

2015/16 Financial Performance – December 2015

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Executive Summary

Context

The Trust is planning for a deficit of £34.1m in 2015/16 following a request from the NTDA to improve the deficit by £2m. In addition to the above, the Department of Health has issued guidance on the limits to nurse agency spend from Quarter 3 onwards.

Questions

1. What is our financial performance YTD?
2. What is our performance against the nurse agency ceiling guidance?
3. How will we deliver the planned deficit?
4. What are the risks to delivery?

Conclusion

1. YTD, the Trust has a deficit of £32.0m compared to a planned deficit of £30.1m, therefore we are £1.9m adverse to plan
2. From October onwards, we were required to measure performance against the qualified nurse agency ceiling. In December, our qualified nurse agency spend was 5.3% of total qualified nursing spend against a target of 4%. There was no use of off framework agencies
3. All CMGs and Directorates have agreed control totals that collectively deliver the planned deficit. This requires a reduction to the current run rate and actions are in place to support this. In addition, four CMGs require additional support in order to achieve their control totals
4. The most significant risks to delivery include the continuation of the current run rate, management of emergency activity over winter and settlement of income with commissioners.

Input Sought

1. **Note** the financial performance at Month 9
2. **Note** the mechanism for the delivery of the forecast
3. **Note** the risks to the delivery of the forecast

For Reference

Edit as appropriate:

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

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

2. This matter relates to the following governance initiatives:

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

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: 03/03/2016

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: 4TH FEBRUARY 2016

REPORT FROM: PAUL TRAYNOR – CHIEF FINANCIAL OFFICER

SUBJECT: 2015/16 FINANCIAL PERFORMANCE – DECEMBER 2016 (MONTH 9)

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 on actions.

1.3. The financial plan was re-submitted to the NTDA on 11th September 2015. All figures are reported compared to this revised plan.

2. KEY FINANCIAL DUTIES

2.1. The following table summarises the year to date (YTD) position as at the end of December and full year forecast against the financial duties of the Trust:

Financial Duty	Year to date Plan £m	Year to date Actual £m	RAG	Full Year Plan £m	Full Year Actual £m	RAG
Delivering the Planned Deficit	(30.1)	(32.0)	A	(34.1)	(34.1)	A
Achieving the EFL	37.7	28.5	A	49.2	49.2	A
Achieving the Capital Resource Limit	33.5	26.8	A	49.2	49.2	A

2.2 We are permitted to underspend against the EFL. We are 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 Key Statements

- In month adverse variance to plan of £0.2m but £2.2m adverse to plan on non-pay which is predominantly offset by income
- Year to date (YTD) adverse variance to plan of £1.9m, a deficit YTD of £32.0m
- In month marginal over-delivery on CIP resulting in a year to date CIP delivery position of £31.2m, £1.3m adverse to plan
- Capital spend YTD is £27.1m against a plan of £28.8m

3. FINANCIAL POSITION AS AT END OF DECEMBER 2015 COMPARED TO PLAN

3.1 In month, the Trust is reporting an I&E deficit of £1.0m (£1,049k) compared to an in month plan of £0.9m (£856k) deficit, so is £0.2m (£194k) adverse to plan in month. The key drivers to this performance are:

- Patient care income is above plan in December £2.0m. At the highest level this is primarily driven through 'pass through' income streams relating to the new 'front door' arrangements and over-performance within excluded drugs and devices. This is partially offset by an under-performance on elective and outpatient work.
- The under-performance within non-elective and elective activity is causing financial pressures within RRCV, MSS and Women's & Children's. Paediatric and Cardiology being impacted by significantly increased levels of cancelled operations
- The non-pay overspend relates to elective care outsourcing work with independent sector providers within Endoscopy (CHUGGS) and Orthopaedics (MSS), together with pass through drugs and devices offset with income (CHUGGS, W&C)
- CIP has seen a marginal over-delivery within the month against a planned level of £3.7m

3.2 The December performance saw improvements compared to November for all CMGs. However, the four CMGs below still require additional review and support as they are not achieving the performance necessary to meet their year-end control totals:

- RRCV - YTD adverse performance against plan of £1.56m. Lost income of £1.1m primarily from case mix variation (Thoracic surgery £0.22m and Respiratory Medicine £0.27m) together with a lack of referrals of £0.23m in Cardiac Surgery. The potential of a year-end agreement with specialised commissioners will mitigate this impact against the control total
- ESM – YTD adverse performance against plan of £3.98m. The in-month financial pressure for ESM is primarily related to a lower than planned level of emergency activity. Although these activity levels are significantly higher than prior year comparatives, they are lower than the CMG had planned for. Changes to the 'front door' are forecast to create significant cost pressures within the CMG and a review of these investments and associated income flows (i.e. Vanguard funds) will be required to ensure the CMG can achieve their control total
- Women's & Children's – YTD adverse performance against plan of £2.47m. The financial pressure for W&C is primarily related to lower than planned income coupled with cost pressures associated with additional staffing levels over and above planned levels. The potential year-end agreement with specialised commissioners will help to mitigate the variance
- MSS – YTD adverse performance against plan of £4.06m. The financial pressure for MSS is primarily related to lower than planned income, consultant availability and medical patient usage of beds and will continue to have an impact on performance. Mitigation strategies of delivering more activity within the same or smaller cost base are being explored

3.3 YTD, the Trust is reporting an I&E deficit of £32.0m compared to a plan of £30.1m, so is £1.9m adverse to the plan, as per Table 1. Also included is the forecast outturn.

3.4 Detail of the income and expenditure position can be seen in Appendix 1 along with the YTD position by CMG and Directorate in Appendix 2.

Table 1: Income & Expenditure Position

	December 2015			April - December 2015			Year End Forecast		
	Plan £m	Actual £m	Var (Adv) / Fav £m	Plan £m	Actual £m	Var (Adv) / Fav £m	Plan £m	Forecast £m	Var (Adv) / Fav £m
Income									
Patient income	62.7	64.7	2.0	549.9	551.1	1.2	736.6	744.1	7.5
Teaching, R&D	6.4	6.4	0.0	57.9	58.4	0.4	77.3	78.4	1.1
Other operating Income	3.3	2.6	(0.6)	28.6	29.0	0.4	38.5	40.8	2.3
Total Income	72.4	73.8	1.4	636.5	638.5	2.1	852.4	863.3	10.9
Operating expenditure									
Pay	(42.6)	(42.8)	(0.2)	(384.4)	(385.6)	(1.1)	(512.5)	(516.8)	(4.3)
Non-pay	(26.8)	(29.0)	(2.2)	(247.9)	(252.1)	(4.2)	(328.2)	(336.8)	(8.6)
Total Operating Expenditure	(69.4)	(71.8)	(2.4)	(632.3)	(637.7)	(5.3)	(840.8)	(853.6)	(12.9)
EBITDA	3.0	2.0	(1.0)	4.1	0.8	(3.3)	11.6	9.7	(2.0)
Net interest	(0.1)	(0.1)	0.0	(1.1)	(0.8)	0.3	(1.4)	(1.4)	(0.0)
Depreciation	(2.8)	(2.6)	0.2	(25.0)	(24.2)	0.8	(33.5)	(32.1)	1.3
Profit / (loss) of disposal of fixed asset	(0.0)	-	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)	-
PDC dividend payable	(1.0)	(0.4)	0.5	(8.6)	(8.1)	0.5	(11.5)	(10.6)	0.9
Net deficit	(0.9)	(1.1)	(0.2)	(30.6)	(32.3)	(1.7)	(34.8)	(34.5)	0.2
EBITDA %		2.7%			0.1%			1.1%	
Adjustments for donated assets	0.0	0.1	0.0	0.5	0.3	(0.2)	0.6	0.4	(0.2)
RETAINED SURPLUS / (DEFICIT)	(0.9)	(1.0)	(0.2)	(30.1)	(32.0)	(1.9)	(34.1)	(34.1)	0.0

3.5 The key year to date issues within this are:

- **Income**, £1.4m favourable to plan in month, £2.1m favourable to plan year to date
- **Pay costs**, £0.2m adverse to plan in month, £1.1m adverse to plan year to date
- **Non pay costs**, £2.2m adverse to plan in month, £4.2m adverse to plan year to date
- **Financing costs and donated assets adjustment**, £0.7m favourable to plan in month, £1.6m favourable to plan year to date.

3.6 The **in month** position may be analysed as follows:

Income

3.7 Patient care income is £2.0m favourable to plan in month. Notable items include:

- Elective inpatients adverse to plan (£0.5m)
- Outpatients adverse to plan (£0.1m)
- Bone Marrow Transplant favourable to plan (£0.3m)
- Unbundled HRGs favourable to plan (£0.4m)
- Income with offsetting expenditure, but favourable to plan:
 - New 'front door' arrangements (£0.4m)
 - Over-performance within excluded drugs and devices (£0.5m)
 - Other pass through income expenditure (£0.7m)

3.8 Table 2 details the activity and £s variances by point of delivery YTD.

Table 2: Activity and Income by Point of Delivery

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	74,628	74,578	(50)	(0.07)	42,428	42,408	(20)	(0.05)
Elective Inpatient	16,823	16,296	(527)	(3.13)	54,634	53,199	(1,435)	(2.63)
Emergency / Non-elective Inpatient	81,338	80,852	(486)	(0.60)	143,223	140,012	(3,211)	(2.24)
Marginal Rate Emergency Threshold (MRET)	0	0	0	0.00	(4,679)	(4,725)	(46)	0.98
Outpatient	677,769	668,784	(8,985)	(1.33)	83,109	83,274	165	0.20
Emergency Department	117,006	118,658	1,652	1.41	14,368	14,589	220	1.53
Penalties	0	0	0	0.00	0	0	0	0.00
Other	6,510,053	6,378,136	(131,917)	(2.03)	216,786	222,156	5,370	2.48
Grand Total	7,477,617	7,337,305	(140,313)	(1.88)	549,869	550,912	1,043	0.19

3.9 Table 3 below shows the current over-performance of patient care income by commissioner. This shows local CCG activity as significantly over plan offset with under-performance on the NHSE specialised contract.

Table 3: Income Position by Commissioner

	Plan to Date M9	Actual to Date M9	Variance to Date
LLR CCGs Acute Contract	£325.6m	£328.1m	£2.5m
NHSE Acute Contract	£166.8m	£164.1m	(£2.7m)
Other	£52.4m	£53.6m	£1.1m
Grand Total	£544.8m	£545.8m	£0.9m

3.10 Other income is £0.4m better than plan due to services provided to other Trusts, mainly recharges of staff and Pathology, £0.3m.

4. EXPENDITURE

4.1 Operating expenditure is £2.4m adverse to plan in month and £5.3m adverse to plan YTD.

4.2 Cost Improvement Programme

Table 4 below details the performance of the CIP programme compared to plan.

Overall, the Trust has delivered £3.9m of CIP within the month, so is on plan for December. With respect to the year to date position, the Trust has delivered £31.2m of the £32.5m plan so is £1.3m behind plan.

Table 4: CIP Performance Compared to Plan

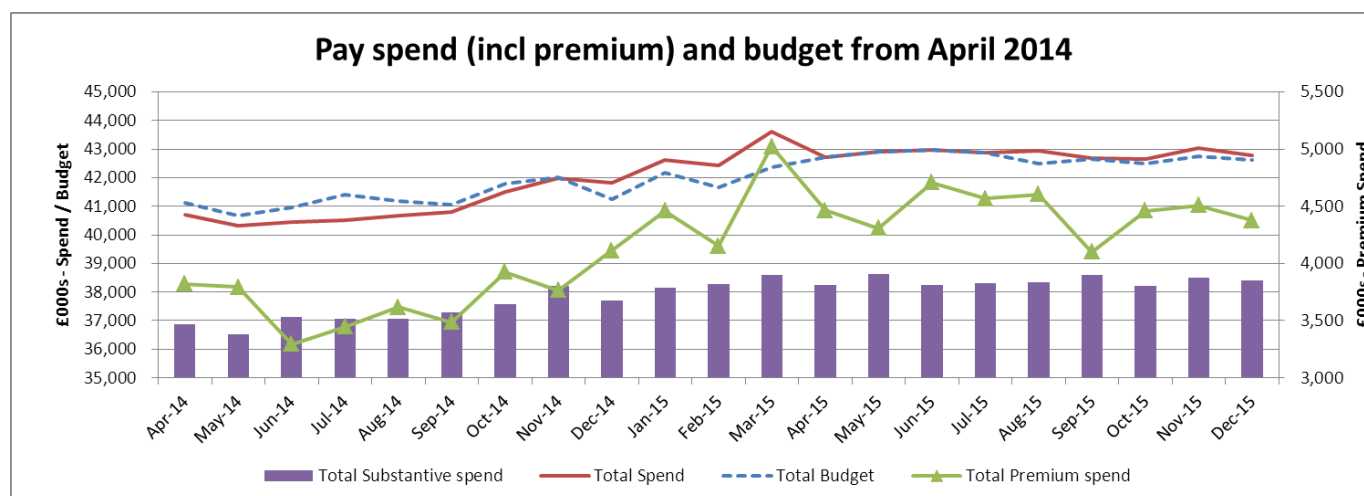
£000s	Month 9			YTD at Month 9			FOT		
	FYE of 1415 schemes	New 1516 schemes	Total	FYE of 1415 schemes	New 1516 schemes	Total	FYE of 1415 schemes	New 1516 schemes	Total
Plan	166	3,708	3,874	2,375	30,073	32,448	2,770	40,230	43,000
Actual	164	3,742	3,906	2,362	28,814	31,176	2,766	40,283	43,049
Variance	(2)	34	32	(13)	(1,259)	(1,272)	(4)	53	49

4.3 The specific CIP paper provides further detail on CIP performance.

Pay

- 4.4 Pay costs are £0.2m adverse to plan in month and £1.1m adverse to plan YTD.
- 4.5 Appendix 2 details this by CMG and Directorate with pay trends in Appendix 3.
- 4.6 The total pay bill compared to budget since April 2014 can be seen in Chart 1 below. This shows that premium pay spend has decreased from the previous month. The overall pay bill has decreased by £0.2m in month.
- 4.7 The overall pay bill is £1.1m higher than in December 2014, £0.7m in substantive staffing and £0.4m in premium staffing. There are 371 more worked WTE than one year ago, consisting of 4 WTE nurses, 167 WTE non-clinical staff, 110 WTE medical staff and 90 WTE other clinical staff.

Chart 1: Pay Bill Budget and Actuals



- 4.8 The variance to plan by staff group can be seen in Table 5 below for both in month and YTD, including all premium costs.
- 4.9 In December, the number of WTEs worked was 262 below the plan. This contributed to a favourable volume variance of £8.6m, with premium pay costs (covering vacancies) contributing to the adverse price variance of £9.7m.

Table 5: Pay Spend by Type

Pay Type	In Month £000s			YTD £000s			WTE			Price variance £000s	Volume Variance £000s	Annualised Planned average cost £000s	Annualised actual average cost £000s
	Plan	Actual	Better / (worse)	Plan	Actual	Better / (worse)	Plan	Actual	Better / (worse)				
Non Clinical	6,363	6,388	(25)	56,030	55,861	169	2,609	2,579	30	(476)	645	36.8	37.1
Other Clinical	5,188	5,426	(237)	46,580	47,320	(741)	1,762	1,707	55	(2,195)	1,455	45.3	47.5
Medical & Dental	14,466	14,110	356	131,908	132,084	(176)	1,779	1,781	(2)	(58)	(118)	127.1	127.2
Nursing & Midwifery	16,589	16,867	(278)	149,915	150,292	(377)	5,611	5,432	179	(5,158)	4,781	45.8	47.4
Total	42,606	42,791	(185)	384,433	385,558	(1,125)	11,761	11,498	262	(9,702)	8,578	56.0	57.5

- 4.10 Reasons for in month variances from plan are as follows:

Medical

Medical staffing adverse variations are in ESM £0.2m relating to UCC (for which there is income) and ED costs.

Non-Clinical

Pay spend is materially in line with plan.

Other Clinical

Other clinical overspend £0.2m.

Non Pay

4.11 Operating non pay spend is £2.2m adverse to plan in month and £4.2m adverse to plan YTD.

4.12 Overspends in month relate to a number of CMGs. The notable items include:

- CHUGGS £0.7m, with £0.5m offset with income (Cancer drugs Oncology £0.3m, Bone Marrow Transplants £0.1m, Medinet (independent sector endoscopy £0.1m) with further cost pressure arising from base line drugs (£0.1m) and pathology test (£0.1m)
- W&C £0.3m mostly offset with income (drugs and Pathology tests)
- ITAPS £0.3m mostly non recurrent including maintenance
- ESM £0.3m (Lakeside) offset by income
- Operations £0.3m (EY and emergency flow related initiatives)

4.13 Further detail on non-pay trends can be seen in Appendix 4.

5. DELIVERY OF THE 2015/16 PLAN

5.1 Delivery of the £34.1m deficit is predicated on delivery of control totals for each CMG and Corporate Directorate. As reported last month, these control totals have been set and can be seen in Table 6 below compared to the current year to date.

Table 6: Control Totals for CMGs and Directorates

Division	CMG's	YTD Control Total (Variance to Total) £000	Year End Control Total (Variance to Total) £000
Clinical Cmg'S	C.H.U.G.G.S	(2,066)	(1,985)
	Clinical Support & Imaging	(213)	250
	Emergency & Specialist Med	(3,662)	(3,534)
	I.T.A.P.S	(1,358)	(1,366)
	Musculo & Specialist Surgery	(3,932)	(2,948)
	Renal, Respiratory & Cardiac	(1,610)	296
	Womens & Childrens	(2,127)	598
Clinical Cmg'S Total		(14,968)	(8,689)
Corporate	Communications & Ext Relations	(2)	0
	Corporate & Legal	33	0
	Corporate Medical	202	842
	Facilities	819	499
	Finance & Procurement	(28)	51
	Human Resources	(2)	60
	Im&T	39	0
	Nursing	140	5
	Operations	(571)	0
Strategic Devt	(63)	44	
Corporate Total		568	1,500
Alliance		120	597
Research & Development		44	100
Central Division		12,526	6,492
Grand Total		(1,710)	0

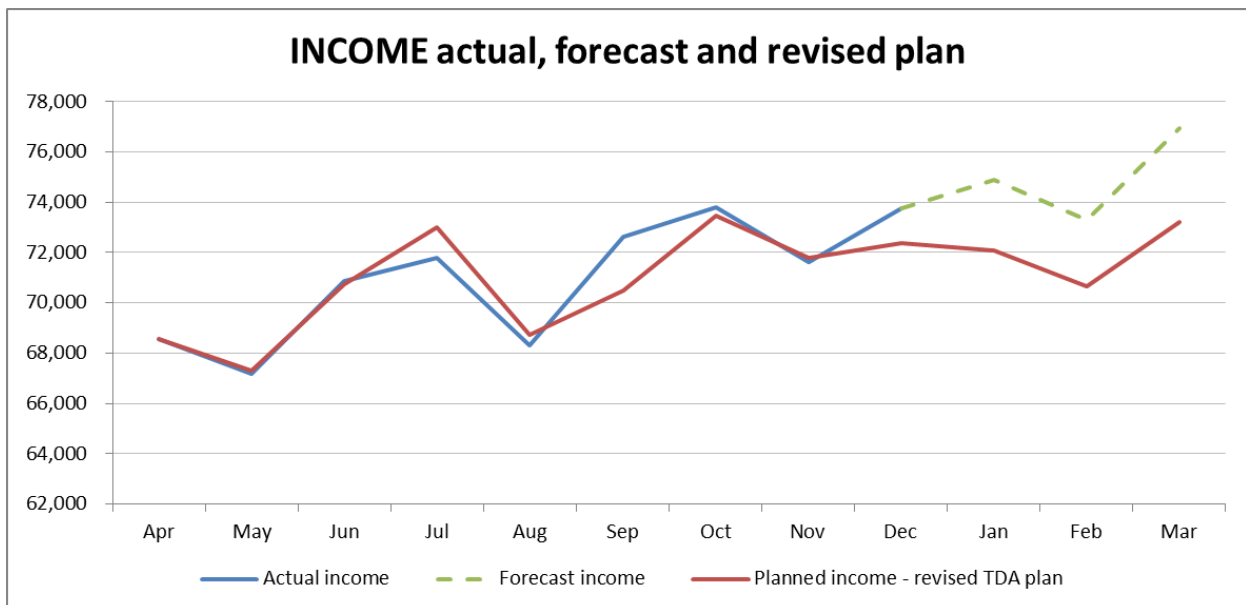
5.2 The control totals are challenging and there are four CMGs where there is particular concern regarding delivery; as highlighted in the Month 8 report, additional support is being given to ESM, MSS, RRCV and W&C towards delivery of their control totals. Section 3.2 details where CMGs will benefit from contractual settlements with commissioners in the final quarter of 2015/16.

5.3 The following sections detail the trend for income, pay, non-pay, I&E deficit and CIP. The graphs include the revised plan for the year, the actuals to Month 9 and the forecast for the remainder of the year. The revised plan reflects the plan submitted to the NTDA in September 2015 and therefore shows year to date adjustments being made in the month of September on the chart.

5.4 Income

Chart 2 shows income actuals for Months 1- 9 with the forecast against the revised plan for the year. Income is forecast to exceed plan towards year end as a result of additional activity, £3.9m, income for UCC and Lakeside, £2.4m (offset with costs), additional SIFT and other education monies from HEEM, £1.3m, and recognition of funds from the NHSLA for specific projects, £0.9m.

Chart 2: Income Actuals, Plan and Forecast

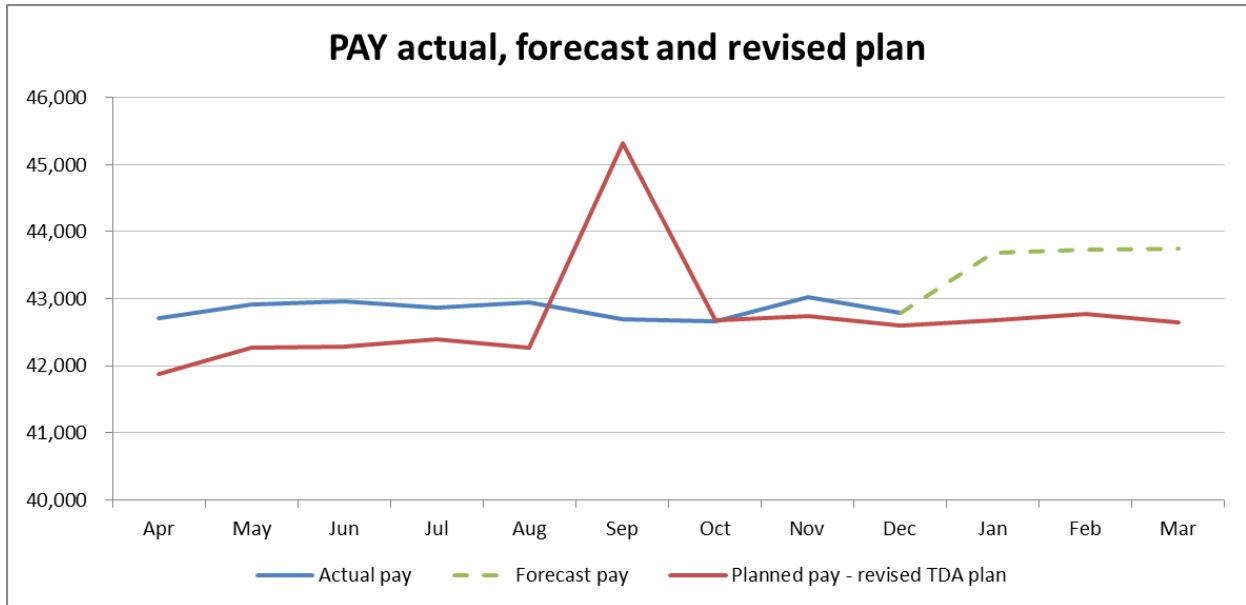


Note: The revised TDA plan (red line on chart) reflects the plan submitted to the TDA in September 2015 and therefore shows year to date adjustments being made in the month of September on the chart.

5.5 Pay

Chart 3 shows pay actuals for Months 1-9 with the forecast against the revised plan for the year. Increases in spend to the end of the year are related to medical and nursing spend, with premium spend remaining high to cover vacancies and support delivery of increased income. At year end, medical staffing is forecast to be £1.2m overspent, nursing £0.5m overspent, and non-clinical £0.6m overspent.

Chart 3: Pay Actuals, Plan and Forecast

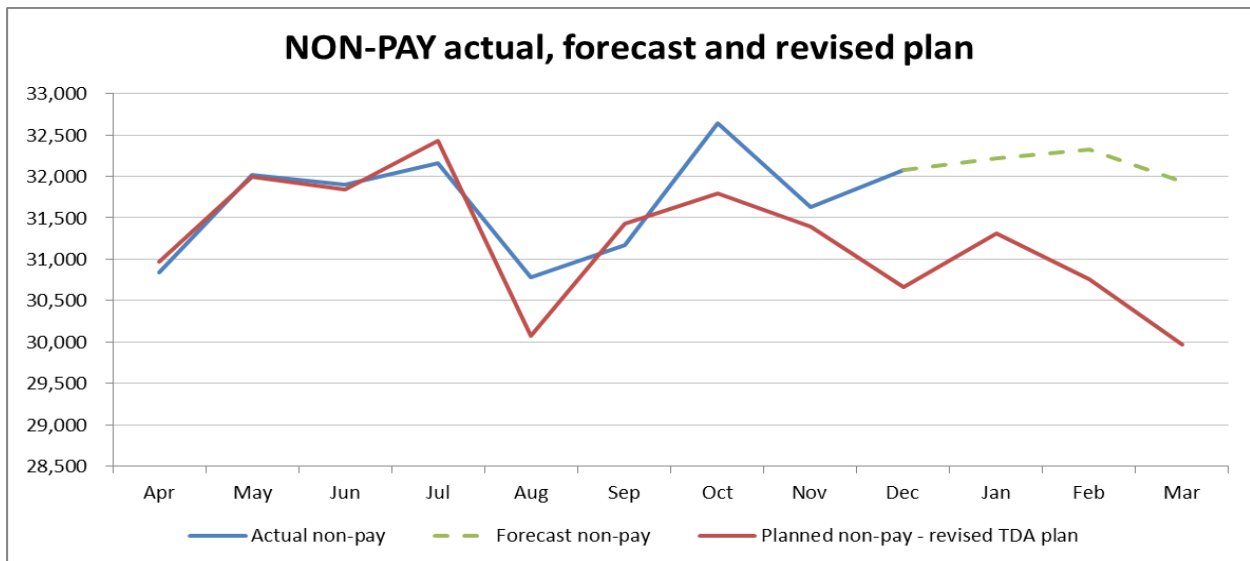


Note: The revised TDA plan (red line on chart) reflects the plan submitted to the TDA in September 2015 and therefore shows year to date adjustments being made in the month of September on the chart.

5.6 Non Pay

Chart 4 shows non pay actuals for Months 1-8 with the forecast against the revised plan for the year. Increased non pay costs for the UCC and Lakeside £2.4m and EY, £1.1m, together with costs for delivery of activity of £4.5m are offset with underspends on depreciation.

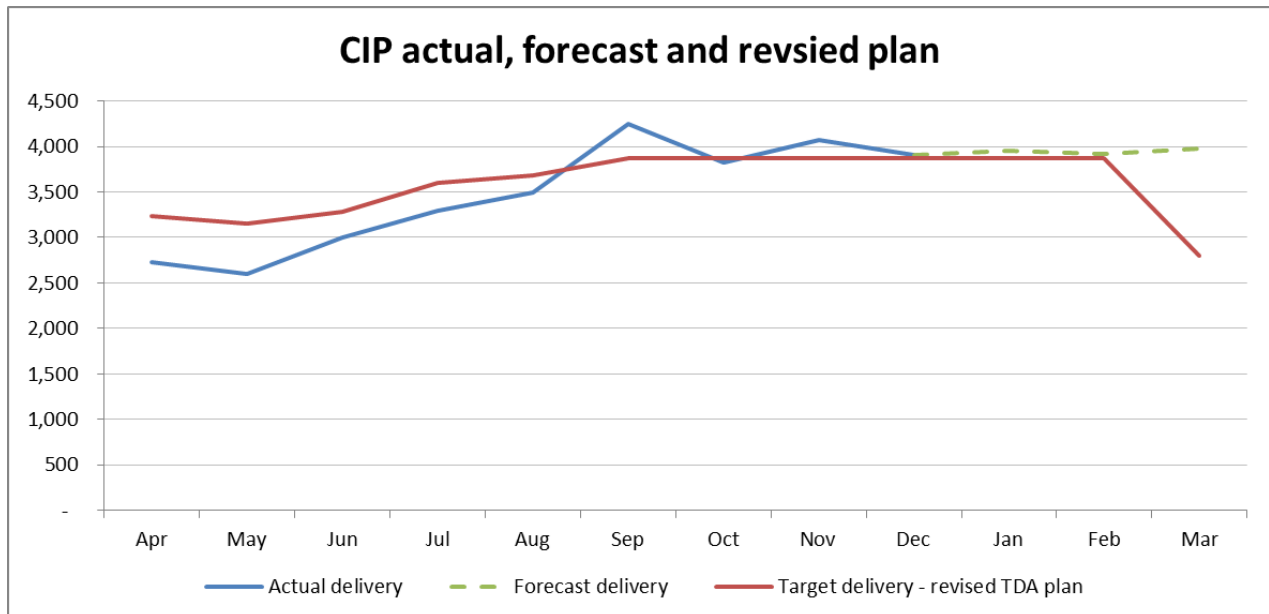
Chart 4: Non Pay Actuals, Plan and Forecast



5.7 CIP

In December, the programme delivered a marginal improvement against the planned amount of £3.9m. The year to date position is £31.2m against a planned amount of £32.4m, a (£1.3m) adverse variance to plan. As at 18th January, the Forecast Outturn (FOT) of the programme was £43.05m, an increase of £0.6m from the previous month.

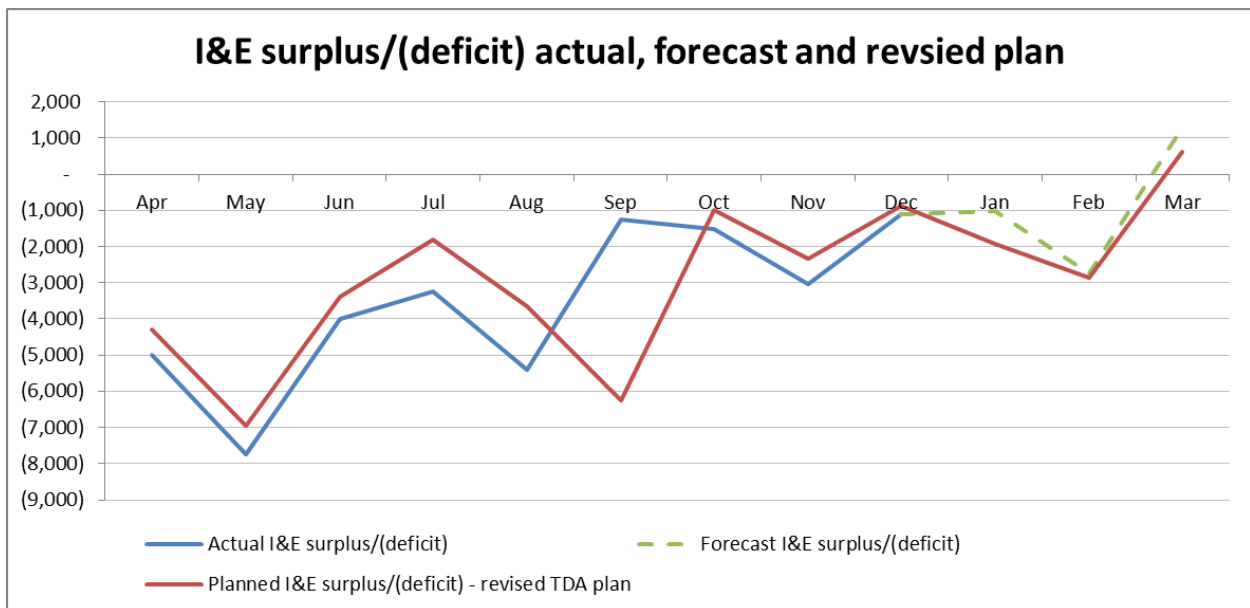
Chart 5: CIP Actuals, Plan and Forecast



Note: The revised TDA plan (red line on chart) reflects the plan submitted to the TDA in September 2015 and therefore shows year to date adjustments being made in the month of September on the chart.

5.8 Chart 6 details the overall I&E position for each month to year end, based on actuals from Months 1-9 and forecast against the revised plan for the year. This shows a forecast surplus in March.

Chart 6: I&E Surplus/(Deficit)



Note: The revised TDA plan (red line on chart) reflects the plan submitted to the TDA in September 2015 and therefore shows year to date adjustments being made in the month of September on the chart.

5.9 These are challenging control totals and, as described in previous papers, a number of financial recovery actions and control processes have been developed and put in place. Appendix 5 gives an update on progress against these actions that will assist the CMGs in delivering their recovery plans as well as supporting the delivery of the required improvement.

5.10 There are a number of risks within this forecast, these include the following:

5.10.1 Run Rate

To deliver the deficit plan of £34.1m, there is a need for a significant improvement in run rate, particularly within the CMGs. Control totals have been agreed with CMGs based on their forecast and actions that can be taken to support delivery. Income settlements are assumed within the forecast, as is the release of all reserves. There are no available funds for any new costs in year.

5.10.2 Proposed Pay Caps

The implementation of pay caps for bank and agency workers for all groups of staff should assist in reduction of run rate. There is a risk that these rates cannot be implemented in some areas because of patient safety concerns and consideration needs to be given to the best payment mechanisms in these areas.

5.10.3 Managing Winter Activity and Pressures

Continued increased emergency pressures could lead to additional premium costs not currently forecast to manage flow over winter. This could risk delivery of the planned deficit if additional funding is not found or further costs reduced elsewhere.

5.10.4 Managing Industrial Action

The planned Junior Doctors industrial action has impacted the Trust's financial position. Whilst negotiations continue, there is a risk of further action in the last quarter of 2015/16.

5.10.5 Commissioning Settlements

To deliver the planned deficit, commissioning settlements need to be as per the forecast. There is a risk of successful commissioner challenges to activity levels or price which may mean a reduction to income. There is also a risk that levels of activity are unaffordable to commissioners.

Discussions with commissioners have begun with regards to year end outturn to enable early sight to areas of pressures.

5.10.6 Additional Costs

There is no reserves funding remaining to offset any additional costs. These would need to be managed within the overall position.

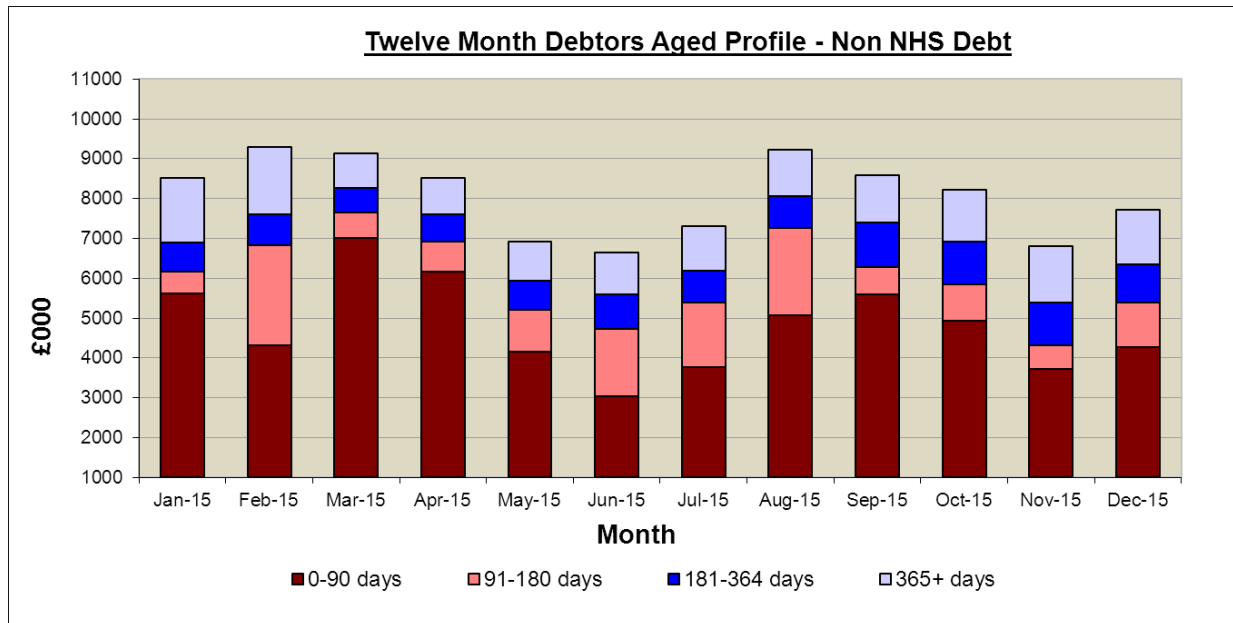
5.10.7 CIP Delivery

The forecast is predicated on the full delivery of the £43m CIP programme.

6. BALANCE SHEET AND CASHFLOW

- 6.1 The effect of the Trust's financial position on its balance sheet is provided in Appendix 6. 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 Chart 7.

Chart 7: Debtors Aged Profile

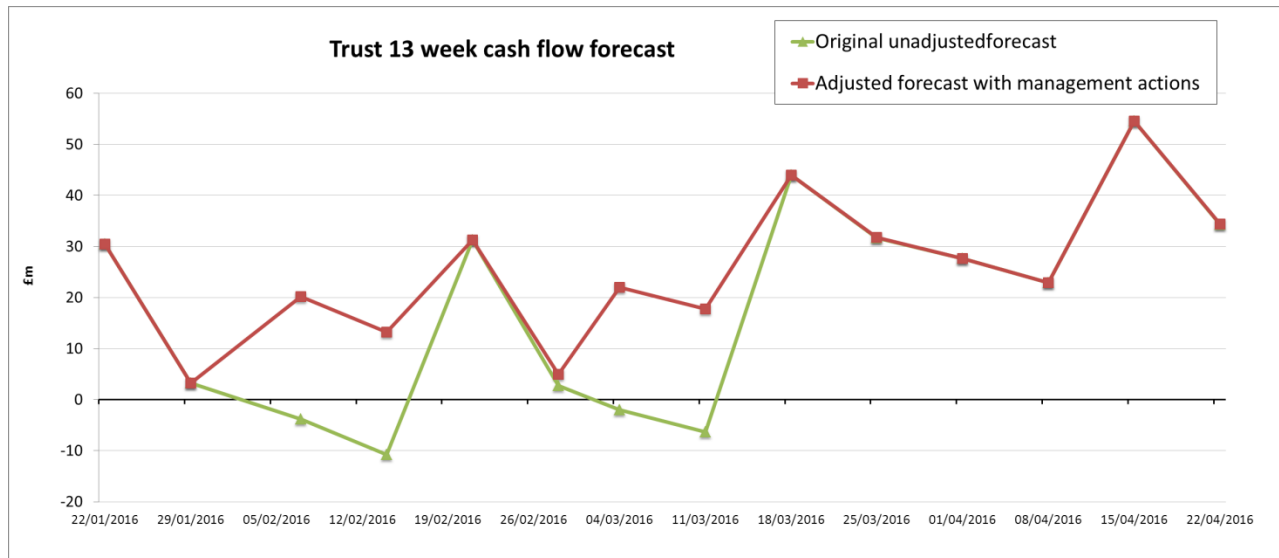


- 6.2 The overall level of non-NHS debt at the end of December increased to £7.7m from £6.8m in November. Total debt over 90 days is £3.5m which is an increase of £0.4m from November. The proportion of total debt over 90 days has been maintained at 45%.
- 6.3 The Trust's Better Payments Practice Code (BPPC) performance has deteriorated slightly in December, as shown in the table below:

	By Volume Number	By Value £000s
Current Month YTD		
Total bills paid in the year	97,815	476,277
Total bills paid within target	70,370	396,110
Percentage of bills paid within target	72%	83%
Prior month YTD		
Total bills paid in the year	89,208	428,018
Total bills paid within target	66,542	360,531
Percentage of bills paid within target	75%	84%

- 6.4 The cash balance at the end of December was £8.1m which is £5.1m above plan of £3.0m. This difference is due to timing differences on the receipts of income.
- 6.5 The cash forecast for the next 13 weeks is shown in Chart 8. This indicates that, with external financing, the Trust will maintain the £3m minimum permissible cash balance.

Chart 8: 13 Week Forecast



6.6 At the end of December, the Trust had drawn down £32.3m of external financing in the form of Interim Revolving Working Capital (IRWC) facility. On 11th January 2016, the Trust drew down a £34.1m Interim Revenue Support Loan following Trust Board approval of the loan application and consequent approval by the Department of Health (DoH). This has a 1.5% interest rate compared to the £3.5% rate for the IRWC and this is forecast to save the Trust £168k in interest charges this year.

6.7 Although there are no further revenue financing options to draw down, the Trust will draw down £10m of Interim Capital Support Loan relating to the emergency floor capital programme in February and March.

7. CAPITAL

7.1 The total capital expenditure at the end of December 2015 was £27.1m. This is an underspend of £1.7m against the year to date plan of £28.8m and the Trust has achieved 94% of planned spend to date.

7.2 The spend for the full year is limited by our Capital Resource Limit (CRL) of £49.2m plus £0.3m of donated assets, which gives the full capital plan of £49.5m shown in Appendix 7.

7.3 Outstanding orders totalled £43.8m at the end of December and expenditure against these orders will be incurred during the remainder of 2015/16 and into 2016/17. Therefore, the Trust has spent or committed 100% of the annual plan and Appendix 7 shows the total forecast outturn of £49.5m.

7.4 £5.7m of this relates to the MES finance lease, which are funded through revenue cash and for which the Trust will automatically receive CRL cover. The remaining capital expenditure therefore totals £43.8m.

8. CONCLUSION AND RECOMMENDATIONS

8.1 The Trust is reporting an I&E deficit of £32.0m at the end of December. This is a position that is £1.9m adverse to plan year to date but we remain committed to delivering the year end control total and forecast of £34.1m.

Recommendations:

- **Note** the financial performance at Month 9
- **Note** the mechanism for the delivery of the forecast
- **Note** performance against control totals for CMGs and Directorates
- **Note** the risks to the delivery of the forecast

Paul Traynor
Chief Financial Officer

4th February 2016

APPENDIX 1 – FINANCIAL POSITION IN MONTH AND YEAR TO DATE

Income and Expenditure Account for the Period Ended 31st December 2015

	December 2015			April - December 2015		
	Plan	Actual	Variance (Adv) / Fav	Plan	Actual	Variance (Adv) / Fav
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Elective	6,096	5,308	(787)	54,634	53,199	(1,435)
Day Case	4,705	4,780	75	42,428	42,408	(20)
Emergency (incl MRET and local adj)	18,129	16,006	(2,123)	138,544	135,286	(3,257)
Outpatient	8,996	9,029	34	83,109	83,274	165
Non NHS Patient Care	657	319	(338)	5,510	4,916	(594)
Other	24,097	29,255	5,159	225,645	232,028	6,384
Patient Care Income	62,679	64,698	2,019	549,869	551,112	1,243
Teaching, R&D income	3,588	3,701	113	57,946	58,391	445
Other operating Income	6,114	5,365	(749)	28,638	29,007	369
Total Income	72,381	73,764	1,383	636,453	638,510	2,056
Pay Expenditure	(42,606)	(42,791)	(185)	(384,433)	(385,558)	(1,125)
Non Pay Expenditure	(26,760)	(28,961)	(2,201)	(247,882)	(252,103)	(4,221)
Total Operating Expenditure	(69,366)	(71,752)	(2,385)	(632,315)	(637,661)	(5,346)
EBITDA	3,015	2,012	(1,003)	4,138	849	(3,289)
Interest Receivable	7	0	(7)	64	56	(8)
Interest Payable	(124)	(86)	38	(1,123)	(840)	283
Depreciation & Amortisation	(2,821)	(2,597)	224	(25,003)	(24,218)	785
Surplus / (Deficit) Before Dividend and Disposal of Fixed Assets	77	(671)	(748)	(21,924)	(24,153)	(2,229)
Profit / (Loss) on Disposal of Fixed Assets	(0)	0	0	(17)	(10)	7
Dividend Payable on PDC	(959)	(429)	530	(8,631)	(8,104)	527
Net Surplus / (Deficit)	(882)	(1,100)	(218)	(30,573)	(32,267)	(1,694)
Adjustments in respect of donated assets	27	51	24	465	255	(209)
RETAINED SURPLUS / (DEFICIT)	(856)	(1,049)	(194)	(30,108)	(32,011)	(1,904)

APPENDIX 2 – YTD FINANCIAL PERFORMANCE BY CMG AND DIRECTORATE COMPARED TO PLAN

Division	CMG's	Income			Pay			Non Pay			TOTAL		
		Plan £000s	Actual £000s	Better / (worse) than plan £000s	Plan £000s	Actual £000s	Better / (worse) than plan £000s	Plan £000s	Actual £000s	Better / (worse) than plan £000s	Plan £000s	Actual £000s	Better / (worse) than plan £000s
Clinical Cmg'S	C.H.U.G.S	106,221	108,160	1,939	(37,456)	(38,456)	(1,000)	(34,642)	(37,625)	(2,983)	34,123	32,079	(2,044)
	Clinical Support & Imaging	32,988	33,087	100	(55,343)	(55,658)	(314)	(3,844)	(3,683)	161	(26,200)	(26,253)	(54)
	Emergency & Specialist Med	109,872	110,180	307	(56,229)	(60,101)	(3,872)	(33,338)	(33,756)	(418)	20,305	16,322	(3,983)
	I.T.A.P.S	28,457	28,637	180	(43,436)	(44,105)	(669)	(15,635)	(16,311)	(676)	(30,615)	(31,780)	(1,166)
	Musculo & Specialist Surgery	77,029	76,267	(762)	(35,157)	(36,076)	(919)	(14,476)	(16,850)	(2,374)	27,396	23,341	(4,055)
	Renal, Respiratory & Cardiac	114,858	113,425	(1,433)	(49,883)	(49,735)	148	(36,955)	(37,233)	(278)	28,020	26,457	(1,563)
	Womens & Childrens	108,862	107,344	(1,518)	(57,367)	(57,790)	(423)	(19,509)	(20,040)	(531)	31,986	29,514	(2,472)
Clinical Cmg'S Total		578,287	577,099	(1,188)	(334,871)	(341,922)	(7,051)	(158,400)	(165,498)	(7,098)	85,017	69,680	(15,337)
Corporate	Communications & Ext Relations	37	40	3	(477)	(480)	(3)	(59)	(62)	(3)	(499)	(502)	(3)
	Corporate & Legal	0	0	0	(1,741)	(1,719)	22	(887)	(875)	11	(2,628)	(2,595)	33
	Corporate Medical	2,445	2,515	70	(4,247)	(4,154)	93	(9,151)	(9,113)	37	(10,953)	(10,753)	200
	Facilities	10,352	9,801	(550)	(1,100)	(1,119)	(19)	(38,670)	(37,675)	995	(29,418)	(28,992)	426
	Finance & Procurement	38	164	126	(3,680)	(3,631)	49	(1,676)	(1,865)	(189)	(5,318)	(5,333)	(15)
	Human Resources	1,181	1,199	17	(4,078)	(4,117)	(39)	(1,101)	(1,028)	74	(3,998)	(3,946)	52
	Im&T	91	137	46	(745)	(595)	151	(7,712)	(7,973)	(260)	(8,367)	(8,430)	(63)
	Nursing	1,521	1,553	32	(4,741)	(4,629)	111	(653)	(658)	(5)	(3,873)	(3,735)	138
	Operations	2	109	107	(4,980)	(5,268)	(288)	(2,853)	(3,635)	(782)	(7,831)	(8,794)	(963)
	Strategic Devt	0	4	4	(687)	(529)	158	(144)	(430)	(287)	(830)	(955)	(125)
Corporate Total		15,666	15,522	(144)	(26,476)	(26,241)	235	(62,905)	(63,315)	(410)	(73,715)	(74,034)	(319)
Alliance Total		17,336	17,186	(150)	(7,772)	(7,804)	(32)	(9,535)	(9,122)	413	28	260	232
Research & Development Total		26,997	27,383	387	(9,976)	(10,387)	(412)	(16,827)	(16,759)	68	194	237	43
Central Division Total		(1,833)	1,320	3,152	(5,338)	796	6,134	(34,926)	(30,525)	4,401	(42,096)	(28,409)	13,687
Grand Total		636,453	638,510	2,056	(384,433)	(385,558)	(1,125)	(282,593)	(285,219)	(2,626)	(30,573)	(32,267)	(1,694)

APPENDIX 3 – PAY TRENDS

Division	CMG's	Actuals Jan	Actuals Feb	Actuals Mar	Actuals Apr	Actuals May	Actuals Jun	Actuals Jul	Actuals Aug	Actuals Sept	Actuals Oct	Actuals Nov	Actuals Dec	YTD 2014/15	YTD 2015/16	Decrease / (increase)
		2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's			
Clinical Cmg'S	C.H.U.G.S	4,030	4,107	3,985	4,197	4,187	4,345	4,284	4,315	4,322	4,319	4,271	£4,236	36,617	38,476	(1,860)
	Clinical Support & Imaging	6,137	6,138	6,418	6,129	6,216	6,174	6,416	6,092	6,044	6,202	6,210	£6,175	54,534	55,658	(1,124)
	Emergency & Specialist Med	6,636	6,511	6,449	6,594	6,763	6,678	6,555	6,703	6,521	6,501	6,917	6,870	55,882	60,101	(4,219)
	I.T.A.P.S	4,939	4,911	4,994	5,023	5,041	4,575	4,782	4,916	5,084	5,138	4,745	4,801	42,397	44,105	(1,708)
	Musculo & Specialist Surgery	4,284	4,158	4,175	4,082	3,949	4,211	4,111	4,010	3,909	3,890	4,040	3,932	36,323	36,134	189
	Renal, Respiratory & Cardiac	5,369	5,366	5,202	5,612	5,605	5,556	5,449	5,482	5,415	5,608	5,376	5,615	45,362	49,717	(4,355)
	Womens & Childrens	6,377	6,532	6,915	6,386	6,382	6,561	6,485	6,408	6,334	6,260	6,424	6,551	55,608	57,790	(2,182)
Clinical Cmg'S Total		37,771	37,723	38,137	38,023	38,142	38,100	38,082	37,926	37,629	37,917	37,983	38,179	326,722	341,982	(15,259)
Corporate	Communications & Ext Relations	51	53	52	53	53	52	52	49	54	56	52	57	426	480	(54)
	Corporate & Legal	190	186	185	184	187	191	189	191	201	191	191	195	1,741	1,719	22
	Corporate Medical	355	350	369	457	448	461	491	446	448	461	483	485	2,939	4,181	(1,241)
	Facilities	107	101	119	100	130	105	128	155	123	98	132	148	887	1,119	(232)
	Finance & Procurement	349	386	422	390	395	405	399	400	410	425	427	381	3,312	3,631	(319)
	Human Resources	440	446	450	454	462	453	450	459	457	444	464	473	3,977	4,117	(140)
	Im&T	60	64	102	52	63	47	63	59	69	76	59	80	572	568	4
	Nursing	669	671	650	506	489	508	502	501	535	521	534	534	5,613	4,629	984
	Operations	519	514	637	526	563	593	598	586	524	644	587	646	3,294	5,268	(1,974)
Strategic Devt	45	63	38	45	75	38	67	77	(36)	136	60	68	1,350	529	821	
Corporate Total		2,785	2,833	3,024	2,766	2,866	2,854	2,939	2,924	2,785	3,051	2,988	3,068	24,112	26,241	(2,129)
Alliance Total		826	813	809	824	849	843	878	796	844	941	991	837	7,226	7,804	(578)
Research & Development Total		1,243	983	1,038	1,089	1,063	1,167	1,068	1,104	1,238	1,214	1,213	1,230	9,696	10,387	(691)
Central Division Total		(2)	67	603	9	(1)	(6)	(105)	191	197	(465)	(153)	(524)	953	(856)	1,809
Grand Total		42,622	42,420	43,611	42,711	42,919	42,958	42,862	42,942	42,694	42,659	43,022	42,791	368,709	385,558	(16,849)

APPENDIX 4 – NON PAY TRENDS

Division	CMG's	Actuals Jan	Actuals Feb	Actuals Mar	Actuals Apr	Actuals	Actuals Jun	Actuals Jul	Actuals Aug	Actuals	Actuals Oct	Actuals Nov	Actuals Dec	YTD	YTD	Decrease /	
		2015	2015	2015	2015	May 2015	2015	2015	2015	Sept 2015	2015	2015	2015				2015
		£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's				
Clinical Cmg'S	C.H.U.G.S	3,854.4	3,888.4	3,990.9	3,750.2	3,686.6	4,173.4	4,069.0	4,191.4	4,246.8	4,296.3	4,597.0	4,594.3	32,054.4	37,605.0	(5,550.6)	
	Clinical Support & Imaging	288.2	566.6	477.6	430.4	452.1	514.1	211.2	335.4	573.6	458.6	533.4	174.0	3,706.9	3,682.8	24.0	
	Emergency & Specialist Med	3,211.2	3,309.7	3,455.2	3,557.0	3,317.4	3,672.2	3,992.3	3,842.9	3,540.9	4,033.7	3,939.9	3,859.8	28,920.2	33,756.1	(4,836.0)	
	I.T.A.P.S	1,935.8	1,811.9	1,533.3	1,882.6	1,845.4	1,442.3	1,899.1	1,699.7	1,794.4	2,144.7	1,774.6	1,828.5	16,900.3	16,311.3	589.0	
	Musculo & Specialist Surgery	1,771.8	1,763.8	2,443.1	1,575.5	1,789.8	2,137.2	2,054.0	1,920.1	1,898.9	1,818.3	2,039.4	1,633.7	16,449.0	16,866.8	(417.8)	
	Renal, Respiratory & Cardiac	3,977.8	4,254.5	4,541.2	4,393.5	4,140.4	4,352.2	4,163.6	4,340.4	4,281.1	3,767.5	4,174.7	3,835.7	36,671.8	37,449.1	(777.3)	
	Womens & Childrens	1,904.7	2,232.1	2,331.0	2,134.6	1,919.6	2,292.2	2,447.3	2,190.4	2,222.8	2,083.4	2,305.7	2,443.7	18,667.1	20,039.8	(1,372.6)	
Clinical Cmg'S Total		16,944.0	17,827.0	18,772.2	17,723.7	17,151.2	18,583.6	18,836.5	18,520.4	18,558.6	18,602.6	19,364.7	18,369.7	153,369.7	165,710.9	(12,341.2)	
Corporate	Communications & Ext Relations	8.8	2.5	4.2	4.4	6.7	6.1	9.4	9.4	2.8	13.8	-	2.0	11.4	101.8	62.1	39.7
	Corporate & Legal	84.7	102.0	216.1	99.7	97.9	96.2	98.2	104.7	99.8	91.1	93.6	94.3	878.6	875.4	3.2	
	Corporate Medical	33.8	75.9	72.6	987.7	1,041.8	1,013.1	1,019.5	1,012.7	998.7	1,007.9	1,005.4	1,027.8	603.0	9,114.7	(8,511.7)	
	Facilities	4,579.8	5,034.8	4,990.8	4,265.3	4,792.9	3,891.7	4,082.1	4,213.5	4,092.4	4,203.5	3,849.8	4,283.6	37,540.3	37,674.7	(134.4)	
	Finance & Procurement	227.6	235.4	286.9	203.4	173.2	271.2	199.1	341.9	146.9	167.7	222.0	218.9	1,456.9	1,944.1	(487.3)	
	Human Resources	146.4	143.9	284.5	111.5	74.6	156.2	97.3	93.4	103.8	140.3	128.9	121.8	1,724.2	1,027.8	696.4	
	Im&T	686.4	717.9	868.7	932.3	995.1	850.7	876.5	1,026.4	740.9	786.4	939.5	944.3	6,858.3	8,092.2	(1,233.9)	
	Nursing	1,117.6	1,141.4	1,452.1	30.4	72.2	62.1	75.9	62.2	85.5	59.3	109.1	101.5	10,174.8	658.2	9,516.6	
	Operations	935.4	840.0	1,438.2	384.0	347.0	374.3	523.1	393.3	394.8	384.8	238.8	595.1	2,577.1	3,635.2	(1,058.1)	
	Strategic Devt	61.2	10.2	246.0	47.8	35.9	115.2	62.9	143.4	6.4	188.8	-	66.3	309.3	620.3	(311.0)	
Corporate Total		7,881.6	8,304.1	9,860.0	7,066.4	7,637.4	6,836.8	7,044.0	7,400.9	6,672.1	7,043.5	6,518.5	7,485.1	62,232.4	63,704.8	(1,472.4)	
Alliance Total		911.5	1,000.7	896.8	1,090.6	973.4	1,142.1	1,056.6	753.6	1,064.5	908.1	1,112.2	1,020.8	8,518.0	9,121.9	(603.8)	
Research & Development Total		1,921.5	2,067.1	2,109.4	1,891.4	1,830.0	1,672.0	1,958.0	1,828.0	2,000.3	1,917.5	1,875.1	1,773.3	18,497.1	16,745.5	1,751.6	
Central Division Total		3,794.4	3,726.4	7,590.1	3,058.8	4,346.0	3,692.6	3,218.9	2,120.0	2,984.6	4,170.3	2,763.1	3,424.7	33,839.0	29,778.8	4,060.2	
Grand Total		31,453.1	32,925.3	39,228.6	30,830.8	31,938.0	31,927.0	32,114.0	30,623.0	31,280.0	32,642.0	31,633.6	32,073.5	276,456.3	285,061.9	(8,605.6)	

APPENDIX 5 – CENTRAL ACTIONS UPDATE

ACTION	EXEC LEAD	NEXT ACTIONS	BY WHEN	PROGRESS	RAG
EXPENDITURE					
Recruitment control process	LT	Finalise criteria for process Finalise control mechanism Paper to go to ESB for approval under urgent items Implement process	4/9/15 4/9/15 8/9/15 9/9/15	Complete. A weekly Recruitment Control Board in place to agree or reject CMG sponsored recruitment requests. Small process revisions have been made with KPIs and performance metrics circulated on a weekly basis.	5
Control of temporary nurse staffing costs, esp. agency and intro of back incentives	JS	Assess impact of new national guidance Document new criteria, control process and new back processes Report to go to ESB under urgent items	4/9/15 4/9/15 8/9/15	Controls and monitoring in place, supported by an action plan which focuses on recruitment, retention and effective rostering. This is included, in detail, within the monthly Nursing and Midwifery safe staffing report.	5
Assess scope for short term reduction in medical locum and agency spend (within Workforce CIP workstream)	PT	Report to go to EWB	15/9/15	The review has focused on the rates of payment (high earners) and ensuring that all locums are engaged through the 'Staff-flow' mechanism where appropriate. The reduction in usage of locum/agency hours in the short-term is more problematic due to the inability to recruit to all medical staffing gaps. Impact of potential nationally driven price caps is being managed and being monitored through the workforce workstream. In addition, there has been the creation of a workforce sub-workstream dedicated to all elements of Premium Pay.	5
Review all agency/interim non-clinical posts	LT	Identify posts and undertake review with Exec leads Report outcome to EPB	22/9/15	This is in progress with the HR Business Partners co-ordinating across CMG and Corporate teams. Details of where payments are being made have been checked with the finance teams. Material area is clinical coding and is deemed a business critical investment.	5
Review pay forecasts esp. corporate areas with a view to minimising	PT	Undertake review Include update in M5 finance report and EPB action plan report	18/9/15 22/9/15	As part of the reforecast plan and the normal month end forecasting process all corporate areas have been reviewed with all corporate areas due to deliver their planned financial positions. All new vacancies will be covered by the new vacancy control process as described above.	5
Identify feasible reductions in spend on emergency care	RM	Review and agree with relevant CMGs Report to EWB under urgent	15/9/15	A process has been undertaken reviewing all the investments within the emergency care pathway. Over the past two years this in the value of c£10m.	5

pathway		items		The review has been completed with all relevant CMGs and has identified c£1m (full year effect) of cost being identified that equates to £250k of CIP within the year. A further meeting is being held with the ED team w/c 23 November to review levels and mix of ED staffing investments that total c£3m. However, given the significant level of operational pressures it is unlikely that this will lead to any reductions or further improvements in the level of financial investment. All changes to date have been agreed with Heads of Operations.	
Implement MARS/redundancy scheme	LT	Seek approval from Remuneration Committee Seek approval from NTDA Launch scheme	3/9/15 30/9/15 1/10/15	Remuneration committee has approved however NTDA has rejected, insisting that vacant positions must be filled after VSS release.	5
Identify opportunities to reduce spend on CQUIN/QS action plan	JS/AF	Undertake review Report outcome to EPB	18/9/15 22/9/15	Review completed and savings identified.	5
Negotiate reductions in cost of external contracts	PT	Undertake scoping exercise Include update in EPB action plan	18/9/15 22/9/15	This action is being driven through the non-pay cross-cutting workstream, with all opportunities being progressed with successful outcomes being recorded as in-year CIP.	5
INCOME					
Increase the amount of work that takes place during pre-existing sessions including OPD	RM	Implement system Include update in EPB action plan report	18/9/15 22/9/15	Outpatient productivity focused on improving DNA rates and booking slot utilisation with c10% improvements seen within some sub-specialties. Theatre project board continues to monitor utilisation and effectiveness of the theatre trading model. c70% reduction in short term notice cancellations that are being decommissioned with notice. Specific walkthroughs have resulted in bespoke action plans to address improvements within productivity driven by focus on start times, notes availability and locking down of lists.	5
Improve depth of coding where appropriate	RM	Review options with CMGs Implement identified changes	30/9/15 1/10/15	Coding group established with representation from all CMGs. 11 key actions are being implemented with specific focus on 2 themes of complex elective patients and emergency admissions. Each CMG has identified a specific ward to trial improvements within the 'ward to notes' process that started in November.	5
Review emergency activity performance mechanism with CCGs	PT	Negotiate with CCGs	31/12/15	Initial discussions at CFO level have taken place across the local health economy. Work continues with the most recent year end forecasts from commissioners and providers being compared for consistency and affordability. NHS England (Specialist Commissioning) has requested a year end settlement with work continuing to model this	5

				proposal and the local positions within the year end income forecast. This year end 'deal' has been progressed within the first few weeks of January 2016.	
Review use of CCG reserves and contingency	PT	Negotiate with CCGs	31/12/15	As above.	4
Seek reinvestment of UHL share of Alliance surplus	PT	Negotiate with Alliance	31/10/15	Proposal of reinvestment of UHL share of Alliance to be taken to next Alliance leadership board meeting that is 8 December 2015	4
Undertake payroll overpayment analysis	LT	Undertake review Include update in EPB action plan	20/10/15 27/10/15	Internal report completed and delivered at 6 November Audit Committee. External company do not wish to take on the assignment as previous review did not offer an attractive economic return for them. Internal Audit will be asked to do a specific piece of work on this area that is over and above their normal annual audit plan. Scoping meeting arranged within December 2015.	4
Undertake invoice overpayment analysis	PT	Undertake review Include update in EPB action plan	20/10/15 27/10/15	Internal analysis of the aged creditor and aged goods receipt not yet invoiced positions have been completed. An external company has been engaged and is currently working through the relevant datasets. Outputs should be completed by end November with any specific actions being completed in December. In addition, an external agency has been engaged to complete reconciliation audits on key areas of expenditure. An additional 'duplicate' payments check will be completed on a 'no win, no fee basis' with the external company engaged.	4

APPENDIX 6 – BALANCE SHEET

	Mar-15 £000's Actual	Apr-15 £000's Actual	May-15 £000's Actual	Jun-15 £000's Actual	Jul-15 £000's Actual	Aug-15 £000's Actual	Sep-15 £000's Actual	Oct-15 £000's Actual	Nov-15 £000's Actual	Dec-15 £000's Actual	Mar-16 £000's Forecast
Non Current Assets											
Property, plant and equipment	414,193	413,269	412,059	409,918	411,144	412,991	414,684	417,429	417,581	418,015	436,753
Intangible assets	10,134	9,854	9,573	10,761	9,389	9,102	9,946	9,640	9,335	9,148	10,134
Trade and other receivables	2,702	2,754	2,829	2,853	2,852	2,875	2,896	2,984	2,991	3,004	3,005
TOTAL NON CURRENT ASSETS	427,029	425,877	424,461	423,532	423,385	424,968	427,526	430,053	429,907	430,167	449,892
Current Assets											
Inventories	14,141	14,462	14,413	13,811	14,169	13,711	14,262	13,273	10,174	9,597	13,180
Trade and other receivables	35,292	25,650	34,813	31,009	36,491	26,326	27,929	28,871	28,855	30,837	30,836
Cash and cash equivalents	8,498	19,762	22,565	16,303	5,966	18,963	5,161	7,750	5,224	8,068	3,000
TOTAL CURRENT ASSETS	57,931	59,874	71,791	61,123	56,626	59,000	47,352	49,894	44,253	48,502	47,016
Current Liabilities											
Trade and other payables	(103,194)	(96,854)	(105,833)	(99,569)	(92,327)	(96,211)	(93,588)	(87,435)	(91,140)	(94,538)	(106,225)
Dividend payable	0	(959)	(1,918)	(2,877)	(3,836)	(4,795)	0	(1,921)	(2,883)	(3,407)	0
Borrowings / Finance Leases	(4,919)	(4,919)	(4,919)	(4,919)	(4,190)	(4,190)	(3,280)	(3,280)	(3,280)	(4,919)	(4,919)
Other Liabilities / Loan	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)
Provisions for liabilities and charges	(820)	(820)	(820)	(820)	(820)	(820)	(820)	(820)	(820)	(777)	(820)
TOTAL CURRENT LIABILITIES	(108,933)	(104,097)	(114,035)	(108,730)	(101,718)	(106,561)	(98,233)	(94,001)	(98,668)	(104,186)	(112,509)
NET CURRENT ASSETS (LIABILITIES)	(51,002)	(44,223)	(42,244)	(47,607)	(45,092)	(47,561)	(50,881)	(44,107)	(54,415)	(55,684)	(65,493)
TOTAL ASSETS LESS CURRENT LIABILITIES	376,027	381,654	382,217	375,925	378,293	377,407	376,645	385,946	375,492	374,483	384,399
Non Current Liabilities											
Borrowings / Finance Leases	(6,869)	(6,945)	(6,887)	(6,958)	(7,635)	(7,644)	(7,917)	(8,080)	(8,305)	(6,829)	(6,829)
Other Liabilities / Loan	(11,455)	(22,540)	(28,571)	(28,625)	(33,578)	(39,355)	(39,083)	(43,502)	(43,502)	(43,502)	(55,010)
Provisions for liabilities and charges	(1,982)	(2,015)	(1,936)	(1,902)	(1,878)	(2,220)	(2,313)	(1,927)	(1,860)	(1,727)	(1,484)
TOTAL NON CURRENT LIABILITIES	(20,306)	(31,500)	(37,394)	(37,485)	(43,091)	(49,219)	(49,313)	(53,509)	(53,667)	(52,058)	(63,323)
TOTAL ASSETS EMPLOYED	355,721	350,154	344,823	338,440	335,202	328,188	327,332	332,437	321,825	322,425	321,076
Public dividend capital	329,837	329,787	329,837	329,837	329,837	329,837	329,837	329,837	329,837	329,837	329,837
Revaluation reserve	107,356	107,355	107,356	107,354	107,355	107,356	107,355	107,355	107,355	107,355	107,356
Retained earnings	(82,017)	(86,988)	(92,370)	(98,751)	(101,990)	(109,005)	(109,860)	(101,155)	(115,367)	(114,767)	(116,117)
TOTAL TAXPAYERS EQUITY	355,176	350,154	344,823	338,440	335,202	328,188	327,332	336,037	321,825	322,425	321,076

APPENDIX 7 – CAPITAL PLAN AND EXPENDITURE YEAR TO DATE

Scheme Name	CMG	UHL Approval	Funding Status	YTD Spend:			Annual	Annual	
				YTD Budget	Dec	YTD Variance	Budget	Forecast	Variance
				£'000	£'000	£'000	£'000	£'000	£'000
Estates & Facilities									
Facilities Sub-Group	UHL	N/A	Internal	2,607	1,323	1,284	3,855	3,855	0
MES Installation Costs	UHL	N/A	Internal	277	210	67	1,100	1,100	0
Aseptic Suite	CSI	Approved	Internal	4	6	(2)	4	4	0
Lloyds Pharmacy Extension	CSI	Approved	Internal	21	13	8	45	45	0
Theatre Recovery LRI	ITAPS	Approved	Internal	1,202	1,406	(204)	2,750	2,750	0
YDU Refurbishment	ESM	Approved	Internal	57	56	1	76	76	0
Paediatric Dentistry	UHL	Approved	Internal	193	194	(1)	445	445	0
Life Studies Centre	W&C	Approved	Internal	906	1,004	(98)	906	906	0
Sub-total: Estates & Facilities				5,267	4,212	1,055	9,181	9,181	0
IM&T Schemes									
IM&T Sub-Group	UHL	N/A	Internal	1,824	1,894	(70)	2,534	2,534	0
LRI Managed Print	UHL	Approved	Internal	1,776	1,788	(12)	1,776	1,776	0
EDRM	UHL	Under rev	Internal	(48)	119	(167)	670	670	0
Safecare Software System	UHL	Approved	Internal	0	0	0	0	0	0
Electronic Blood Tracking System	CSI	Approved	Internal	44	64	(20)	300	300	0
Heartsuite System	W&C	Approved	Internal	0	0	0	0	0	0
Renal Tissue Typing System	RRCV	Approved	Internal	0	0	0	0	0	0
Learning Mgt System	UHL	Approved	Internal	0	0	0	0	0	0
Sub-total: IM&T Schemes				3,596	3,866	(270)	5,280	5,280	0
Medical Equipment Schemes									
Medical Equipment Executive Budget	UHL	N/A	Internal	3,360	3,287	73	4,000	4,000	0
Linear Accelerators		Not Appro	Internal	1	1	(0)	31	31	0
Sub-total: Medical Equipment				3,361	3,288	73	4,031	4,031	0
Corporate / Other Schemes									
Donations	UHL	N/A	Internal	234	293	(59)	300	300	0
LiA Schemes	UHL	Approved	Internal	39	(14)	53	175	175	0
Contingency / Other	UHL	Not Appro	Internal	227	277	(50)	669	669	0
Sub-total: Corporate / Other Schemes				500	556	(56)	1,144	1,144	0
Reconfiguration Business Cases									
ICU Business Case		Not Appro	Internal	327	302	25	448	448	0
Treatment Centre		Not Appro	Internal	167	173	(6)	230	230	0
Women's Service		Not Appro	Internal	178	148	30	308	308	0
Children's Hospital		Not Appro	Internal	223	212	11	374	374	0
Sub-total: Reconfiguration Business Cases				895	835	60	1,360	1,360	0
Reconfiguration Design & Construction									
Emergency Floor	ESM	Approved	Approved	4,108	3,960	148	10,000	10,000	0
EMCH Interim Solution		Not Appro	Internal	84	81	3	317	317	0
Vascular Hybrid Theatre	RRC	Approved	Not Approved	195	202	(7)	420	420	0
Vascular Ward	RRC	Approved	Not Approved	927	994	(67)	1,500	1,500	0
Vascular Angio & VSU	RRC	Approved	Not Approved	831	834	(3)	1,500	1,500	0
ICU - Interim Solution	ITAPS	Approved	Not Approved	0	80	(80)	717	717	0
ICU - GH ICU Medium Term	ITAPS	Approved	Not Approved	0	78	(78)	168	168	0
ICU - Imaging	ITAPS	Approved	Not Approved	75	22	53	318	318	0
ICU Interim Solution - GH Beds	ITAPS	Not Appro	Not Approved	280	93	187	218	218	0
ICU Interim Solution - LRI Ward Beds	ITAPS	Not Appro	Not Approved	7	25	(18)	9	9	0
Multi-storey Car Park Development	UHL	Approved	Not Approved	3,025	2,333	692	4,229	4,229	0
Sub-total: Reconfiguration Design & Construction				9,532	8,703	829	19,396	19,396	0
EPR Programme	UHL	Approved	Not Approved	1,716	1,724	(8)	3,387	3,387	0
Linear Accelerators		Not Appro	Not Approved	0	0	0	0	0	0
MES Finance Lease Additions		N/A		3,966	3,966	(0)	5,698	5,698	0
GRAND TOTAL CAPITAL EXPENDITURE				28,833	27,149	1,684	49,477	49,477	0
EXPENDITURE AGAINST CRL ALLOCATION				33,479	26,846	400	49,167	49,167	0