<b>338,440</b>	<b>360,176</b>
Public dividend capital	329,837	329,787	329,837	329,837	370,937
Revaluation reserve	107,356	107,355	107,356	107,354	107,356
Retained earnings	(82,017)	(86,988)	(92,370)	(98,751)	(118,117)
<b>TOTAL TAXPAYERS EQUITY</b>	<b>355,176</b>	<b>350,154</b>	<b>344,823</b>	<b>338,440</b>	<b>360,176</b>

## Capital Plan

University Hospitals of Leicester NHS Trust									
Capital Expenditure Report for the Period 1st April 2015 to 31st March 2016									
Scheme Name	CMG	UHL Approval	Funding Status	YTD Budget	YTD Spend: June	YTD Variance	Annual Budget	Annual Forecast	Variance
				£'000	£'000	£'000	£'000	£'000	£'000
<b>INTERNALLY FUNDED CAPITAL</b>									
<b>Estates &amp; Facilities</b>									
Facilities Sub-Group	UHL	N/A	Internal	110	714	(604)	5,355	5,355	0
MES Installation Costs	UHL	N/A	Internal	84	(213)	297	1,500	1,898	(398)
Aseptic Suite	CSI	Approved	Internal	0	1	(1)	440	440	0
Lloyds Pharmacy Extens	CSI	Approved	Internal	76	15	61	126	126	0
Theatre Recovery LRI	ITAPS	Approved	Internal	300	191	109	2,750	2,750	0
Life Studies Centre	W&C	Approved	Internal	230	27	203	850	850	0
<b>Sub-total: Estates &amp; Facilities</b>				<b>800</b>	<b>735</b>	<b>65</b>	<b>11,021</b>	<b>11,419</b>	<b>(398)</b>
<b>IM&amp;T Schemes</b>									
IM&T Sub-Group	UHL	N/A	Internal	1,264	1,252	12	4,000	4,000	0
LRI Managed Print	UHL	Under review	Internal	1,875	248	1,627	1,323	1,875	(552)
EDRM	UHL	Under review	Internal	527	34	493	3,000	3,000	0
Safecare Software Syste	UHL	Approved	Internal	0	0	0	58	58	0
Electronic Blood Tracki	CSI	Approved	Internal	0	13	(13)	996	996	0
Learning Mgt System	UHL	Approved	Internal	0	0	0	150	150	0
<b>Sub-total: IM&amp;T Schemes</b>				<b>3,666</b>	<b>1,547</b>	<b>2,119</b>	<b>9,527</b>	<b>10,079</b>	<b>(552)</b>
<b>Medical Equipment Schemes</b>									
Medical Equipment Exe	UHL	N/A	Internal	450	164	286	5,500	5,500	0
Linear Accelerators		Not Approved	Internal	0	0	0	3,300	3,300	0
<b>Sub-total: Medical Equipment</b>				<b>450</b>	<b>164</b>	<b>286</b>	<b>8,800</b>	<b>8,800</b>	<b>0</b>
<b>Reconfiguration Schemes</b>									
ICU Expansion	UHL	Not Approved	Internal	0	27	(27)	3,000	3,000	0
<b>Sub-total: Reconfiguration Schemes</b>				<b>0</b>	<b>27</b>	<b>(27)</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>
<b>Corporate / Other Schemes</b>									
Donations	UHL	N/A	Internal	75	87	(12)	300	300	0
LiA Schemes	UHL	Not Approved	Internal	5	44	(39)	250	250	0
Contingency	UHL	Not Approved	Internal	0	114	(114)	881	881	0
<b>Sub-total: Corporate / Other Schemes</b>				<b>80</b>	<b>245</b>	<b>(165)</b>	<b>1,431</b>	<b>1,431</b>	<b>0</b>
<b>Sub total: Internally funded capital expenditure</b>				<b>4,996</b>	<b>2,718</b>	<b>2,278</b>	<b>33,779</b>	<b>34,729</b>	<b>(950)</b>
<b>EXTERNALLY FUNDED CAPITAL</b>									
Emergency Floor	ESM	Approved	Not Approved	1,000	662	338	17,698	17,698	0
EPR Programme	UHL	Approved	Not Approved	4,070	(457)	4,527	24,441	24,441	0
Imaging GH	CSI	Not Approved	Not Approved	0	0	0	1,000	1,000	0
Theatres LRI	ITAPS	Not Approved	Not Approved	0	0	0	0	0	0
ICU interim solution & \	UHL	Not Approved	Not Approved	0	236	(236)	11,428	11,428	0
Multi-storey Car Park D	UHL	Not Approved	Not Approved	650	114	536	4,229	4,229	0
Treatment Centre	UHL	Not Approved	Not Approved	0	0	0	1,500	1,500	0
Wards / Beds LRI	UHL	Not Approved	Not Approved	0	21	(21)	0	0	0
Wards / Beds GH	UHL	Not Approved	Not Approved	0	0	0	4,400	4,400	0
Women's service	W&C	Not Approved	Not Approved	0	(50)	50	1,000	1,000	0
EMCH Interim Solution	W&C	Not Approved	Not Approved	0	0	0	1,925	1,925	0
Children's Hospital	W&C	Not Approved	Not Approved	0	0	0	300	300	0
<b>Sub total: Externally funded capital expenditure</b>				<b>5,720</b>	<b>526</b>	<b>5,194</b>	<b>67,921</b>	<b>67,921</b>	<b>0</b>
<b>FINANCE LEASE ADDITIONS</b>									
MES Finance Lease Additions				1,258	1,258	0	5,031	5,031	0
<b>GRAND TOTAL CAPITAL EXPENDITURE</b>				<b>11,974</b>	<b>4,502</b>	<b>7,472</b>	<b>106,731</b>	<b>107,681</b>	<b>(950)</b>