

# 2017/18 Financial Performance

Author: Lisa Gale

Sponsor: Paul Traynor

Trust Board paper P

## Executive Summary

### Context

The Trust is planning for an income and expenditure deficit of £26.7m in 2017/18 with a capital plan of £54.4m. Delivery of the financial plan in 2017/18 is essential in order to maintain our position as an organisation with good financial control; effectively a pre-requisite to access the extremely limited national capital resource for reconfiguration.

### Questions

1. What is our financial performance for the period end 30<sup>th</sup> April 2017?
2. What is our performance against the agency ceiling?
3. What is our forecast financial performance for 2017/18?

### Conclusion

1. The Trust has achieved an April and Year to Date deficit of £8.9m in line with Plan
2. Agency expenditure in month was £1.9m in line with Plan
3. Forecast financial performance for 2017/18 is in line with Plan

### Input Sought

**Note** the financial performance at Month 1

# For Reference

Edit as appropriate:

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

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

2.This matter relates to the following governance initiatives:

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

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

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

5.Scheduled date for the next paper on this topic: **06/07/17**

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**]

# Contents

---

<b>Executive Summary</b>	<a href="#">Page 2</a>
<b>I&amp;E: Overall Position</b>	
• April 2017: Key Facts	<a href="#">Page 3</a>
• Financial Performance	<a href="#">Page 4</a>
• I&E Bridge	<a href="#">Page 5</a>
<b>Patient Income</b>	
• NHS Patient Income	<a href="#">Page 6</a>
• Activity & Income: Performance versus Contract	<a href="#">Page 7</a>
<b>Pay Costs</b>	
• Pay Costs	<a href="#">Page 8</a>
• Pay Cost Run Rates	<a href="#">Page 9</a>
<b>I&amp;E: Other</b>	
• Non-Pay	<a href="#">Page 10</a>
• CIP	<a href="#">Page 11</a>
• Financial Improvement and Technical	<a href="#">Page 12</a>
• I&E Run Rates	<a href="#">Page 13</a>
• April Performance by CMGs and Corporate Directorates	<a href="#">Page 14</a>
<b>Forecast Outturn</b>	<a href="#">Page 15</a>
<b>Assets &amp; Liabilities</b>	
• April 2017: Statement of Financial Position	<a href="#">Page 16</a>
• Cash	<a href="#">Page 17</a>
• Liquidity	<a href="#">Page 18</a>
• Better Payments Practice Code	<a href="#">Page 19</a>
• Capital	<a href="#">Page 20</a>
<b>Finance and use of resources metrics</b>	<a href="#">Page 21</a>
<b>Risks &amp; Opportunities</b>	<a href="#">Page 22</a>

# Executive Summary

## Financial performance

### Statutory duties

- Delivering the planned deficit: on track
- Achieving the External Funding Limit: Achieved
- Achieving the Capital Resource Limit: Achieved

### Financial Performance

- **Deficit of £8.9m, in line with Plan:** Underlying performance is slightly favourable to Plan with over-performance in Patient Activity absorbing marginal cost to deliver. Underlying pay pressures in Medics across all areas and Nursing in CHUGGS which is currently being absorbed by underspend in other staff groups including investment slippage.
- **Patient Care Income, £1.9mF to Plan:** Over-performance driven by £1.1mF in drugs and devices excluded from tariff with an underlying over-performance predominantly driven by Emergency/Non-elective in Paediatric Gastroenterology and Neonatal Intensive Care.
- **Operating Costs, £1.5mA to Plan:** with pay is in line with Plan and £1.5mA in non-pay including £1.0mA relating to drugs and devices excluded from tariff and offset within income. Remaining over-spend is predominantly linked with the marginal cost of over-delivering patient activity.
- **CIP £0.1mA to Plan:** driven by RRCV which is line the CMG financial performance.
- **Finance Improvement and Technical:** currently delivering actions in line with Plan.
- **Forecast Outturn:** The Trust is currently forecasting to deliver outturn with Plan. However, as detailed on page 21 there are risks associated with achieving the Plan together with mitigation which need on-going proactive monitoring and resolution.

## Cash

- **Closing cash balance at April of £1.5m,** in line with Plan.

Funded YTD Planned net deficit of £8.4m by drawing down £8.4m of our Interim Revolving Working Capital Facility (IRWC).

## Capital

- **April:** Total capital expenditure of £1.2m, £1mF to Plan
  - In month spend driven by Re-configuration projects predominantly related to Emergency Floor spend of £0.7m with a further commitment of £9.1m.
  - Underspend driven by Estates and Facilities, IM&T Infrastructure and Medical Equipment Executive due by uncertainties to the availability of external funding driving only critical spend at this point in the year.

# April 2017: Key Facts



Patient  
Income  
£1.9mF

Substantive pay  
In line

Non-pay  
£1.5mA

EBITDA  
In line

Capital  
Spend  
£1.0m

Other  
Income  
£0.5m

Agency  
In line

Non-operating costs  
In line

CIP  
£0.1m

Liquidity  
Indicators

## Key

- EBITDA refers to Earnings Before Interest, Taxes, Depreciation and Amortisation
- Colour indicates status of variance on planned position (Green is Favourable/In Line and Red is Adverse)
- Number relates to variance YTD

# Financial Performance: Deficit of £8.9m, in line with Plan

	Apr-17			YTD				
	Plan	Actual	Vs Plan	Plan	Actual	F/(A)	%	
Value Drivers	Day Case	7,722	7,893	171	7,722	7,893	171	2%
	Elective Inpatient	1,581	1,711	130	1,581	1,711	130	8%
	Emergency / Non-elective Inpatient	9,258	9,114	(144)	9,258	9,114	(144)	(2%)
	Emergency Department	20,143	21,755	1,613	20,143	21,755	1,613	8%
	Outpatient Procedures	70,885	67,928	(2,957)	70,885	67,928	(2,957)	(4%)
	Critical Care Services	4,554	4,529	(25)	4,554	4,529	(25)	(1%)
	Renal Dialysis and Transplant	14,201	14,092	(109)	14,201	14,092	(109)	(1%)
	Other Activity	649,999	601,475	(48,524)	649,999	601,475	(48,524)	(7%)
	WTE Total	13,656	13,666	(9)	13,656	13,666	(9)	(0%)
	WTE Agency	258	249	9	258	249	9	3%

	Apr-17			YTD				
	Plan	Actual	Vs Plan	Plan	Actual	F/(A)	%	
	£'000	£'000	£'000	£'000	£'000	£'000	%	
I&E £'000	Patient Care Income	61,752	63,686	1,934	61,752	63,686	1,934	3%
	Non Patient Care Income	532	475	(57)	532	475	(57)	(11%)
	Other Operating Income	10,578	10,184	(394)	10,578	10,184	(394)	(4%)
	<b>Total Income</b>	<b>72,862</b>	<b>74,345</b>	<b>1,483</b>	<b>72,862</b>	<b>74,345</b>	<b>1,483</b>	<b>(2%)</b>
	Pay Costs	(47,878)	(47,921)	(43)	(47,878)	(47,921)	(43)	(0%)
	Pay Costs: Agency	(1,965)	(1,896)	69	(1,965)	(1,896)	69	3%
	Non Pay	(28,409)	(29,935)	(1,526)	(28,409)	(29,935)	(1,526)	(5%)
	<b>Total Operating Costs</b>	<b>(78,252)</b>	<b>(79,752)</b>	<b>(1,500)</b>	<b>(78,252)</b>	<b>(79,752)</b>	<b>(1,500)</b>	<b>(2%)</b>
	<b>EBITDA</b>	<b>(5,390)</b>	<b>(5,407)</b>	<b>(17)</b>	<b>(5,390)</b>	<b>(5,407)</b>	<b>(17)</b>	<b>0%</b>
	<b>Non Operating Costs</b>	<b>(3,521)</b>	<b>(3,533)</b>	<b>(12)</b>	<b>(3,521)</b>	<b>(3,533)</b>	<b>(12)</b>	<b>(0%)</b>
	<b>Retained deficit</b>	<b>(8,911)</b>	<b>(8,940)</b>	<b>(29)</b>	<b>(8,911)</b>	<b>(8,940)</b>	<b>(29)</b>	<b>(0%)</b>
	Adjustments for Donated Assets	5	39	34	5	39	34	(690%)
	<b>Net Deficit Excluding STF</b>	<b>(8,906)</b>	<b>(8,901)</b>	<b>5</b>	<b>(8,906)</b>	<b>(8,901)</b>	<b>5</b>	<b>0%</b>

	Apr-17		YTD		
	Plan	Actual	Plan	Actual	
	%	%	%	%	
Ratios	Agency: Total Pay	4.10%	3.96%	4.10%	3.96%
	EBITDA: Income	(7.40%)	(7.27%)	(7.40%)	(7.27%)
	Net Deficit: Income	(12.22%)	(11.97%)	(12.22%)	(11.97%)

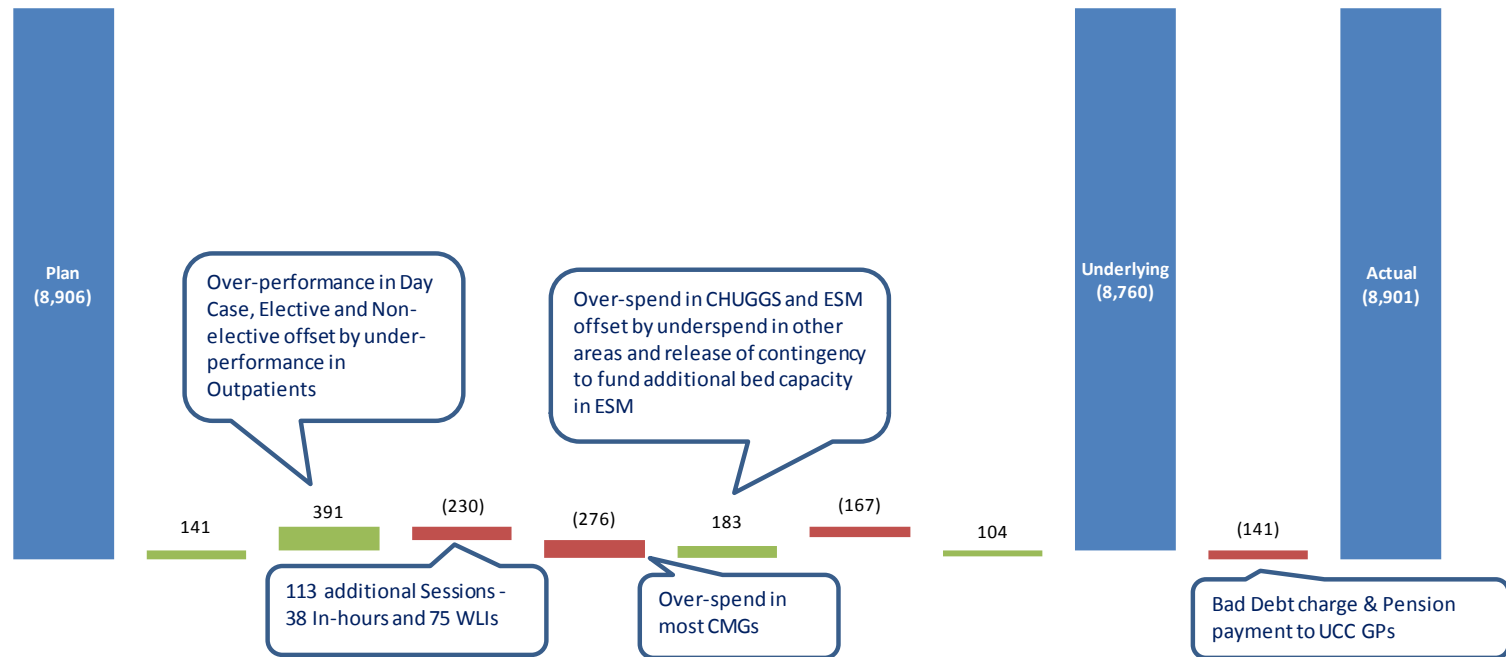
- **NHS Patient Care Income: £63.7m, £1.9mF** including £1.1mF from excluded drugs and devices with offset in non-pay. Underlying over-performance in both Elective Inpatients and Emergency /Non-Elective activity.
- **Non Patient Care Income & Other Income: £10.7m, £0.5A** driven by £0.6mA in relation to LDA driven by less medical students together lower income from NHSPS and LPT with offset in non-pay. This is partially offset by £0.2mF in relation to pass through costs offset in non-pay with some residual under-performance in Private Patients in CHUGGS.
- **Pay Costs: £47.9m, in line with Plan** with £0.3m unplanned expenditure across all CMGs with the exception of ITAPS. This overspend has been offset through £0.3mF in Central from investment slippage and release of contingency to absorb additional bed capacity (Ward 23 in ESM).
- **Agency: £1.9m, in line with Plan**
- **Non-Pay: £29.9m, £1.5mA** including £1.0mA from excluded drugs and devices with the offset in Patient Care Income and £0.4mF from income shortfall from NHSPS and LPT. Underlying overspend is predominantly driven by marginal cost to deliver activity together with some non-recurrent costs.
- **EBITDA: deficit of £5.4m, in line with Plan.**
- **Non-Operating Costs: £3.5m, in line with Plan.**

## Key

- EBITDA refers to Earnings Before Interest, Taxes, Depreciation and Amortisation
- F refers to a Favourable variance to plan
- A refers to an Adverse variance to plan

# I&E Bridge: in line with Plan

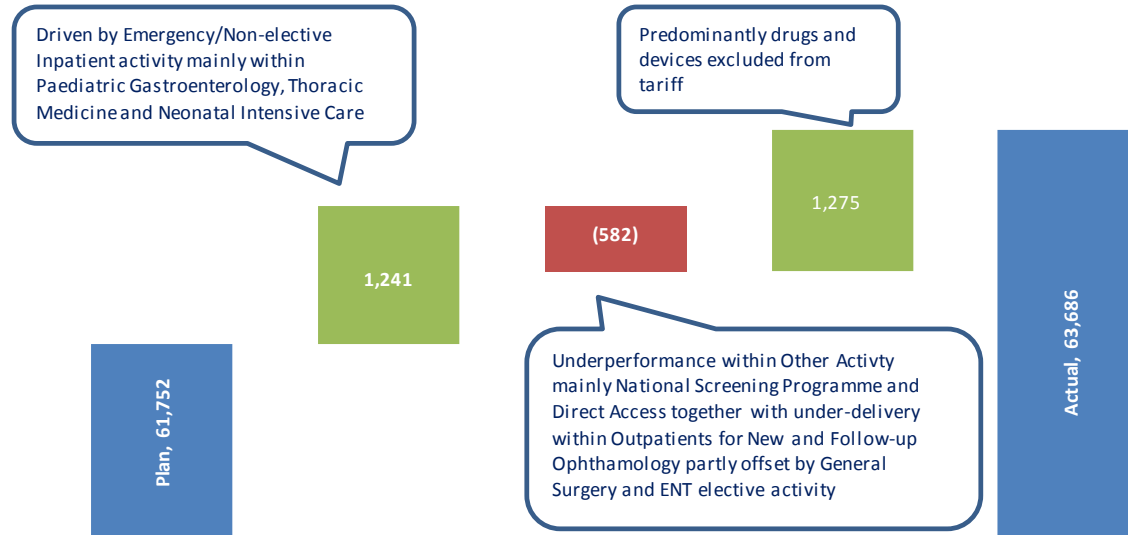
Underlying performance is slightly favourable to Plan with over-performance in Patient Activity absorbing marginal cost to deliver. Underlying pay pressures in Medics across all areas and Nursing in CHUGGS which is currently being absorbed by underspend in other staff groups including investment slippage.



£(000)	Plan	EDD	Activity	Theatres	Medical Pay	Nursing Pay	Cost Pressures	Other	Underlying	Non-recurrent Items	Actual	Var F/(A)
NHS PCI	61,752	1,154	659	0	0	0	0	121	63,686		63,686	1,934
Other Income	11,069	0	0	0	0	0	0	(410)	10,659		10,659	(410)
Pay	(47,878)	0	0	(150)	73	27	0	7	(47,921)		(47,921)	(43)
Pay: Agency	(1,965)	0	0	0	(350)	155	0	263	(1,896)		(1,896)	69
Non Pay	(28,407)	(1,013)	(268)	(80)	0	0	(167)	141	(29,794)	(141)	(29,935)	(1,528)
Non-Operating Costs	(3,476)	0	0	0	0	0	0	(18)	(3,494)		(3,494)	(18)
<b>Net Deficit</b>	<b>(8,906)</b>	<b>141</b>	<b>391</b>	<b>(230)</b>	<b>(276)</b>	<b>183</b>	<b>(167)</b>	<b>104</b>	<b>(8,760)</b>	<b>(141)</b>	<b>(8,901)</b>	<b>5</b>

# NHS Patient Income: April £63.7m, £1.9mF to Plan

Over-performance driven by drugs and devices excluded from tariff with an underlying over-performance of £0.6m predominantly driven by Emergency/Non-elective in Paediatric Gastroenterology and Neonatal Intensive Care.



£(m)	Plan	Rate	Volume	Other	Actual	Var F / (A)
Day Case	4,471	11	99	0	4,581	110
Elective Inpatient	5,954	(393)	456	0	6,016	63
Emergency / Non-elective Inpatient	16,794	922	(276)	0	17,440	646
Marginal Rate Emergency Threshold	(531)	0	0	0	(531)	0
Emergency Department	2,562	(190)	190	0	2,562	(0)
Outpatient	8,220	260	(354)	0	8,126	(94)
Drugs and Devices excluded from Tariff	7,205	0	0	1,154	8,359	1,154
Critical Care Services	4,358	111	(24)	0	4,444	86
Renal Dialysis and Transplant	2,257	(33)	(17)	0	2,207	(50)
CQUIN	1,355	0	0	(183)	1,172	(183)
Other Activity	8,243	554	(657)	0	8,140	(102)
Other Financial Values	864	0	0	304	1,169	304
<b>Total</b>	<b>61,752</b>	<b>1,241</b>	<b>(582)</b>	<b>1,275</b>	<b>63,686</b>	<b>1,934</b>



# Activity & Income: Performance versus Contract

Activity	Case Mix	City	East	West	Specialis ed	Other	Alliance	Total	%
	Day Case		77	84	79	0	47	(116)	171
Elective Inpatient		25	18	13	20	54		130	8%
Emergency / Non-elective Inpatient		(55)	(18)	(16)	(23)	(31)		(143)	(2%)
Marginal Rate Emergency Threshold (MRET)		0	0	0	0	0		0	0%
Emergency Department		(2,196)	(813)	(701)		5,322		1,613	8%
Outpatient		(641)	(510)	(465)	(673)	(232)	(437)	(2,957)	(4%)
Excluded Drugs and Devices		0	0	0	0	0	0	0	0%
Critical Care Services		(83)	(60)	(58)	172	5		(25)	(1%)
Renal Dialysis and Transplant		0	0	0	(107)	(2)		(109)	(1%)
CQUIN		0	0	0	0	0	0	0	0%
Other Activity		(18,066)	(15,609)	(13,493)	(65)	(1,054)	(237)	(48,524)	(7%)
Other Financial Values		(124)	(58)	(36)	1	(81)	(153)	(451)	n/m

Financial	Case Mix	City	East	West	Specialis ed	Other	Alliance	Total	%
		(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)	
Day Case		59	59	54	(6)	35	(91)	110	2%
Elective Inpatient		12	12	17	(29)	51	0	62	1%
Emergency / Non-elective Inpatient		86	145	70	293	52	0	646	4%
Marginal Rate Emergency Threshold (MRET)		0	0	0	0	0	0	0	0%
Emergency Department		0	2	1	0	(3)	0	(0)	0%
Outpatient		(1)	4	8	(73)	19	(51)	(94)	(1%)
Excluded Drugs and Devices		35	40	37	915	130	(3)	1,154	16%
Critical Care Services		(26)	(19)	(19)	160	(9)	0	86	2%
Renal Dialysis and Transplant		0	0	0	(50)	(0)	0	(50)	(2%)
CQUIN		77	54	53	0	(368)	0	(183)	n/m
Other Activity		(71)	(45)	(36)	131	(61)	(21)	(103)	(1%)
Other Financial Values		157	126	120	89	(183)	(4)	305	3%
<b>Grand Total</b>		<b>327</b>	<b>377</b>	<b>306</b>	<b>1,429</b>	<b>(335)</b>	<b>(170)</b>	<b>1,934</b>	<b>3%</b>

## • CCG Contracts:

- **Non-elective / Emergency:** Over performance in activity mainly relating to Trauma and Geriatric and Integrated Medicine
- **Day Case:** Over-performance predominantly relates to Gastroenterology and General Surgery
- **Critical Care:** Under-performance of ITU and HDU (General and Thoracic Medicine)
- **Other Activity:** Under-performance driven by Direct Access Diagnostics and Diagnostic Imaging
- **Other Financial Values:** predominantly relates to under-delivery of QIPP which is partly offset in Other .

## • Specialised Services:

- **Excluded Drugs and Devices:** Over performance in Haematology and Infectious Diseases
- **Non-elective / Emergency:** Over performance within Paediatric Gastroenterology and Cardiac Surgery
- **Critical Care:** Over-performance predominantly relates to SCBU and PICU £91k

# Pay: YTD £49.8m, in line with Plan

	Apr-17						YTD						
	£'000			WTE			£'000			WTE			
	Plan	Actual	F/(A)	Plan	Actual	F/(A)	Plan	Actual	F/(A)	Plan	Actual	F/(A)	
Agency	Medical	912	1,042	(130)	20	45	(25)	912	1,042	(130)	20	45	(25)
	Nursing & Midwifery	745	589	155	0	130	(130)	745	589	155	0	130	(130)
	Other Clinical	213	192	21	67	20	47	213	192	21	67	20	47
	Non Clinical	96	73	22	35	54	(19)	96	73	22	35	54	(19)
	<b>Total: Agency</b>	<b>1,965</b>	<b>1,896</b>	<b>69</b>	<b>121</b>	<b>249</b>	<b>(128)</b>	<b>1,965</b>	<b>1,896</b>	<b>69</b>	<b>121</b>	<b>249</b>	<b>(128)</b>
Other Non-contracted	Medical		1,314	(1,314)		37	(37)		1,314	(1,314)		37	(37)
	Nursing & Midwifery		1,657	(1,657)		513	(513)		1,657	(1,657)		513	(513)
	Other Clinical		298	(298)		67	(67)		298	(298)		67	(67)
	Non Clinical		612	(612)		332	(332)		612	(612)		332	(332)
	<b>Total: Other Non-contracted</b>	<b>0</b>	<b>3,881</b>	<b>(3,881)</b>	<b>0</b>	<b>950</b>	<b>(950)</b>	<b>0</b>	<b>3,881</b>	<b>(3,881)</b>	<b>0</b>	<b>950</b>	<b>(950)</b>
Total Non-contracted	Medical	912	2,356	(1,444)	20	82	(63)	912	2,356	(1,444)	20	82	(63)
	Nursing & Midwifery	745	2,247	(1,502)	0	643	(643)	745	2,247	(1,502)	0	643	(643)
	Other Clinical	213	490	(277)	67	88	(21)	213	490	(277)	67	88	(21)
	Non Clinical	96	685	(589)	35	386	(352)	96	685	(589)	35	386	(352)
	<b>Total: Non-contracted</b>	<b>1,965</b>	<b>5,778</b>	<b>(3,813)</b>	<b>121</b>	<b>1,199</b>	<b>(1,078)</b>	<b>1,965</b>	<b>5,778</b>	<b>(3,813)</b>	<b>121</b>	<b>1,199</b>	<b>(1,078)</b>
Substantive	Medical	14,965	13,637	1,327	1,785	1,734	51	14,965	13,637	1,327	1,785	1,734	51
	Nursing & Midwifery	16,831	15,236	1,595	5,648	5,061	587	16,831	15,236	1,595	5,648	5,061	587
	Other Clinical	6,381	6,190	191	2,123	2,080	43	6,381	6,190	191	2,123	2,080	43
	Non Clinical	9,702	8,976	726	3,947	3,840	106	9,702	8,976	726	3,947	3,840	106
	<b>Total: Substantive</b>	<b>47,878</b>	<b>44,039</b>	<b>3,839</b>	<b>13,503</b>	<b>12,716</b>	<b>787</b>	<b>47,878</b>	<b>44,039</b>	<b>3,839</b>	<b>13,503</b>	<b>12,716</b>	<b>787</b>
Total	Medical	15,877	15,993	(116)	1,805	1,817	(12)	15,877	15,993	(116)	1,805	1,817	(12)
	Nursing & Midwifery	17,575	17,483	93	5,648	5,704	(55)	17,575	17,483	93	5,648	5,704	(55)
	Other Clinical	6,593	6,680	(87)	2,190	2,168	22	6,593	6,680	(87)	2,190	2,168	22
	Non Clinical	9,797	9,661	136	3,981	4,227	(245)	9,797	9,661	136	3,981	4,227	(245)
	<b>TOTAL: Pay</b>	<b>49,843</b>	<b>49,817</b>	<b>26</b>	<b>13,624</b>	<b>13,915</b>	<b>(291)</b>	<b>49,843</b>	<b>49,817</b>	<b>26</b>	<b>13,624</b>	<b>13,915</b>	<b>(291)</b>

## Agency Pay

- Year to date cost of £1.9m, £69kF to Plan.

## Other Non-contracted Pay

- Year to date expenditure of £3.9m with Medical and Nursing driving 77% of spend. Whilst this is adverse to plan, this is offset in Substantive Pay as the Plan assumes a fully established position. See below.

## Substantive Pay

- Combined with other non-contracted, expenditure of £47.9m, in line with Plan
- Pay position includes £0.3mF in relation investment slippage and release of contingency to fund additional bed pressures in Ward 21.

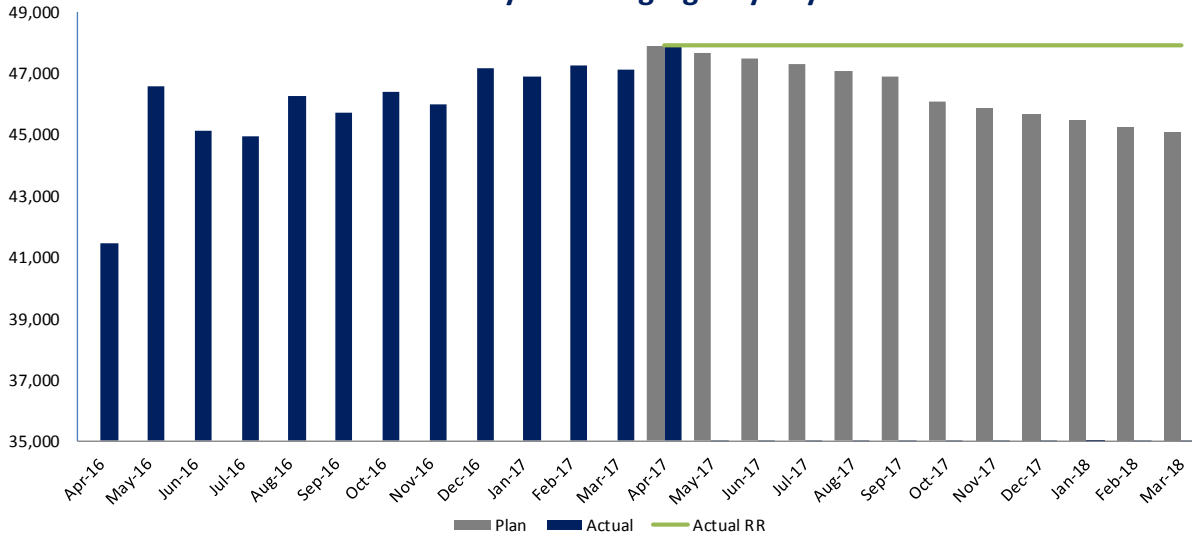
CMGs underlying overspend of £0.3m predominantly within Medical and Nursing (CHUGGS).

### Note

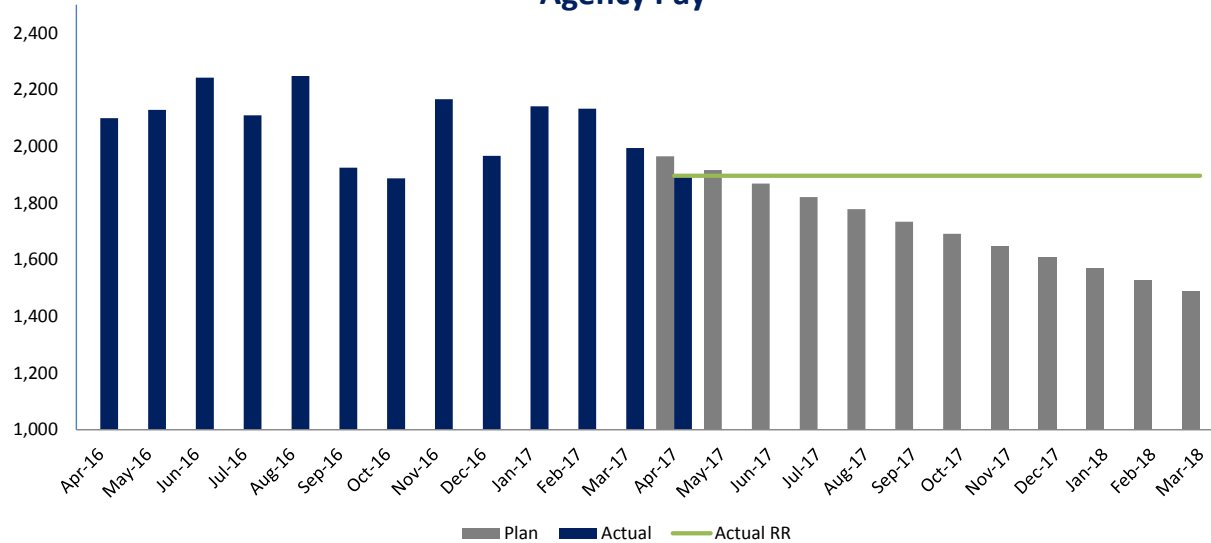
Other non-contracted medical pay is not represented by a WTE value as it represents an aggregate of payments like Waiting List Initiatives (WLI), on call, acting down payments across different grades of medical workforce where individuals often already represent 1 WTE in a substantive, contracted, role.

# Pay Run Rates

### Total Pay Excluding Agency Pay



### Agency Pay



### Total Pay excluding Agency Pay

- Plan reflects a downward trajectory which requires CIP delivery and tight discipline throughout the organisation to ensure this is delivered.
- This remains a key risk to the Financial Plan.

### Agency Pay

- The planned trajectory is supported by specific actions identified and tracked through the Premium Pay group.
- Month 1 cost was in line with Plan but this needs continued focus to ensure the planned reduction is achieved.

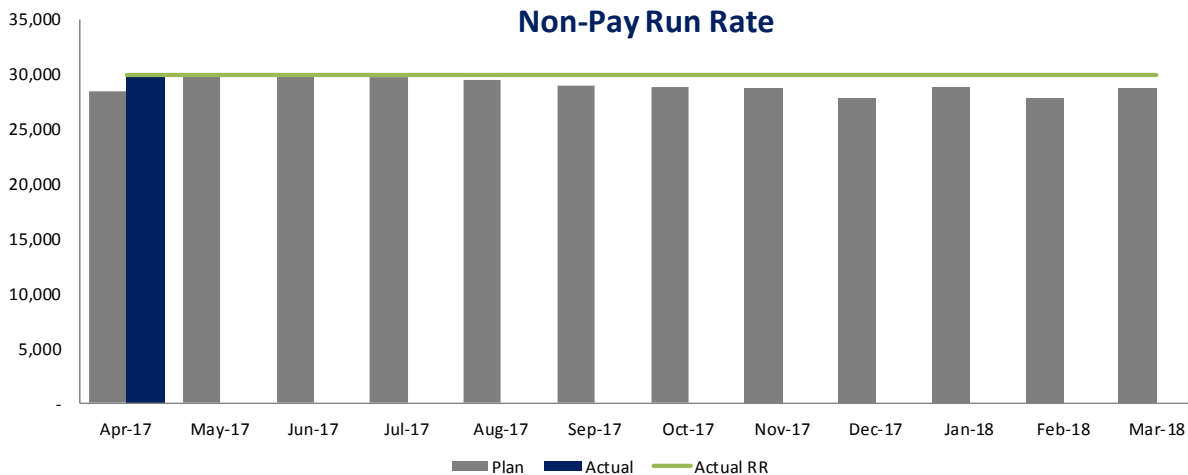
# Non-Pay: YTD £29.9m, £1.5mA to Plan

	Apr-17				YTD				
	Plan	Actual	F / (A)	%	Plan	Actual	F / (A)	%	
	£'000	£'000	£'000	%	£'000	£'000	£'000	%	
<b>Direct</b>	Blood Products	97	79	18	19%	97	79	18	19%
	Drugs	7,527	8,657	(1,130)	(15%)	7,527	8,591	(1,064)	(14%)
	Clinical Supplies & Services	8,263	8,887	(624)	(8%)	8,263	8,820	(557)	(7%)
	Transport	244	284	(40)	(16%)	244	284	(40)	(16%)
	Recharges	359	199	160	45%	359	199	160	45%
	Misc & General Supplies	3,542	3,557	(15)	(0%)	3,542	3,690	(148)	(4%)
<b>External Providers</b>	Healthcare	944	878	67	7%	944	878	67	7%
	Non Healthcare	1,201	1,241	(40)	(3%)	1,201	1,241	(40)	(3%)
<b>Overheads</b>	Establishment, Premises & Plant	3,900	3,738	163	4%	3,900	3,738	163	4%
	Consultancy	49	133	(85)	(174%)	49	133	(85)	(174%)
	Clinical Negligence	2,283	2,283	(0)	(0%)	2,283	2,283	(0)	(0%)
<b>Total: Non Pay</b>	<b>28,409</b>	<b>29,935</b>	<b>(1,526)</b>	<b>(5%)</b>	<b>28,409</b>	<b>29,935</b>	<b>(1,526)</b>	<b>(5%)</b>	

- **Direct Costs: £21.7m, £1.6mA to Plan** including £1.1m overspend in drugs and devices excluded from tariff which is offset in Patient Care Income.

Underlying overspend of £0.5m which predominantly relates to over-performance of patient activity.

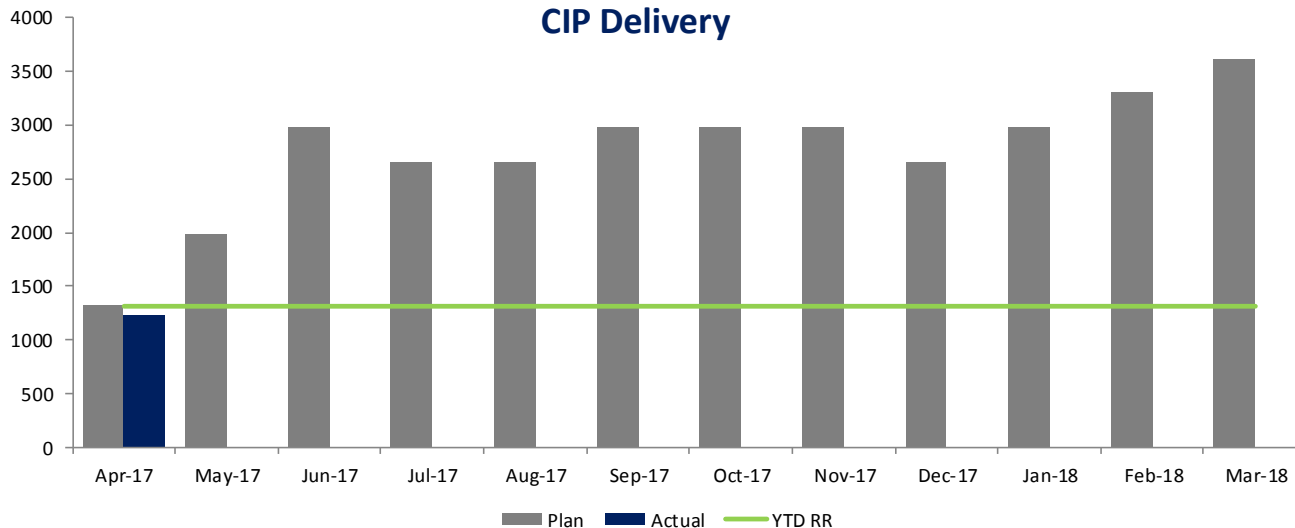
- **External Providers: YTD cost of £2.1m** which is in line with Plan and is £0.5m lower than April 2016.
- **Overheads: YTD expenditure of £6.1m, £0.1mF to Plan.**



# CIP: YTD £1.2m, £0.1mA to Plan

	Apr-17				YTD				FY Plan £'000
	Plan £'000	Actual £'000	F / (A) £'000	%	Plan £'000	Actual £'000	F / (A) £'000	%	
CHUGGS	193	176	(16)	(8%)	193	176	(16)	(8%)	3,443
CSI	209	209	(0)	(0%)	209	209	(0)	(0%)	3,461
ESM	215	211	(4)	(2%)	215	211	(4)	(2%)	4,971
ITAPS	210	230	20	10%	210	230	20	10%	3,750
MSS	198	203	4	2%	198	203	4	2%	3,331
RRCV	350	265	(85)	(24%)	350	265	(85)	(24%)	4,621
Womens & Childrens	128	128	0	0%	128	128	0	0%	4,678
<b>Total: CMG</b>	<b>1,504</b>	<b>1,423</b>	<b>(81)</b>	<b>(5%)</b>	<b>1,504</b>	<b>1,423</b>	<b>(81)</b>	<b>(5%)</b>	<b>28,255</b>
Facilities	168	168	0	0%	168	168	0	0%	3,170
Corporate Total	173	173	0	0%	173	173	0	0%	1,601
Adjustment to NHSI PI:	(524)	(524)	0	0%	(524)	(524)	0	0%	0
<b>Total CIP</b>	<b>1,320</b>	<b>1,239</b>	<b>(81)</b>	<b>(6%)</b>	<b>1,320</b>	<b>1,239</b>	<b>(81)</b>	<b>(6%)</b>	<b>33,026</b>

- CIP delivery adverse to Plan driven by RRCV which is in line with the CMGs financial performance in Month 1.
- Achieving CIP is critical to delivering the financial plan with the key risks being:
  - Unidentified CIP
  - Identified schemes not yet been through the quality assurance process
- The specific CIP Paper provides further insight into the performance of CIP.



# Finance Improvement and Technical

	Plan FY £'000	Plan Apr-17 £'000	Actual Apr-17 £'000	Variance Apr-17 £'000
<b>Strategic</b>	HEEM: NR Funding	500	0	0
	Strategic review of subsidiary company: Depreciation & Dividend savings	4,000	0	0
	<b>Total Value: Strategic</b>	<b>4,500</b>	<b>0</b>	<b>0</b>
<b>Statement of Financial Position Management</b>	Accruals: apply policy of £10k de-minimus	500	0	0
	Deferred Income (inc Research): release	150	0	0
	Revenue to Capital transfer	1,000	83	83
	Duplicate invoices / VAT review	150	0	0
	Depreciation: extending lives and pausing charges for assets not in use	2,086	174	181
<b>Total Value: Statement of Financial Position</b>	<b>3,886</b>	<b>257</b>	<b>264</b>	<b>7</b>
<b>Contingency and Reserves</b>	Investment Slippage	741	164	226
	Release of contingency to fund approved investments	5,972	498	498
	Junior Doctors: manage to best case of £2m	300	25	25
	<b>Total Value: Contingency and Reserves</b>	<b>7,013</b>	<b>686</b>	<b>749</b>
<b>Technical</b>	Defer NHSE settlement over 2 years	1,217	101	101
	QIPP EDD - 100% pass through	784		
	CIP PCI Schemes alignment	780	0	0
	<b>Total Value: Technical Actions</b>	<b>2,781</b>	<b>101</b>	<b>101</b>
<b>All Actions</b>	Strategic	4,500	0	0
	Statement of Financial Position	3,886	257	264
	Contingency and reserves	7,013	686	749
	Technical	2,781	101	101
	<b>Total Value: All Actions</b>	<b>18,180</b>	<b>1,045</b>	<b>1,115</b>

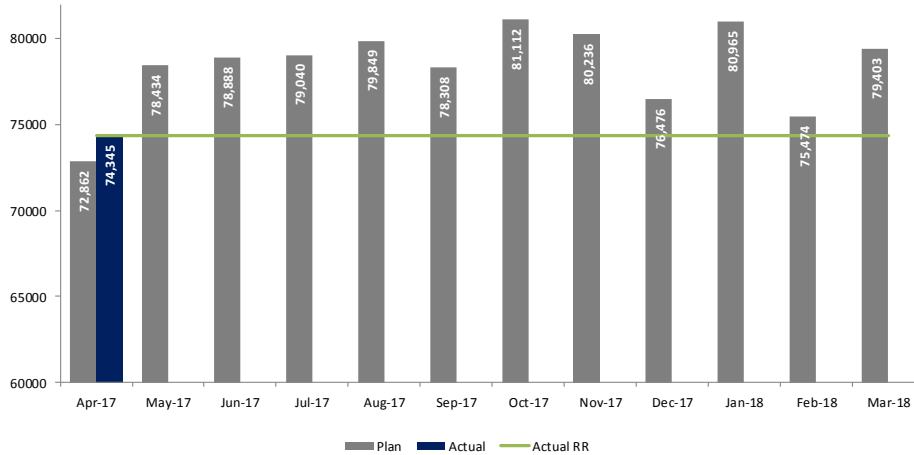
- 2017/18 Plan identified £18m of Finance Improvement and Technical actions in order to help meet the planned deficit
- Month 1 is in line with Plan but this needs on-going monitoring to ensure the actions are executed and delivered in line with planning assumptions.

A specific Finance Improvement and Technical work-stream is being set up to track deliverables, risk and mitigations.

# I&E Run Rates

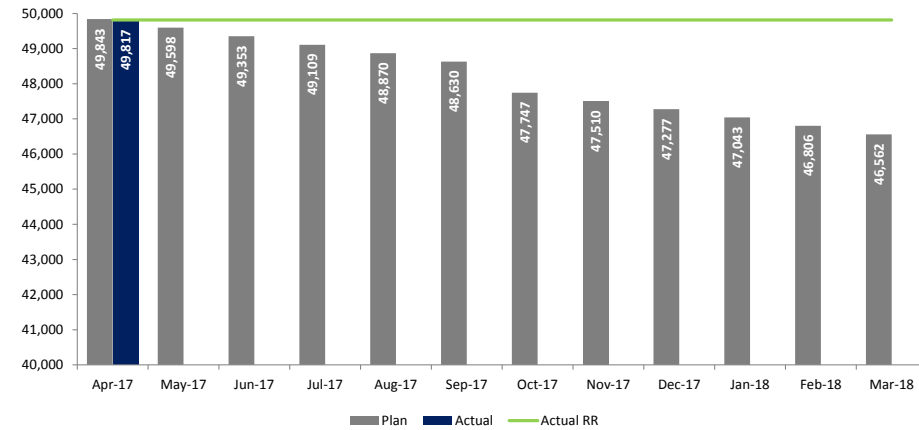
## Income

Underlying income fluctuates in line with working days and calendar days .



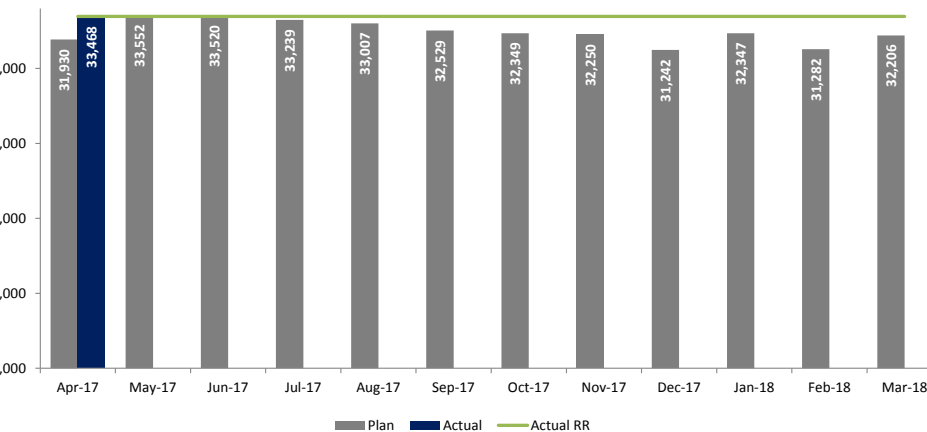
## Pay

Delivery of pay trajectory is dependent upon CIP and Workforce actions. This remains a key risk which needs tight discipline.



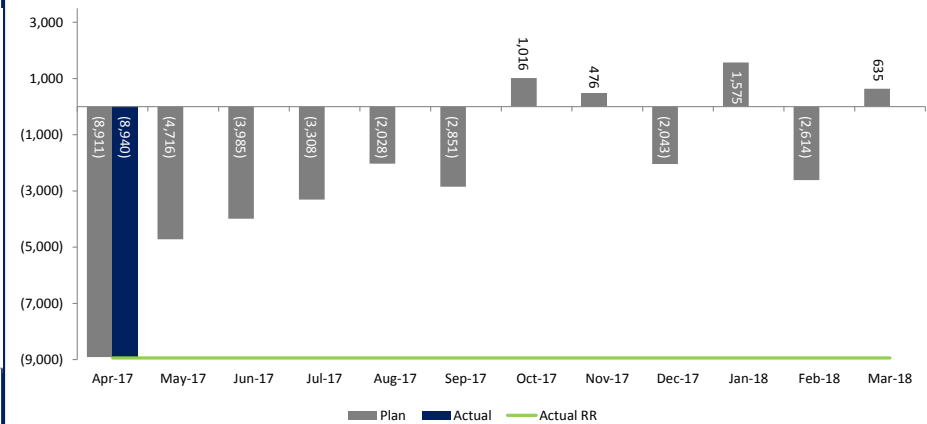
## Non-Pay

Non-pay is stable representing existing cost base with fluctuations driven by activity assumptions.



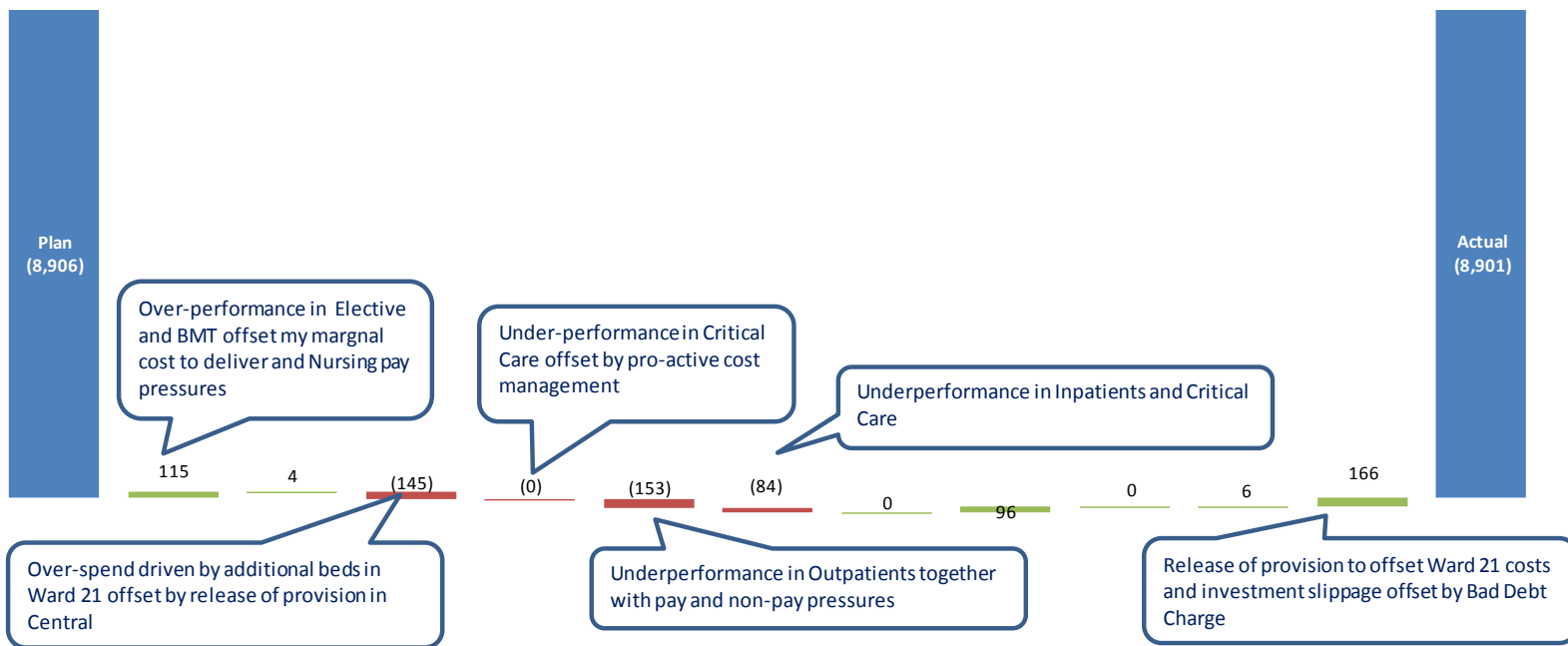
## Net Deficit

Whilst similar to prior years the Month 1 deficit cannot be sustained which needs close monitoring and tight financial discipline over costs and non-essential spend.



# April performance by CMG and Directorates

The YTD performance by CMG and Corporate Directorate is shown below. Overall most areas are performing in line with Plan. Exceptions are ESM with overspend relating to unfunded beds pending Demand & Capacity business case together with underlying performance issues in MSS and risk in RRCV.



£(000)	Plan	CHUGGS	CSI	ESM	ITAPS	MSS	RRCV	W&C	Corporate	Facilities	R&I	Centre	Actual	Var F/(A)
NHS PCI	61,752	1,159	(65)	599	(103)	(90)	3	367	0	0	0	66	63,686	1,934
Other Income	11,069	(62)	132	106	2	16	(6)	1	70	(70)	(49)	(550)	10,658	(411)
Pay	(47,878)	(266)	(211)	(190)	90	(69)	(10)	(30)	(9)	(74)	50	677	(47,921)	(43)
Pay: Agency	(1,965)	34	48	73	44	31	1	(4)	14	8	1	(181)	(1,896)	69
Non Pay	(28,407)	(750)	100	(732)	(34)	(42)	(71)	(333)	22	136	5	173	(29,934)	(1,526)
Non-Operating Costs	(3,476)				2				(0)			(20)	(3,494)	(18)
<b>Net Deficit</b>	<b>(8,906)</b>	<b>115</b>	<b>4</b>	<b>(145)</b>	<b>(0)</b>	<b>(153)</b>	<b>(84)</b>	<b>0</b>	<b>96</b>	<b>0</b>	<b>6</b>	<b>166</b>	<b>(8,901)</b>	<b>5</b>



# Forecast Outturn: No change from Plan

	Outturn		F / (A)	
	Plan	Outturn		
Day Case	103,500	103,500	0	0%
Elective Inpatient	22,459	22,459	0	0%
Emergency / Non-elective Inpatient	106,432	106,432	0	0%
Emergency Department	256,108	256,108	0	0%
Outpatient Procedures	901,976	901,976	0	0%
Critical Care Services	56,989	56,989	0	0%
Renal Dialysis & Transplant	178,494	178,494	0	0%
Other	8,394,540	8,394,540	0	0%

	Outturn		F / (A)	
	Plan	Outturn	F / (A)	%
	£'000	£'000	£'000	%
Patient Care Income	807,716	807,716	0	0%
Non Patient Care Income	133,331	133,331	0	0%
<b>Total Income</b>	<b>941,047</b>	<b>941,047</b>	<b>0</b>	<b>0%</b>
Pay Costs	(557,728)	(557,728)	0	0%
Pay Costs: Agency	(20,620)	(20,620)	0	0%
Non-Pay	(346,998)	(346,998)	0	0%
Total Operating Costs	(925,346)	(925,346)	0	0%
<b>EBITDA</b>	<b>15,701</b>	<b>15,701</b>	<b>0</b>	<b>0%</b>
<b>Non-Operating Costs</b>	<b>(42,455)</b>	<b>(42,455)</b>	<b>0</b>	<b>0%</b>
<b>Retained Deficit</b>	<b>(26,754)</b>	<b>(26,754)</b>	<b>0</b>	<b>0</b>
Adjustments for Donated Assets	54	54	0	0
<b>Net Deficit</b>	<b>(26,700)</b>	<b>(26,700)</b>	<b>0</b>	<b>0</b>
Agency: Total Pay	3.57%	3.57%	0.00%	
EBITDA: Income	1.67%	1.67%	0.00%	
Net Deficit: Income	(2.84%)	(2.84%)	0.00%	

- At Month 1, the Forecast Outturn is in line with Plan
- Whilst the full year plan is predicated on delivering CIP and strict cost management at this early stage of the year the focus is on ensuring the Plan can be delivered to ensure the Trust's financial commitments are met.
- There are a number of risks associated with the delivery of the Planned deficit predominantly:
  - Full delivery of CIP
  - CMGs and Corporate Directorates to perform in line with Plan
  - Execution of Finance Improvement and Technical actions
  - Resolution of Demand and Capacity work stream
  - Management of cost pressures

See Page 21 for more detail on risks together with mitigation.

- The first detailed forecast will be done in Month 3 as part of the Quarter 1 close.

## Key

- EBITDA refers to Earnings Before Interest, Taxes, Depreciation and Amortisation
- F refers to a Favourable variance to plan
- A refers to an Adverse variance to plan

# April 2017: Statement of Financial Position

	Mar-17 £000's Actual	Apr-17 £000's Actual	Movement £000's Actual
<b>Non Current Assets</b>			
Property, plant and equipment	398,261	397,510	(751)
Intangible assets	11,467	11,204	(263)
Trade and other receivables	2,669	2,643	(26)
<b>TOTAL NON CURRENT ASSETS</b>	<b>412,397</b>	<b>411,357</b>	<b>(1,040)</b>
<b>Current Assets</b>			
Inventories	19,975	20,016	41
Trade and other receivables	55,953	50,794	(5,159)
Cash and cash equivalents	1,238	1,539	301
<b>TOTAL CURRENT ASSETS</b>	<b>77,166</b>	<b>72,349</b>	<b>(4,817)</b>
<b>Current Liabilities</b>			
Trade and other payables	(110,675)	(103,698)	6,977
Dividend payable	0	(613)	(613)
Borrowings / Finance Leases	(4,474)	(4,540)	(66)
Other Liabilities / Loan	(1,838)	(2,162)	(324)
Provisions for liabilities and charges	(475)	(448)	27
<b>TOTAL CURRENT LIABILITIES</b>	<b>(117,462)</b>	<b>(111,461)</b>	<b>6,001</b>
<b>NET CURRENT ASSETS (LIABILITIES)</b>	<b>(40,296)</b>	<b>(39,112)</b>	<b>1,184</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>372,101</b>	<b>372,245</b>	<b>144</b>
<b>Non Current Liabilities</b>			
Borrowings / Finance Leases	(7,531)	(7,531)	0
Other Liabilities / Loan	(132,235)	(141,324)	(9,089)
Provisions for liabilities and charges	(1,562)	(1,562)	0
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>(141,328)</b>	<b>(150,417)</b>	<b>(9,089)</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>230,773</b>	<b>221,828</b>	<b>(8,945)</b>
Public dividend capital	331,956	331,956	0
Revaluation reserve	77,427	77,427	0
Retained earnings	(178,610)	(187,555)	(8,945)
<b>TOTAL TAXPAYERS EQUITY</b>	<b>230,773</b>	<b>221,828</b>	<b>(8,945)</b>
<b>Ratios</b>			
Liquidity Ratio Days (Working Capital Balance / Annual Operating Expenses)	(24)	21	
Liquidity Ratio Metric	1	4	

- **Total Assets Employed:** Movement of £8.9m representing year to date Trust deficit (before donated asset adjustment).
- **Non-Current Assets :** Reduced by £1.0m reflecting spend on the emergency floor offset by depreciation charges.
- **Working capital:**
  - Stock growth in non pharmacy stock holding locations
  - Receivables have decreased by 5.2m
  - Payables have decreased by £7.0m
- **Cash:** April balance of £1.5m is marginally above the £1m cash balance to support working capital due to late cash received.
- **Dividend payable:** £0.6m represents one months' PDC dividend accrued with cash payment due in September.
- **Non-current liabilities:**
  - £8.4m revolving working capital facility
  - £1.0m emergency floor capital loan.
- **Liquidity Ratio:** We continue to be high risk in terms of our continuity of service risk rating relating to liquidity days and have achieved a score of 1, which is in line with our plan.

Score range from 1 (High Risk) to 4 (Low Risk).

# Cash

Year to Date Cash Bridge £'000



## Cash Bridge:

- Opening cash balance of £1.2m, in line with our plan.
- Funded YTD Planned net deficit of £8.4m by drawing down £8.4m of our Interim Revolving Working Capital Facility (IRWC).
- Improvement in working capital and internal capital funding enabled interest payment and capital expenditure of £1.3m.

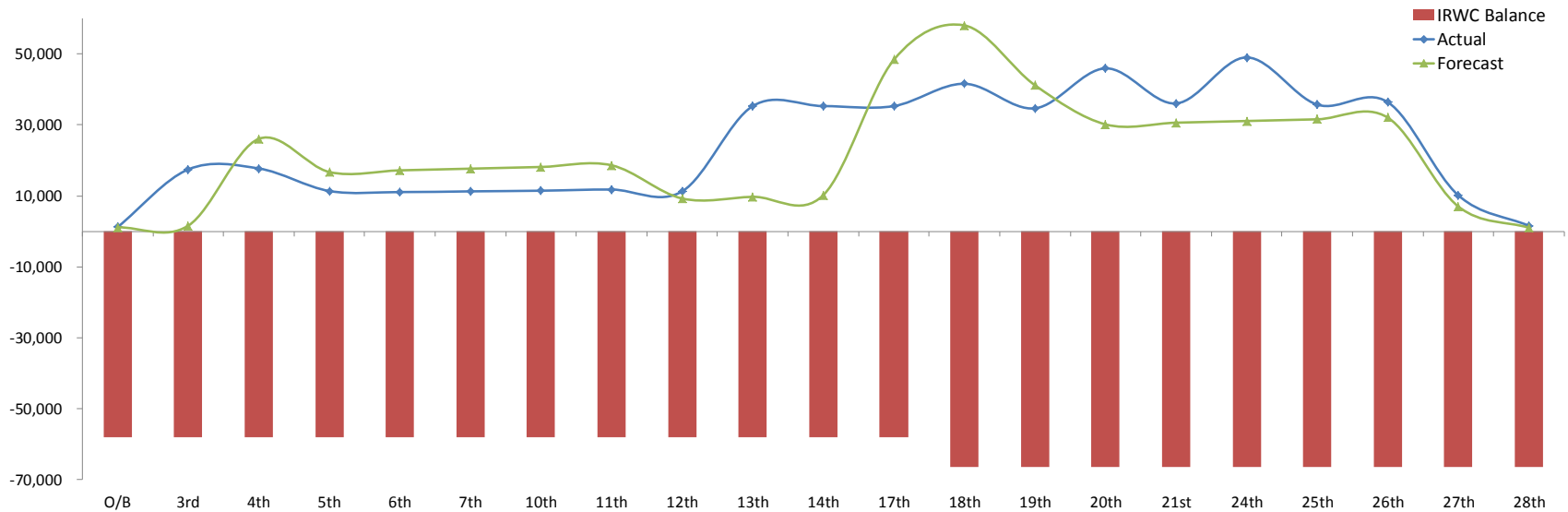
## Full Year Forecast

- Forecast of £1m cash holding at the year end.

## Daily Cash Balance

- In line with forecast the mid-month peak is driven by receipt of SLA income and reduction on 27<sup>th</sup> April is the monthly payroll run.

Daily Cash Balance



# Liquidity

	Liquidity			Ageing				Total	
	Opening	YTD	Movement	0 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Over 90 Days	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	
Accounts Receivable	NHS receivables - revenue	37,100	26,858	10,242	15,549	4,272	1,590	5,447	20%
	Non-NHS receivables - revenue	12,498	12,938	(440)	6,435	1,635	419	4,449	34%
	Provision for the impairment of receivables	(1,024)	(1,100)	76	(1,100)				
	Non-NHS prepayments and accrued income	4,797	7,534	(2,737)	7,534				
	PDC dividend prepaid to DH	764	0	764	0				
	VAT	1,195	1,211	(16)	1,211				
	Other receivables	623	3,353	(2,730)	3,353				
	<b>TOTAL</b>	<b>55,953</b>	<b>50,794</b>	<b>5,159</b>	<b>32,982</b>	<b>5,907</b>	<b>2,009</b>	<b>9,896</b>	<b>1</b>
Accounts Payable	NHS payables - revenue	(9,327)	(28,630)	19,303	(20,124)	(2,062)	(71)	(6,373)	22%
	NHS accruals and deferred income	(5,584)	0	(5,584)	0				
	Non-NHS payables - revenue	(49,480)	(25,303)	(24,177)	(22,606)	(2,322)	19	(394)	2%
	Non-NHS payables - capital	(4,808)	(1,078)	(3,730)	1,334	(2,390)	0	(22)	2%
	Non-NHS accruals and deferred income	(21,449)	(28,220)	6,771	(10,156)	(5,413)	(3,052)	(9,599)	34%
	Social security costs	(6,439)	(6,439)	0	(6,439)				0
	Accrued Interest on DH Loans	(123)	(218)	95	(218)				
	Tax	(5,584)	(5,671)	87	(5,671)				
	Other	(7,881)	(8,139)	258	(8,139)				
<b>TOTAL</b>	<b>(110,675)</b>	<b>(103,698)</b>	<b>(6,977)</b>	<b>(72,019)</b>	<b>(12,187)</b>	<b>(3,104)</b>	<b>(16,388)</b>	<b>1</b>	
<b>Total Liquidity</b>	<b>(54,722)</b>	<b>(52,904)</b>	<b>(1,818)</b>						

**Liquidity:** movement of £1.8m from opening position due to:

- Accounts receivable: reduced by £5.2 driven by reduction in NHS receivables.
- Accounts payable: decrease of £7.0m with material movement Non-NHS payables.

**Ageing:** NHSI target of 5% or less within over 90 days, key areas of under-performance:

- NHS receivables: 20% representing £5.4m being over 90 days with NHS Leicester City CCG £1.4m; NHS West Leicester CCG at £1.9m.
- Non-NHS receivables: 34% representing £4.5m being over 90 days with the largest component being Overseas Visitors at £2.5m (56%). The balance consists of various items which in isolation are not material.
- NHS payables-revenue: £6.4m, representing 22% in excess of 90 days with NHS Business Services Authority at £5.5m (86%).
- Further analysis of receivables is provided in the separate cash report.

# Better Payments Practice Code: Non-compliant

Better Payment Practice Code - Measure of Compliance	April YTD		Prior month YTD	
	Number	£000s	Number	£000s
<b>All</b>				
Total Invoices Paid in the Year	15,863	54,109	164,175	752,564
Total Invoices Paid Within Target	4,144	32,652	30,705	476,617
<b>Percentage Invoices Paid Within Target (target 95%)</b>	<b>26%</b>	<b>60%</b>	<b>19%</b>	<b>63%</b>
<b>Non-NHS Payables</b>				
Total Non-NHS Invoices Paid in the Year	15,051	45,019	155,649	623,753
Total Non-NHS Invoices Paid Within Target	4,055	28,840	29,470	394,044
<b>Percentage of Non-NHS Invoices Paid Within Target</b>	<b>27%</b>	<b>64%</b>	<b>19%</b>	<b>63%</b>
<b>Local SME payables</b>				
Total SME Invoices Paid in the Year	93	1,098	3,547	12,632
Total SME Invoices Paid Within Target	23	238	737	2,281
<b>Percentage of Local SME Invoices Paid Within Target</b>	<b>25%</b>	<b>22%</b>	<b>21%</b>	<b>18%</b>
<b>NHS Payables</b>				
Total NHS Invoices Paid in the Year	719	7,991	4,979	116,179
Total NHS Invoices Paid Within Target	66	3,574	498	80,292
<b>Percentage of NHS Invoices Paid Within Target</b>	<b>9%</b>	<b>45%</b>	<b>10%</b>	<b>69%</b>

- **BPPC performance:** As a result of cash constraints the Trust is unable to achieve the BPPC performance target of 95%.

The low volume compliance has been driven by the requirement to settle high value invoices, impacting our ability to pay the larger volume of small invoices within 30 days.

- **Impact of additional financing:** We have undertaken analysis of the impact of expected additional financing on the BPPC performance.

This analysis is limited to non - NHS BPPC performance as we will not receive any additional financing for NHS creditors.

The likely performance for the year with additional financing is 31% by volume (currently 26%) and 68% by value (currently 60%).

# Capital: April £1.3m spend, £1.1mF to Plan

	Scheme Name	Plan £'000	April-17 Actual £'000	F / (A) £'000	Annual Budget £'000	Commitments £'000
Reconfiguration	Emergency Floor	500	701	(201)	7,033	9,130
	ICU Beds	0	3	(3)	4,200	
	LRI Beds	48	5	43	3,330	5
	GH Beds	83		83	6,485	
	Imaging: GH & LRI	15		15	4,291	
	Treatment Centre	13	8	5	600	38
	ITU LRI	8		8	100	
	Women's Service	13	5	8	849	
	Children's Hospital	13	14	(1)	1,000	112
	Theatres LRI	31	8	23	381	
	Supporting Infrastructure	8		8	1,000	
	Vascular		88	(88)		806
	Other Reconfiguration		15	(15)		41
	<b>Sub-total: Reconfiguration</b>	<b>732</b>	<b>846</b>	<b>(114)</b>	<b>29,269</b>	<b>10,131</b>
Estates & Facilities	Estates & Facilities	250	48	202	8,520	1,491
	MES Installation Costs	125	22	103	1,500	129
	Other Estates & Facilities		(4)	4	480	
	<b>Sub-total: Estates &amp; Facilities</b>	<b>375</b>	<b>65</b>	<b>310</b>	<b>10,500</b>	<b>1,621</b>
IM&T	IM&T Infrastructure	300	7	293	3,526	39
	Nervecentre	0	4	(4)	474	
	Heartsuite System			0	100	106
	Electronic Blood Tracking System			0		20
	Renal Transplant Lab System			0		
	Learning Mgt System			0	18	
	Other IM&T		(6)	6		68
	<b>Sub-total: IM&amp;T Schemes</b>	<b>300</b>	<b>6</b>	<b>294</b>	<b>4,118</b>	<b>233</b>
Medical Equipment	Medical Equipment Executive	364	(2)	366	4,371	28
	Radiotherapy CT Scanner	100		100	629	
	Linear Accelerator	0	(4)	4	39	269
	Other Medical Equipment			0		
	<b>Sub-total: Medical Equipment</b>	<b>464</b>	<b>(6)</b>	<b>470</b>	<b>5,039</b>	<b>297</b>
Finance Leases	Donations	25		25	300	
	MES Finance Lease Additions	428	428	0	5,138	
	EDRM			0		
	Other Expenditure		(89)	89		
	<b>Sub-total: Finance Leases</b>	<b>453</b>	<b>339</b>	<b>114</b>	<b>5,438</b>	<b>0</b>
	<b>TOTAL CAPITAL EXPENDITURE</b>	<b>2,324</b>	<b>1,250</b>	<b>1,074</b>	<b>54,364</b>	<b>12,282</b>

## Year to date: £1.1mF to Plan

- In month spend driven by Re-configuration projects predominantly related to Emergency Floor spend of £0.7m with a further commitment of £9.1m.
- Underspend driven by Estates and Facilities, IM&T Infrastructure and Medical Equipment Executive due by uncertainties to the availability of external funding driving only critical spend at this point in the year.
- **Capital Plan:** Total expected capital expenditure of £54.4m funded by:
  - £31.5m depreciation;
  - £7.0m external borrowing for the Emergency Floor development;
  - £5.1m finance lease additions funded through revenue;
  - £0.3m donations.

# Finance and use of resources metrics

In September 2016 NHSI published the final Single Oversight Framework. Within this there are a series of financial measures, below we have shown the Trust score against these measures based on NHSI definitions. Whilst each metric carries equal weighting if any metric scores a 4 the overall score cannot be any higher than 3.

Metric	Definition	Actual	Score
Capital Service Capacity	Degree to which generated income covers financial obligations <i>EBITDA + Interest receivable / Annual Debt Service (Interest Payable + Dividend + borrowings repaid)</i>	4	1
Liquidity (days)	Days of operating costs held in cash or cash equivalent forms including wholly committed lines of credit available for drawdown <i>Working Capital Balance / Year to Date Operating Costs</i>	(21)	4
EBITDA margin	I&E Surplus or Deficit / Total Revenue	(11.97%)	4
Distance from financial plan	Year to date actual I&E surplus/deficit in comparison to year to date planned I&E surplus/deficit <i>Difference between I&amp;E Plan Margin and I&amp;E Actual Margin</i>	0.26%	1
Agency spend	Distance from agency ceiling <i>Year to date variance to Ceiling / Year to date Ceiling</i>	3.49%	1
<b>Total (weighted) score</b>	<b>All five metrics are equally weighted to give an overall mean score however scoring a 4 on any measure results in a 3 overall at best</b>		<b>2</b>

# Risks & Mitigation

RISK	MITIGATION
<ul style="list-style-type: none"> <li><b>CIP:</b> remains key to meeting income and expenditure commitments. M1 shows performance slightly adverse to Plan which needs to be recovered together with unidentified CIP.</li> </ul>	<ul style="list-style-type: none"> <li>An established PMO function and associated governance arrangements are in place. Full details of the 2017/18 programme are supplied within the separate CIP paper.</li> </ul>
<ul style="list-style-type: none"> <li><b>Demand and Capacity Funding requirements:</b> utilisation of existing contingency held for funding Winter Pressures for non-funded beds which remain open.</li> </ul>	<ul style="list-style-type: none"> <li>A business case is being developed which will need to through the appropriate governance process including consideration of the financial impact.</li> </ul>
<ul style="list-style-type: none"> <li><b>Cost Pressures:</b> Currently c£10m cost pressures not funded together with additional unidentified cost pressures that place pressure on delivering the Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Executive scrutiny through the Star Chamber to review all known cost pressures with a view to managing, funding or not incurring. to monitor financial performance and improve control.</li> <li>The Trust holds a small contingency for the support of unavoidable cost pressures and Business Cases. Any new costs above this will require identification of specific funding sources.</li> </ul>
<ul style="list-style-type: none"> <li><b>CMG/ Directorate Financial Performance:</b> potential under-performance and deterioration of CMGs and Corporate driving Trust level risk to deliver on planned deficit.</li> </ul>	<ul style="list-style-type: none"> <li>CMG financial positions will be reported through monthly performance meetings, as well as Trust positions at EPB and IFPIC.</li> </ul>
<ul style="list-style-type: none"> <li><b>Finance Improvement and Technical:</b> ensuring that identified actions are delivered in line with Plan</li> </ul>	<ul style="list-style-type: none"> <li>Finance Improvement and Technical working group to monitor and track performance</li> <li>Executive review through monthly Financial performance monitoring at EPB, IFPIC and Trust Board</li> </ul>
<ul style="list-style-type: none"> <li><b>Cash:</b> The planned deficit position means there is insufficient cash to support expenditure.</li> </ul>	<ul style="list-style-type: none"> <li>The Trust has access to an Interim Revolving Working Capital Support (temporary borrowing) to meet immediate cash requirements.</li> </ul>
<ul style="list-style-type: none"> <li><b>Capital expenditure</b> requires further borrowing that is yet to be approved.</li> </ul>	<ul style="list-style-type: none"> <li>The Trust is in the process of following Nationally defined process to access funding.</li> </ul>
<ul style="list-style-type: none"> <li><b>Commissioner affordability</b> : increase likelihood of contractual challenges may result in the Trust not being paid for all the activity it completes.</li> </ul>	<ul style="list-style-type: none"> <li>The Trust must ensure that a more disciplined approach and responsiveness to contract challenges and contract queries is adopted. The governance structure around Contract Management Performance with CCGs will continue to be in place.</li> </ul>
<ul style="list-style-type: none"> <li><b>Agency Pay:</b> Reduction in agency expenditure of 17% is required to deliver the planned income and expenditure position.</li> </ul>	<ul style="list-style-type: none"> <li>The workforce and premium pay sub-workstreams are concentrating on delivery of savings through the monitoring and compliance of recruitment initiatives, workforce planning and the application of internal controls.</li> </ul>