

2015/16 Financial Position (Month 5)

Author: Head of Financial Management and Planning Sponsor: Chief Financial Officer

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Executive Summary

Context

The Trust is planning for a deficit of £34.1m in 2015/16, including delivery of £43m of CIP.

This paper updates on the progress against this plan.

Questions

1. What is the financial position compared to plan as at the end of August and what are the drivers?
2. How does this compare to forecast?
3. What is capital spend compared to plan and the cash balance?

Conclusion

1. As at the end of August, the net I&E position was a deficit of £25.2m, compared to a plan of £19.9m, an adverse position of £5.3m. The drivers of this are premium pay costs (£3.3m) and patient care income below plan (£1.6m)
2. The position in August was £0.5m worse than forecast. This was mostly related to pay and most specifically nurse agency spend
3. Capital spend is £11.4m compared to a plan of £13.6m and our cash balance at the end of July was £19m, £16m above plan

Input Sought

We would like Trust Board to **note** the financial position as at the end of Month 5, **agree** the actions within the paper and **note** the risks to the financial position.

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: 24/09/2015

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

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

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT TO: TRUST BOARD

DATE: 1ST OCTOBER 2015

REPORT FROM: PAUL TRAYNOR – CHIEF FINANCIAL OFFICER

SUBJECT: 2015/16 FINANCIAL POSITION (MONTH 5)

1. INTRODUCTION AND CONTEXT

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

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

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

2. KEY FINANCIAL DUTIES

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

Financial Duty	Year to date Plan £m	Year to date Actual £m	RAG	Full Year Plan £m	Full Year Actual £m	RAG
Delivering the Planned Deficit	(19.9)	(25.2)	A	(34.1)	(34.1)	A
Achieving the EFL	33.4	17.4	A	102.5	102.5	G
Achieving the Capital Resource Limit	20	11.3	A	81.2	81.2	A

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

Better Payment Practice Code	April to August 2015	
	Volume Number	Value £000s
Total bills paid in the year	58,384	270,190
Total bills paid within target	43,371	230,865
Percentage of bills paid within target	74%	85%

Key issues

- In month adverse movement to plan of £1.7m and £5.3m YTD. This is £0.5m worse than the forecast for August
- EBITDA is £1.8m adverse to plan in month and £5.6m adverse to plan YTD
- CIP delivery of £15.1m YTD, £1.5m worse than plan
- Income has under-performed by £1.7m
- Key areas of pressures are in cover of nursing vacancies, additional theatre sessions and medical staff overspends in all CMGs
- Capital spend YTD is £11.4m against a plan of £13.6m

3. FINANCIAL POSITION (MONTH 5)

3.1 The Month 5 results may be summarised as follows and as detailed in Appendix 1:

	August 2015			April - August 2015		
	Plan £m	Actual £m	Var (Adv) / Fav £m	Plan £m	Actual £m	Var (Adv) / Fav £m
Income						
Patient income	59.1	58.9	(0.2)	300.6	299.1	(1.6)
Teaching, R&D	6.4	6.4	0.0	31.9	32.2	0.3
Other operating Income	3.1	2.9	(0.2)	15.8	15.4	(0.4)
Total Income	68.7	68.3	(0.4)	348.3	346.7	(1.7)
Operating expenditure						
Pay	(42.3)	(42.9)	(0.7)	(211.1)	(214.4)	(3.3)
Non-pay	(26.2)	(26.9)	(0.7)	(137.9)	(138.6)	(0.6)
Total Operating Expenditure	(68.4)	(69.8)	(1.4)	(349.0)	(352.9)	(3.9)
EBITDA	0.2	(1.5)	(1.8)	(0.7)	(6.3)	(5.6)
Net interest	(0.2)	(0.2)	(0.0)	(0.7)	(0.7)	0.1
Depreciation	(2.8)	(2.8)	0.0	(13.9)	(13.7)	0.3
Impairment			-	-	-	-
Profit / (loss) of disposal of fixed asset	(0.0)	0.0	0.0	(0.0)	(0.0)	(0.0)
PDC dividend payable	(1.0)	(1.0)	-	(4.8)	(4.8)	-
Net deficit	(3.7)	(5.5)	(1.8)	(20.1)	(25.4)	(5.3)
EBITDA %		-2.3%			-1.8%	
Adjustments for donated assets	0.1	0.2	0.1	0.3	0.3	(0.0)
RETAINED SURPLUS / (DEFICIT)	(3.6)	(5.3)	(1.7)	(19.9)	(25.2)	(5.3)

3.2 In the month of August, the Trust delivered a deficit of £5.3m against a planned deficit of £3.6m, an adverse variance of £1.7m.

3.3 Year to date (YTD), the Trust has a deficit of £25.2m, £5.3m adverse to the £19.9m plan. Appendix 3 details this by CMG.

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

3.5 Income

Patient care income is £0.2m adverse to plan in month and £1.6m adverse to plan YTD. Key movements can be summarised as follows:

- Emergency activity including ED was £0.1m below plan in month. Emergency activity is £2.0m above plan YTD at 100%, which results in payment of £0.5m after adjustment for marginal rates and MRET
- Non-elective activity is £0.6m below plan in month, largely within Obstetrics activity in W&C. YTD activity is £1.5m below plan in W&C £0.8m and RRC £0.7m
- Elective and daycase activity £0.1m better than plan in month and £0.7m worse than plan YTD. Under-performance YTD is in W&C £0.4m, ITAPS £0.3m (offset in outpatient procedures) and CSI £0.1m offset with over-performance in RRC £0.3m and MSS £0.2m
- Outpatients £0.4m above plan in month due to a correction to coding of sleep activity in ITAPS. YTD activity is £0.4m better than plan
- Critical Care £0.1m below plan in month and £1.0m below plan YTD. Activity within the CCG contract is higher than the block by £0.6m, for which there has been no additional payment, however activity still remains below plan after adjusting for this
- Diagnostic imaging is £0.1m worse than plan in month and £0.2m better than plan YTD
- Excluded drugs and devices are £0.2m better than plan in month
- Renal activity £0.2m worse than plan in month, split equally between dialysis and transplantation. YTD income is £0.8m adverse to plan of which £0.4m is in transplantation

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

3.6 **Pay**

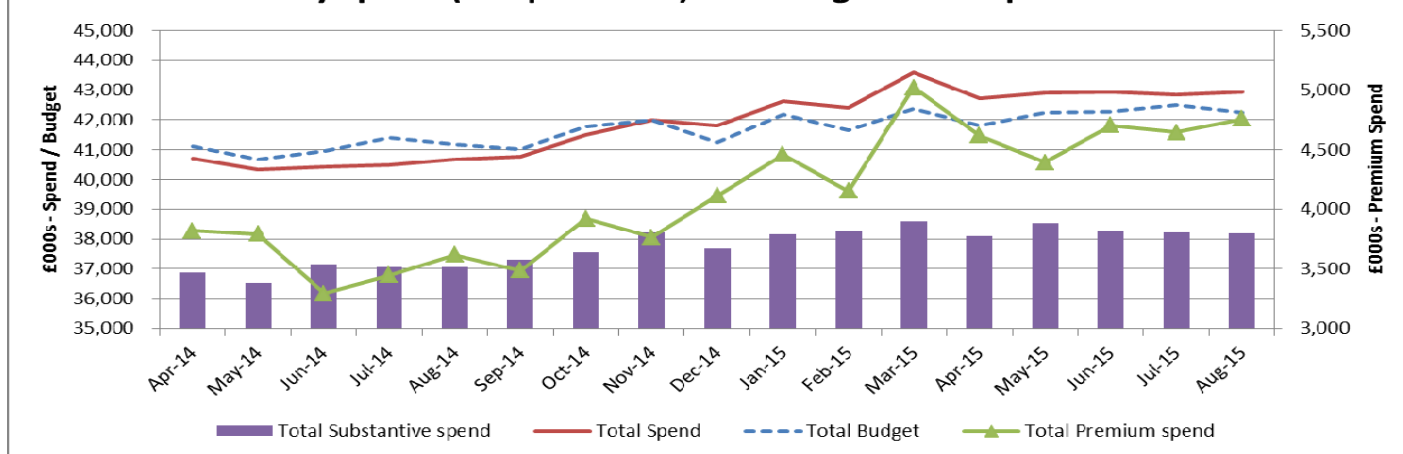
Pay costs are £0.7m adverse to plan in August and £3.3m adverse to plan YTD. This has been the main driver of overspend year to date.

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

- Total pay spend (solid line) has been in excess of budget (dashed line) since December 2014
- Pay spend is £2.3m higher in August 2015 than August 2014. We have spent £11.8m more on pay so far in 2015/16 than in the first 5 months of 2014/15
- Substantive pay is £1.2m higher than a year ago (bars) but premium pay is not decreasing (triangled line) as substantive spend increases, it is in fact £1.1m higher than one year ago

In addition to the above, there are 402 more worked WTE in August 2015 compared to August 2014, including 155 WTE nurses, 137 WTE non-clinical staff, 15 WTE medics and 94 WTE other clinical staff.

Pay spend (incl premium) and budget from April 2014



The variance to plan by staff group can be seen in the table below, including all premium costs. In month, the number of WTEs worked was 434 below the plan. YTD, the number of WTEs worked less than plan amounts to a saving £7.8m. However, premium pay costs of covering vacancies is a pressure of £11.1m. It is this premium pay issue that is resulting in a pay variance of £3.3m.

Pay Type	In Month £000s			YTD £000s			WTE			Price variance £000s	Volume Variance £000s
	Plan	Actual	Better / (worse)	Plan	Actual	Better / (worse)	Plan	Actual	Better / (worse)		
Non Clinical	6,112	6,309	(197)	31,141	30,643	498	2,577	2,503	73	(389)	887
Other Clinical	5,372	5,184	188	26,831	26,050	781	1,758	1,660	98	(717)	1,498
Medical & Dental	14,294	14,673	(379)	70,696	73,953	(3,258)	1,779	1,751	28	(4,353)	1,095
Nursing & Midwifery	16,472	16,776	(304)	82,409	83,747	(1,338)	5,649	5,415	234	(4,758)	3,420
Total	42,250	42,942	(692)	211,076	214,393	(3,317)	11,763	11,330	434	(11,096)	7,779

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

• Additional Theatre Sessions

In month, 164 additional theatre sessions were done above the capacity plan costing £0.1m in pay costs. In total, YTD additional theatre sessions above the plan are a cost of £1.1m, £0.8m of which is pay cost and £0.3m non pay cost.

Actions ongoing include:

- Detailed review of requirements for ongoing operation
- Ongoing review of sessions utilised, including in hours, to ensure theatre plan is managed for the planned level of activity via the Theatres Board

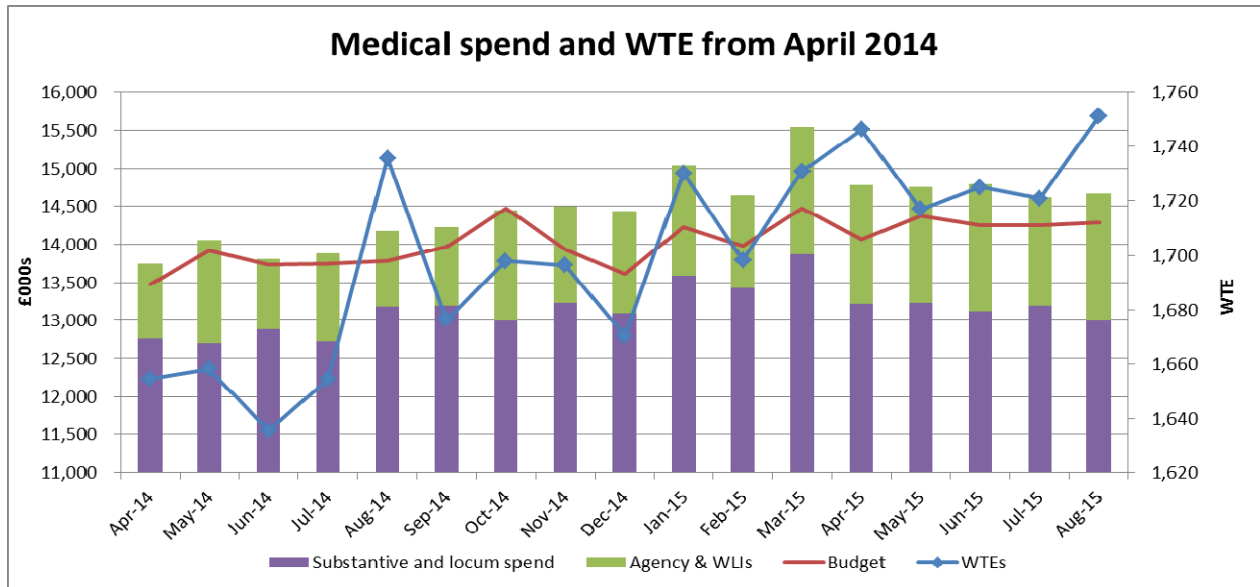
• Medical Pay Overspends

In month, medical pay is overspent by £0.4m and by £3.3m YTD. Actual spend for medics has been at a consistent level since April as shown in the chart below. All CMGs are overspent on medical staffing YTD. Of this YTD overspend, £0.4m relates to additional sessions in theatres. All CMGs are overspent on medical staffing, but for different reasons.

Overspends YTD in CHUGGS (£0.4m), ESM (£0.7m), W&C (£0.2m) and RRC (£0.4m) are due to the cover of vacant junior grade and consultant posts being covered by

agency posts. Overspends in ITAPS (£0.5m) are due to acting down of consultants to cover middle grade rotas. Overspends in MSS (£1.1m) are due in part to premium cover, £0.6m, and in part due to a non-recurrent CIP within pay that has not been delivered. Overspends in CSI relate to Imaging and cover of additional shifts, £0.1m.

The chart below shows medical spend since April 2014. In total, £4m more has been spent on medics in the first 5 months of 2015/16 compared to the same period in 2014/15.



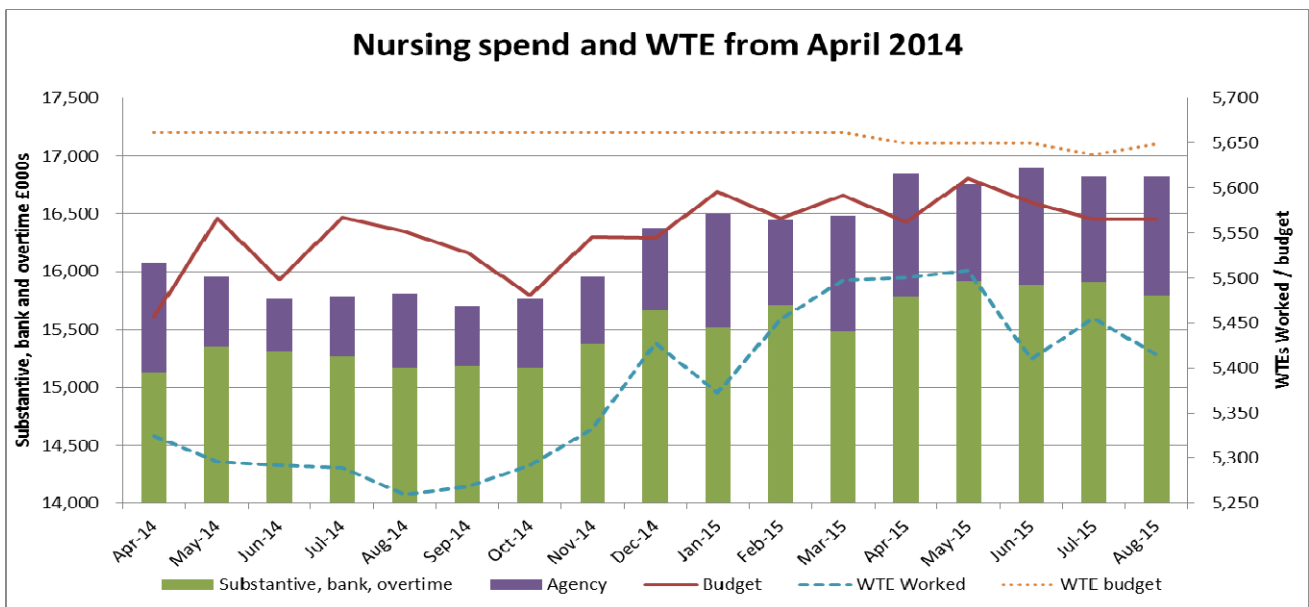
Actions proposed are therefore:

- As with theatre sessions, an aim to reduce WLIs and cancellations so reducing surgeon operating costs
- Continued review of all medical gaps and cover arrangements and proactive recruitment where possible for upcoming rotations
- Cover of Nursing Vacancies

Nursing is overspent YTD by £1.3m, and in month by £0.3m, although 234 less WTEs than budget were worked in month. The overspend YTD is broken down as follows:

- Premium cost of cover for vacancies and specialising of patients - £0.8m
- Additional theatre sessions (see above) - £0.4m
- Research costs – offset with income - £0.1m

The chart below shows the nursing spend since April 2014 increasing in line with recruitment and investment in acuity. A total of 155 additional nurses worked in August 2015 compared to August 2014.



Actions proposed are therefore:

- Incentives to increase bank come into place on 28th September 2015 including weekly payroll for bank shifts
- Prospective review of shifts booked for agency staffing at ward level
- A focus on managing within the nursing budgets in addition to ensuring safe staffing levels on wards

Performance by CMG and Directorate is shown in Appendix 3.

3.7 Non Pay

Operating non pay spend is £0.7m adverse to plan in month and £0.6m adverse to plan YTD.

In month non pay overspends relating to CIP slippage £0.3m, excluded drugs costs recovered through income, £0.2m, other drug costs £0.1m, use of independent sector in MSS £0.2m, medinet £0.1m and clinical supplies and services £0.3m. This is offset by underspend on utilities and rents of £0.2m and phased release of reserves £0.3m.

Non pay overspends YTD relate to CIP slippage £1.5m, additional theatre sessions £0.3m, clinical supplies and services £1.0m, use of the independent sector in MSS £0.8m, Medinet costs of £0.2m. These overspends are offset by underspends on drugs of £1.3m and release of contingency to support the position of £2.5m.

3.8 Cost Improvement Programme

Appendix 3 shows CIP performance YTD by area against the 2015/16 CIP plan. This currently shows under-delivery against plan of £1.6m YTD. Further detail is included within the CIP paper elsewhere on this agenda.

4. IN MONTH POSITION COMPARED TO FORECAST

- 4.1 Since Month 2, CMGs and Directorates have been undertaking a full forecast. In Month 4, the Trust was forecasting to be £1.2m adverse to plan. The £1.7m adverse movement to plan is therefore £0.5m worse than was forecast. The table below shows that income and non pay were close to forecast, but pay was worse than forecast.

	Forecast		
	Forecast variance to plan	Actual variance to plan	Better / (worse) than forecast
Income	(301)	(390)	(89)
Pay	(244)	(692)	(448)
Non Pay	(665)	(596)	69
Net surplus / (deficit)	(1,210)	(1,679)	(469)

The movements compared to forecast for each area are as follows:

Income

- Outpatients are £0.2m better than forecast
- Non-elective activity £0.5m worse than forecast, mainly within Obstetrics in W&C
- Elective activity £0.1m better than forecast
- Emergency activity is £0.2m better than forecast after adjustment for contract terms marginal rate with CCGs and MRET with NHSE
- Critical Care is £0.1m worse than forecast

Pay

- Nursing pay £0.3m worse than forecast due to agency use not falling as rapidly as forecast
- Other clinical £0.1m worse than forecast, mainly in Imaging due to continued use of WLIs to support activity and vacancies

Non Pay

- Security spend £0.1m worse than forecast
- Utilities spend £0.2m better than forecast

The position compared to forecast for each area of the Trust can be seen in the table below:

Area		Forecast variance from plan in month £000s	Actual variance from plan in month £000s	Better / (worse) than forecast £000s
Clinical CMGs	C.H.U.G.G.S	(90)	(325)	(235)
	Clinical Support & Imaging	45	32	(12)
	Emergency & Specialist Med	(514)	(1,066)	(552)
	I.T.A.P.S	(105)	91	196
	Musculo & Specialist Surgery	(180)	(173)	7
	Renal, Respiratory & Cardiac	(20)	(33)	(13)
	Womens & Childrens	62	(462)	(524)
Clinical CMGs Total		(803)	(1,936)	(1,133)
Corporate	Communications & Ext Relations	2	(1)	(3)
	Corporate & Legal	(0)	(5)	(5)
	Corporate Medical	(2)	15	16
	Facilities	(46)	(134)	(87)
	Finance & Procurement	(1)	(11)	(10)
	Human Resources	29	13	(16)
	Im&T	(14)	(29)	(16)
	Nursing	61	54	(7)
	Operations	(126)	(104)	22
	Strategic Devt	75	61	(15)
Corporate Total		(21)	(142)	(121)
Research & Development		(20)	5	25
Alliance		(17)	(17)	(0)
Central Division		(348)	411	760
Grand Total		(1,210)	(1,679)	(469)

Key movements are as follows:

- CHUGGS worse than forecast due to income £0.1m and non pay £0.1m
- ESM worse than forecast due to income, £0.4m, pay £0.1m and non pay £0.1m
- ITAPS better than forecast due to correction of sleep income
- W&C worse than forecast due to income, £0.4m, and pay, £0.1m
- Facilities worse than forecast due to legal fees
- Central better than forecast due to specialised activity being behind plan (CMGs have 100% of activity, marginal rate adjustment accounted for through central) and emergency activity being lower than forecast so marginal rate being better than forecast.

Detail on the forecast to year end and the revised plan can be found in the accompanying paper on this agenda.

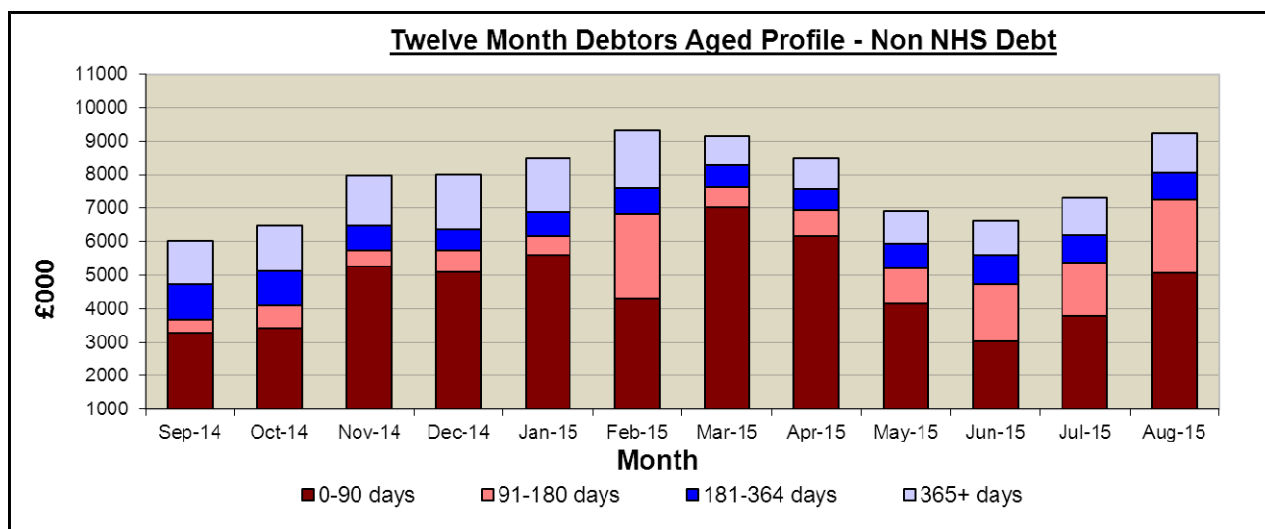
5. RESERVES

- 5.1 The table below details the reserves holdings as well as current known commitments in year. The balance of reserves is £6.4m. Of this, £5.5m has been committed, including £2.6m YTD to support the position and a further £1.0m to support the position to year end. There remains only £0.3m of reserve uncommitted.

	Opening balance £000s
Inflation - Non Pay	700
Inflation - Pay	300
Contingency	4,060
Provisions for items agreed to be funded when incurred	1,374
Reserves balance	6,434
Commitments	
Inflation to support recovery plan	(1,000)
Released to support position YTD	(2,646)
Reserve committed to support year end position not yet released	(750)
Items committed to be funded when incurred	(1,700)
Total Commitments at M5	(6,096)
Remaining reserve	338

6. BALANCE SHEET AND CASHFLOW

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



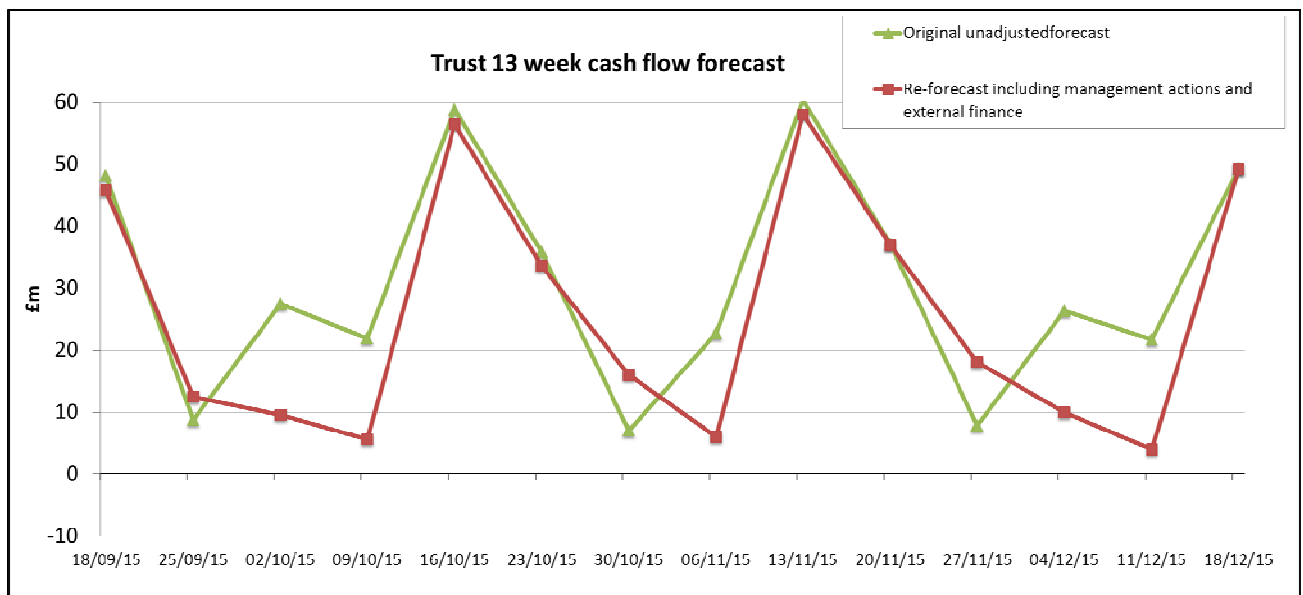
6.2 The overall level of non-NHS debt at the end of August increased to £9.2m from £7.3m in July. Total debt over 90 days is £4.2m which is an increase of £0.7m from June. The proportion of total debt over 90 days has decreased from 48% to 45%.

6.3 The Better Payments Practice Code (BPPC) performance for August, shown in the table below, shows an improvement from July in terms of invoices paid within 30 days by volume.

	By Volume Number	By Value £000s
Current Month YTD		
Total bills paid in the year	58,384	270,190
Total bills paid within target	43,371	230,865
Percentage of bills paid within target	74%	85%
Prior month YTD		
Total bills paid in the year	47,193	219,298
Total bills paid within target	33,504	185,292
Percentage of bills paid within target	71%	84%

6.4 Our cashflow forecast is consistent with the income and expenditure position and our cash balance at the end of August was £19.0m which is £16.0m above plan of £3.0m. This difference is due to an underspend on capital and the fact that we are required to plan for a £3.0m month end balance although in reality we achieve this towards the middle of each month.

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



6.6 The above graph includes £27.9m of external financing in the form of our Revolving Working Capital facility.

7. CAPITAL

7.1 The total capital expenditure at the end of August 2015 was £11.4m. This is an underspend of £2.2m against the year to date plan of £13.6m and we have achieved 83% of planned spend. The capital plan and expenditure can be seen in Appendix 5.

7.2 Outstanding orders totalled £31.0m at the end of August. The combined position is that we have spent or committed £42.3m, or 39.8% of the annual plan.

8. RISKS

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

- **Premium Pay Spend** – continued spend in excess of £4.5m per month on premium pay is the largest financial risk to the Trust in delivery of the planned deficit

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

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

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

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

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

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

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

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

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

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

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

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

Mitigation: The Trust has agreed a Revolving Working Capital Facility with the DoH. Applications for loans will be made in a timely way on agreement of business cases. The Trust is working closely with the NTDA to ensure that requirements are known and the correct process is followed

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

Mitigation: The Trust holds a small contingency

9. CONCLUSION

9.1 The Trust has reported to the NTDA a position that is £5.3m adverse to plan YTD. This is driven by pay overspends and income under-performance.

10. NEXT STEPS AND RECOMMENDATIONS

10.1 The Trust Board is recommended to:

- **Note** the financial performance at Month 5
- **Agree** the proposed actions
- **Note** the risks to the financial position

Paul Traynor
Chief Financial Officer

1st October 2015

	August 2015			April - August 2015		
	Plan	Actual	Variance (Adv) / Fav	Plan	Actual	Variance (Adv) / Fav
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Elective	5,847	6,137	290	30,009	29,758	(252)
Day Case	4,418	4,223	(195)	23,249	22,787	(462)
Emergency (incl MRET)	15,115	14,126	(989)	75,241	75,021	(220)
Outpatient	8,576	8,942	365	44,801	45,240	439
Penalties	0	0	0	0	0	0
Non NHS Patient Care	532	713	181	2,573	2,962	389
Other	24,637	24,797	160	124,755	123,298	(1,457)
Patient Care Income	59,125	58,937	(188)	300,628	299,065	(1,563)
Teaching, R&D income	6,407	6,445	38	31,855	32,185	330
Other operating Income	3,123	2,883	(240)	15,839	15,412	(427)
Total Income	68,655	68,265	(390)	348,322	346,662	(1,660)
Pay Expenditure	(42,250)	(42,942)	(692)	(211,076)	(214,393)	(3,317)
Non Pay Expenditure	(26,180)	(26,864)	(684)	(137,932)	(138,553)	(621)
Total Operating Expenditure	(68,430)	(69,806)	(1,376)	(349,008)	(352,946)	(3,938)
EBITDA	225	(1,541)	(1,766)	(686)	(6,283)	(5,598)
Interest Receivable	6	9	3	30	41	11
Interest Payable	(172)	(207)	(35)	(769)	(720)	49
Depreciation & Amortisation	(2,776)	(2,762)	14	(13,918)	(13,660)	258
Surplus / (Deficit) Before Dividend and Disposal of Fixed Assets	(2,717)	(4,501)	(1,784)	(15,343)	(20,622)	(5,280)
Profit / (Loss) on Disposal of Fixed Assets	(1)	6	7	(2)	(10)	(8)
Dividend Payable on PDC	(959)	(959)	0	(4,795)	(4,795)	0
Net Surplus / (Deficit)	(3,677)	(5,454)	(1,777)	(20,140)	(25,427)	(5,288)
Adjustments in respect of donated assets	55	154	99	277	264	(13)
RETAINED SURPLUS / (DEFICIT)	(3,622)	(5,301)	(1,679)	(19,863)	(25,164)	(5,301)

INCOME POSITION BY POINT OF DELIVERY AND PRICE AND VOLUME VARIANCES

Case mix	Plan to Date (Activity)	Total YTD (Activity)	Variance YTD (Activity)	Variance YTD (Activity %)	Plan to Date (£000)	Total YTD (£000)	Variance YTD (£000)	Variance YTD (Activity %)
Day Case	40,430	40,180	(250)	(0.62)	23,249	22,787	(462)	(1.99)
Elective Inpatient	9,271	9,215	(56)	(0.60)	30,009	29,758	(252)	(0.84)
Emergency / Non-elective Inpatient	44,210	44,938	728	1.65	77,789	77,553	(236)	(0.30)
Marginal Rate Emergency Threshold (MRET)	0	0	0	0.00	(2,548)	(2,532)	16	(0.63)
Outpatient	370,371	364,991	(5,381)	(1.45)	44,801	45,240	439	0.98
Emergency Department	62,488	65,154	2,666	4.27	7,650	8,013	363	4.74
Penalties	0	0	0		0	0	0	
Other	3,604,251	3,499,309	(104,942)	(2.91)	119,678	118,247	(1,431)	(1.20)
Grand Total	4,131,022	4,023,787	(107,235)	(2.60)	300,628	299,065	(1,563)	(0.52)

Average tariff	Price Variance YTD %	Volume Variance YTD %	Price / Mix Variance (£000)	Volume Variance (£000)	Variance YTD (£000)
Day Case	(1.4)	(0.6)	(318)	(144)	(462)
Elective Inpatient	(0.2)	(0.6)	(71)	(181)	(252)
Emergency / Non-elective Inpatient	(1.9)	1.6	(1,517)	1,281	(236)
Marginal Rate Emergency Threshold (MRET)			16	0	16
Outpatient	2.5	(1.5)	1,090	(651)	439
Emergency Department	0.5	4.3	36	326	363
Penalties			0		0
Other			0	(1,431)	(1,431)
Grand Total	2.1	(2.6)	(764)	(799)	(1,563)

Financial Performance by CMG & Corporate Directorate

I&E and CIP – August 2015

CMG / Directorate	Year to Date					
	I&E			CIP		
	YTD Budget	YTD Actual	YTD Variance	YTD Plan	YTD Actual	YTD Variance
	£000s	£000s	£000s	£000s	£000s	£000s
CMGs:						
C.H.U.G.S	18,472	17,097	-1,374	2,039	1806.31	-233
Clinical Support & Imaging	-14,478	-14,977	-498	2,067	2,231	164
Emergency & Specialist Med	10,196	8,044	-2,152	2,587	1,999	-588
I.T.A.P.S	-17,672	-18,606	-934	1646.358	1391.656	-255
Musculo & Specialist Surgery	15,119	12,495	-2,624	1,974	2,146	172
Renal, Respiratory & Cardiac	14,486	13,802	-684	2,540	2,174	-366
Womens & Childrens	17,174	16,153	-1,021	1,895	1,865	-30
	43,296	34,008	-9,288	14,748	13,613	-1,135
Corporate, Alliance, R&D, Central	-63,158	-59,170	3,988	1,887	1,510	-377
Total	-19,862	-25,162	-5,300	16,635	15,123	-1,512

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	Mar-16 £000's Forecast
Non Current Assets							
Property, plant and equipment	414,193	413,269	412,059	409,918	411,144	412,991	472,556
Intangible assets	10,134	9,854	9,573	10,761	9,389	9,102	10,134
Trade and other receivables	2,702	2,754	2,829	2,853	2,852	2,875	2,150
TOTAL NON CURRENT ASSETS	427,029	425,877	424,461	423,532	423,385	424,968	484,840
Current Assets							
Inventories	14,141	14,462	14,413	13,811	14,169	13,711	13,180
Trade and other receivables	35,292	25,650	34,813	31,009	36,491	26,326	30,638
Cash and cash equivalents	8,498	19,762	22,565	16,303	5,966	18,963	3,000
TOTAL CURRENT ASSETS	57,931	59,874	71,791	61,123	56,626	59,000	46,818
Current Liabilities							
Trade and other payables	(103,194)	(96,854)	(105,833)	(99,569)	(92,327)	(96,211)	(88,132)
Dividend payable	0	(959)	(1,918)	(2,877)	(3,836)	(4,795)	0
Borrowings / Finance Leases	(4,919)	(4,919)	(4,919)	(4,919)	(4,190)	(4,190)	(4,919)
Loan	(545)	(545)	(545)	(545)	(545)	(545)	(545)
Provisions for liabilities and charges	(820)	(820)	(820)	(820)	(820)	(820)	(820)
TOTAL CURRENT LIABILITIES	(108,933)	(104,097)	(114,035)	(108,730)	(101,718)	(106,561)	(94,416)
NET CURRENT ASSETS (LIABILITIES)	(51,002)	(44,223)	(42,244)	(47,607)	(45,092)	(47,561)	(47,598)
TOTAL ASSETS LESS CURRENT LIABILITIES	376,027	381,654	382,217	375,925	378,293	377,407	437,242
Non Current Liabilities							
Borrowings / Finance Leases	(6,869)	(6,945)	(6,887)	(6,958)	(7,635)	(7,644)	(6,869)
Other Liabilities / Loan	(11,455)	(22,540)	(28,571)	(28,625)	(33,578)	(39,355)	(69,273)
Provisions for liabilities and charges	(1,982)	(2,015)	(1,936)	(1,902)	(1,878)	(2,220)	(924)
TOTAL NON CURRENT LIABILITIES	(20,306)	(31,500)	(37,394)	(37,485)	(43,091)	(49,219)	(77,066)
TOTAL ASSETS EMPLOYED	355,721	350,154	344,823	338,440	335,202	328,188	360,176
Public dividend capital	329,837	329,787	329,837	329,837	329,837	329,837	368,937
Revaluation reserve	107,356	107,355	107,356	107,354	107,355	107,356	107,356
Retained earnings	(82,017)	(86,988)	(92,370)	(98,751)	(101,990)	(109,005)	(116,117)
TOTAL TAXPAYERS EQUITY	355,176	350,154	344,823	338,440	335,202	328,188	360,176

Capital Plan

Scheme Name	CMG	UHL Approval	Funding Status	YTD Spend:			Annual Budget	Annual Forecast	Variance
				YTD Budget	August	YTD Variance			
				£'000	£'000	£'000	£'000	£'000	£'000
INTERNALLY FUNDED CAPITAL									
Estates & Facilities									
Facilities Sub-Group	UHL	N/A	Internal	756	933	(177)	5,355	5,355	0
MES Installation Costs	UHL	N/A	Internal	127	(201)	328	1,500	1,500	0
Aseptic Suite	CSI	Approved	Internal	0	5	(5)	440	440	0
Lloyds Pharmacy Extension	CSI	Approved	Internal	96	17	79	126	126	0
Theatre Recovery LRI	ITAPS	Approved	Internal	565	566	(1)	2,750	2,750	0
YDU Refurbishment	ESM	Approved	Internal		12	(12)	500	500	0
Life Studies Centre	W&C	Approved	Internal	76	507	(431)	850	850	0
Sub-total: Estates & Facilities				1,620	1,839	(219)	11,521	11,521	0
IM&T Schemes									
IM&T Sub-Group	UHL	N/A	Internal	2,011	1,500	511	4,000	4,000	0
LRI Managed Print	UHL	Under review	Internal	1,981	2,090	(109)	1,323	1,875	(552)
EDRM	UHL	Under review	Internal	(11)	(70)	59	3,000	2,448	552
Safecare Software System	UHL	Approved	Internal	0	0	0	58	58	0
Electronic Blood Tracking System	CSI	Approved	Internal	0	22	(22)	996	996	0
Learning Mgt System	UHL	Approved	Internal	25	0	25	150	150	0
Sub-total: IM&T Schemes				4,006	3,542	464	9,527	9,527	0
Medical Equipment Schemes									
Medical Equipment Executive Budget	UHL	N/A	Internal	1,425	1,066	359	5,500	5,500	0
Linear Accelerators		Not Approved	Internal	0	1	(1)	3,300	3,300	0
Sub-total: Medical Equipment				1,425	1,067	358	8,800	8,800	0
Reconfiguration Schemes									
ICU Expansion	UHL	Not Approved	Internal	0	87	(87)	3,000	3,000	0
Sub-total: Reconfiguration Schemes				0	87	(87)	3,000	3,000	0
Corporate / Other Schemes									
Donations	UHL	N/A	Internal	125	138	(13)	300	300	0
LiA Schemes	UHL	Not Approved	Internal	5	44	(39)	250	250	0
Contingency / Other	UHL	Not Approved	Internal	200	179	21	381	381	0
Sub-total: Corporate / Other Schemes				330	360	(30)	931	931	0
Sub total: Internally funded capital expenditure				7,381	6,896	486	33,779	33,779	0
EXTERNALLY FUNDED CAPITAL									
Emergency Floor	ESM	Approved	Not Approved	0	2,107	(2,107)	17,698	17,698	0
EPR Programme	UHL	Approved	Not Approved	1,974	(443)	2,417	24,441	24,441	0
Imaging GH	CSI	Not Approved	Not Approved	0	0	0	1,000	1,000	0
Theatres LRI	ITAPS	Not Approved	Not Approved	0	0	0	0	0	0
ICU interim solution & Vascular Hybrid	UHL	Not Approved	Not Approved	485	478	7	11,428	11,428	0
Multi-storey Car Park Development	UHL	Not Approved	Not Approved	1,650	327	1,323	4,229	4,229	0
Treatment Centre	UHL	Not Approved	Not Approved	0	0	0	1,500	1,500	0
Wards / Beds LRI	UHL	Not Approved	Not Approved	0	21	(21)	0	0	0
Wards / Beds GH	UHL	Not Approved	Not Approved	0	0	0	4,400	4,400	0
Women's service	W&C	Not Approved	Not Approved	0	(40)	40	1,000	1,000	0
EMCH Interim Solution	W&C	Not Approved	Not Approved	0	0	0	1,925	1,925	0
Children's Hospital	W&C	Not Approved	Not Approved	0	0	0	300	300	0
Sub total: Externally funded capital expenditure				4,109	2,449	1,660	67,921	67,921	0
FINANCE LEASE ADDITIONS									
MES Finance Lease Additions				2,096	2,096	(0)	5,031	5,031	0
GRAND TOTAL CAPITAL EXPENDITURE				13,586	11,441	2,145	106,731	106,731	0