

2015/16 Financial Performance

Author: Chris Benham Sponsor: Paul Traynor Trust Board 5 May 2016

paper N

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 for the year end 31 March 2016?
2. What is our performance against the nurse agency ceiling guidance?

Conclusion

1. The Trust has achieved a year end deficit of £34.1m compared to a planned deficit of £34.1m, therefore we have achieved plan.
2. From October onwards, we were required to measure performance against the qualified nurse agency ceiling. Our qualified nurse agency spend for the year was 6.4% of total qualified nursing spend against a target of 4%. There was no use of off framework agencies.

Input Sought

1. **Note** the financial performance at Month 12

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: 02/06/2016

6. Executive Summaries should not exceed 1 page. [My paper 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: 5TH MAY 2016

REPORT FROM: PAUL TRAYNOR – CHIEF FINANCIAL OFFICER

SUBJECT: 2015/16 FINANCIAL PERFORMANCE – MARCH 2016 (MONTH 12)

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 full year position against the financial duties of the Trust:

Financial Duty	Full Year Plan £m	Full Year Actual £m	RAG
Delivering the Planned Deficit	(34.1)	(34.1)	G
Achieving the EFL	49.2	49.0	G
Achieving the Capital Resource Limit	45.2	45.2	G

2.2 We have achieved the planned deficit and met the EFL and Capital resource Limit statutory duties. We are slightly underspent against the EFL and this is permitted.

2.3 Key Statements

- In month favourable variance to plan of £0.9m
- Achieved annual income and expenditure planned deficit of £34.1m
- In month over-delivery on CIP of £1.0m resulting in a year end delivery of £43.1m, £0.1m favourable to plan
- Year-end fixed asset revaluation impairment of £19.4m charged to Income and Expenditure but excluded Trust financial performance monitoring purposes
- Achieved annual planned capital expenditure and CRL of £45.2m

3. FINANCIAL POSITION AS AT END OF MARCH 2016 COMPARED TO PLAN

3.1 In month, the Trust is reporting an I&E surplus of £1.5m compared to an in month plan of £0.6m surplus, £0.9m favourable to plan in month. This is shown in table 1.

Full Year, the Trust is reporting an I&E deficit of £34.1m compared to a plan of £34.1m, also shown in Table 1.

Table 1: Income & Expenditure Position

	March 2016			April - March 2016		
	Plan £m	Actual £m	Var (Adv) / Fav £m	Plan £m	Actual £m	Var (Adv) / Fav £m
Income						
Patient income	63.5	66.4	2.9	736.6	744.5	7.9
Teaching, R&D	6.5	8.0	1.5	77.4	80.4	3.0
Other operating Income	3.4	4.7	1.3	38.6	41.1	2.6
Total Income	73.4	79.1	5.7	852.5	866.0	13.5
Operating expenditure						
Pay	(42.7)	(45.9)	(3.2)	(512.6)	(518.6)	(6.0)
Non-pay	(26.2)	(29.8)	(3.6)	(328.3)	(339.9)	(11.6)
Total Operating Expenditure	(68.9)	(75.7)	(6.9)	(840.9)	(858.5)	(17.6)
EBITDA	4.5	3.3	(1.2)	11.6	7.6	(4.1)
Net interest	(0.1)	(0.3)	(0.2)	(1.4)	(1.4)	0.0
Depreciation	(2.8)	(2.3)	0.5	(33.5)	(31.5)	1.9
Impairment	0.0	(19.4)	(19.4)	-	(19.4)	(19.4)
Profit / (loss) of disposal of fixed asset	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0
PDC dividend payable	(1.0)	0.8	1.8	(11.5)	(9.0)	2.5
Net deficit	0.6	(17.9)	(18.5)	(34.8)	(53.8)	(19.0)
EBITDA %		4.2%			0.9%	
Less Impairments	0.0	19.4	19.4	-	19.4	19.4
Adjustments for donated assets	0.1	(0.0)	(0.1)	0.6	0.2	(0.4)
RETAINED SURPLUS / (DEFICIT)	0.6	1.5	0.9	(34.1)	(34.1)	0.0

3.2 Further 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.

3.3 Operationally, this month and this financial year have been very challenging for the Trust. Clinical CMGs faced significant pressures with emergency activity, intensified with an outbreak of H1N1 in February, resulting in patient movement restrictions due to the activation of infection prevention protocols. Coupled with the junior doctor's industrial action there has been a considerable adverse impact upon the ability of the Trust to deliver the planned levels of elective activity (£2.6m).

3.4 Non Pay costs have deteriorated versus plan as a result of the clinical and operational requirements to reduce waiting lists. This has led to the need to use the independent provider sector at a level significantly greater level than expected. Together with increases in pathology and drug costs, non-pay costs in total were above forecast levels by £11.6m for the year, £3.6m in March.

3.5 The in-month financial position is reflecting a positive variance that has been achieved through both the planned release of provisions and technical accounting adjustments relating to further positive movements within depreciation and changes within asset valuations through the capitalisation of operating expenditure.

3.6 The Trust has achieved a year end deficit of £34.1m. This is being achieved through strict financial discipline on expenditure, a detailed review of provisions and a re-examination of technical accounting policies (following recently provided NHS guidance).

Income, £5.7m favourable to plan in month, £13.5m favourable to plan year to date

NHS patient care income is £8.9m above plan at year end (£3.2m in month), although there are material variances within this figure. Of the 7 CMGs and the Alliance, 5 have underperformed by a total of £4.7m, with the remaining 4 over performing by a total of £5.1m. The balance relates primarily to the use of non-recurrent reserves, movement in the work in progress value, and the year-end contractual settlement with Specialised commissioners. The total impact of this settlement is £2.5m and this has been fully allocated to CMGs this month based on their relative position to plan.

The work in progress (patients being treated but not yet discharged) valuation at year end has increased by £3.0m in 15/16 when compared to 14/15 and reflects the cost of delivering care to these patients. The income associated with this will be invoiced to commissioners in 2016/17 when the patients are discharged.

In addition to these issues the most significant variances within the income position are as follows:

- Elective inpatients have underperformed by £2.6m (£0.6m in month), with the main CMGs affected being MSS & W&C.
- Emergency / Non Elective activity has underperformed by £2.3m (£0.5m in month), although the LLR element is subject to a risk share arrangement. The main CMGs affected are ESM, W&C and RRCV.
- The funding for new front door arrangements has improved the income position by £2.2m compared to plan, although costs are in excess of this figure which results in pay and non-pay variances relating to this issue.
- Pass through charges for excluded drugs and devices are over performing by £1.1m (£0.5m in month), offset by increased expenditure.
- Renal dialysis and transplant are under performing by £0.9m (£0.1m in month).
- Unbundled activity for specialist rehab is over performing by £0.6m.
- ECMO is over performing by £1.2m (£0.9m in month), due to a marked increase in the number of adult cases.

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

Table 2: NHS Patient Care 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	99,428	100,282	854	0.86	56,506	56,898	392	0.69
Elective Inpatient	22,380	21,376	(1,004)	(4.49)	72,883	70,292	(2,591)	(3.55)
Emergency / Non-elective Inpatient	108,760	108,313	(447)	(0.41)	189,069	186,751	(2,319)	(1.23)
Marginal Rate Emergency Threshold (MRET)	0	0	0	0.00	(6,268)	(6,094)	175	(2.79)
Emergency Department	155,968	159,063	3,095	0.00	19,140	19,567	426	2.23
Outpatient	906,225	890,488	(15,736)	0.00	110,845	111,058	213	0.19
Excluded Drugs and Devices	6,419	16,219	9,800	0.00	85,500	86,572	1,073	1.25
Critical Care Services	55,205	54,186	(1,019)	0.00	53,581	52,982	(599)	(1.12)
Renal Dialysis and Transplant	179,188	176,165	(3,023)	0.00	27,810	26,926	(884)	(3.18)
CQUIN	0	0	0	0.00	14,940	15,525	586	0.00
Other	8,437,885	8,320,107	(117,778)	(1.40)	105,119	117,572	12,453	11.85
Grand Total	9,971,459	9,846,201	(125,258)	(1.26)	729,125	738,049	8,924	1.22

3.8 Table 3 shows the current over-performance of patient care income by commissioner. This shows local CCG activity as significantly over plan.

Table 3: Income Position by Commissioner

	Plan to Date M12	Actual to Date M12	Variance to Date
LLR CCGs Acute Contract	£434.0m	£440.0m	£6.0m
NHSE Acute Contract	£222.7m	£222.7m	-
Other	£70.0m	£75.2m	£5.3m
Grand Total	£726.7m	£737.9m	£11.3m

Included within the “Other” category is the Alliance, other contracted activity with non-LLR based CCGs and other services provided to other trusts.

Expenditure, £6.9m adverse to plan in month, £17.6m adverse to plan year to date

3.9 Operating expenditure is £6.9m adverse to plan in month and £17.6m adverse to plan YTD which is partially offset by favourable non-operating expenditure (excluding impairment) of £2.1m and £4.6m in month and YTD respectively.

Pay expenditure

In month, pay expenditure was (£3.2m) adverse to plan. This was driven by over spends within the Medical workforce of (£1.2m) and Nursing workforce of (£1.6m). The adverse spend was primarily driven by operational pressures of (£2.2m) and included a year-end accrual adjustment of (£1.0m) reported as Nursing expenditure.

Table 4: In month pay spend by type

Pay Type	In Month £000s		
	Plan	Actual	Favourable / (Adverse)
Non Clinical	6,414	6,478	(64)
Other Clinical	5,098	5,401	(303)
Medical & Dental	14,545	15,700	(1,155)
Nursing & Midwifery	16,638	18,347	(1,709)
Total	42,696	45,926	(3,231)

The majority of the operational impact overspend was seen within ESM. As reported previously, an element relates to the new front door arrangements of (£0.5m), with remaining elements relating to the provision of staffing to respond to the emergency pressures of (£0.7m). The Urgent Care Centre element of the new front door model is partially offset by income of £0.4m which supports the costs of the Lakeside contract and contributes to the pay costs of the Urgent Care Centre.

Additional expenditure was experienced across a number of CMGs. MSS experienced pressures of (£0.3m) to address RTT performance, additional costs of (£0.1m) to cover sickness and maternity leave within W&C and the additional ECMO activity within ITAPS requiring additional expenditure of (£0.1m).

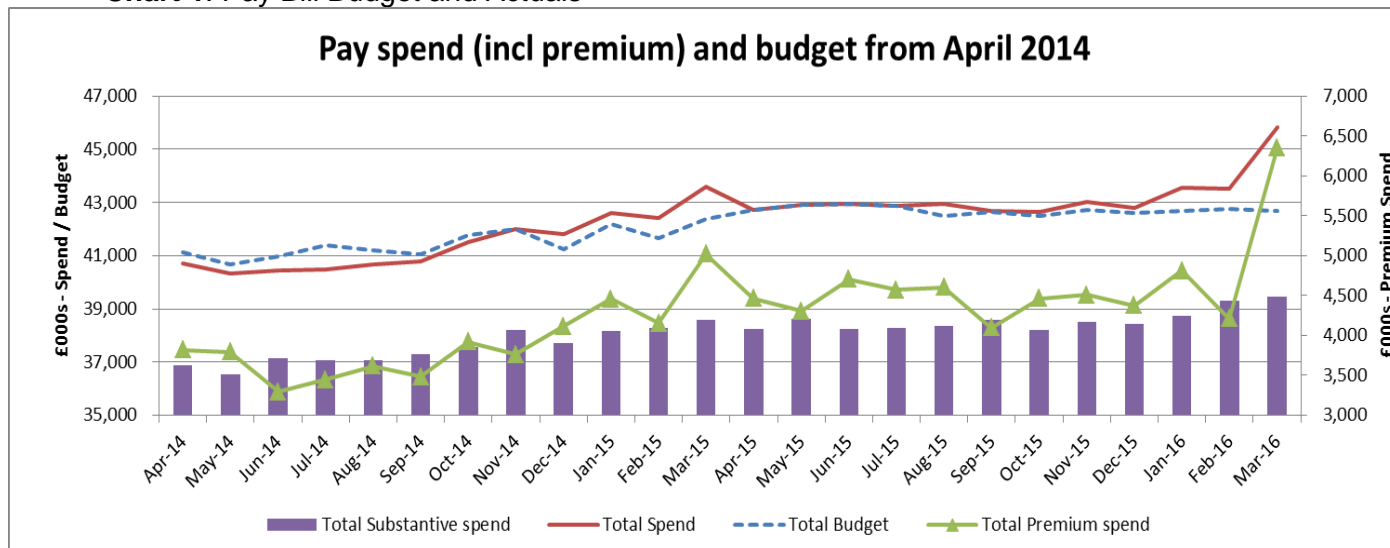
The remaining (£0.5m) operational cost pressures were seen across the CMGs with (£0.1m) seen within R&I, with a corresponding over-performance in their income to offset this cost pressure.

The majority of the (£1.0m) year-end accrual adjustment within nursing expenditure was experienced within ESM.

3.10 Compared to prior month pay has increased by £2.3m. With the exception of the Urgent Care Centre expenditure, the elements of overspend are the same as those described above. The majority of these pressures were seen as an increase within premium pay of £2.1m. This includes the impact of the year-end accrual adjustment of £1m. The total pay bill compared to budget since April 2014 can be seen in Chart 1 below.

The £2.1m increase in premium pay is within Qualified Nursing of £1.2m, £0.3m WLIs and £0.2m Medical Staff.

Chart 1: Pay Bill Budget and Actuals



3.11 Year to date pay costs are £6.0m adverse to plan at year end. The variance to plan by staff group can be seen in Table 5 below which includes all premium costs.

At year end, the number of WTEs was 170 below plan. This contributed to a favourable volume variance of £7.4m, with premium costs (covering vacancies) contributing to an adverse rate variance of £13.4m.

Table 5: YTD Pay Spend by Type

Pay Type	YTD £000s			WTE			Rate variance £000s	Volume Variance £000s	Annualised Planned average cost £000s	Annualised actual average cost £000s
	Plan	Actual	Favourable / (Adverse)	Plan	Actual	Favourable / (Adverse)				
Non Clinical	75,157	74,961	196	2,617	2,575	42	(1,023)	1,219	49.2	49.9
Other Clinical	61,970	63,316	(1,346)	1,761	1,715	46	(2,957)	1,611	60.3	63.3
Medical & Dental	175,470	177,857	(2,386)	1,781	1,730	51	(7,382)	4,996	168.9	176.2
Nursing & Midwifery	199,963	202,427	(2,463)	5,607	5,576	31	(3,580)	1,116	61.1	62.2
Total	512,561	518,561	(5,999)	11,766	11,596	170	(13,416)	7,416	74.7	76.7

Appendix 2 details pay costs by CMG and Directorate with pay trends in Appendix 3

- 3.12 The performance against the nursing agency cap for the year finished as 6.4% against a cap of 4%.

Non-pay expenditure

- 3.13 Operating non-pay expenditure was £3.6m over planned levels in month. This overspend includes CMGs £1.3m (Section 3.22 below), R & D £0.5m (matched by income), Corporate Operations £0.3m and Corporate medical £0.2m (NHSLA project £102k, Med appraisal £68k, library £46k) together with movement in central provisions.
- 3.14 Appendix 2 details this by CMG and Directorate with pay trends in Appendix 4.

Cost Improvement Programme

- 3.15 Within both income and expenditure variances there is a delivery on CIP of £4.0m within the month against a planned level of £3.0m, £1.0m in excess of plan for March. As a result the Trust has now delivered £43.1m, £0.1m favourable to the planned level.
- 3.16 Table 6 below details the performance of the CIP programme compared to plan.

Table 6: CIP Performance Compared to Plan

£000s	Month 12			YTD at Month 12		
	FYE of 1415 schemes	New 1516 schemes	Total	FYE of 1415 schemes	New 1516 schemes	Total
Plan	123	2,850	2,973	2,770	40,230	43,000
Actual	134	3,853	3,987	2,766	40,356	43,122
Variance	11	1,003	1,014	(4)	126	122

- 3.17 The specific CIP paper provides further detail on CIP performance.

CMG Financial Performance (Comparison to Control Targets)

- 3.18 The Clinical CMGs were set revised control targets in October 2015. Collectively these proved to be extremely challenging with only ITAPs being able to achieve and exceed the target. The combined variance for the clinical CMG's is an adverse variance of £9.8m with non-pay £5.4m adverse, pay making up £3.8m of the adverse variance and income £0.5m adverse. These variances are after taking account of both the Specialised settlement of £2.5m. Patient Care Income has been reduced due to lower activity resulting from winter pressures, the junior doctors' dispute and the impact of H1N1.

3.19 The major variances by CMG to control totals have been discussed as part of the monthly financial and CIP performance review meetings. The final year end positions for each CMG are understood with any recurrent impact considered as part of planning for 2016/17 financial planning.

4. DELIVERY OF THE 2015/16 PLAN

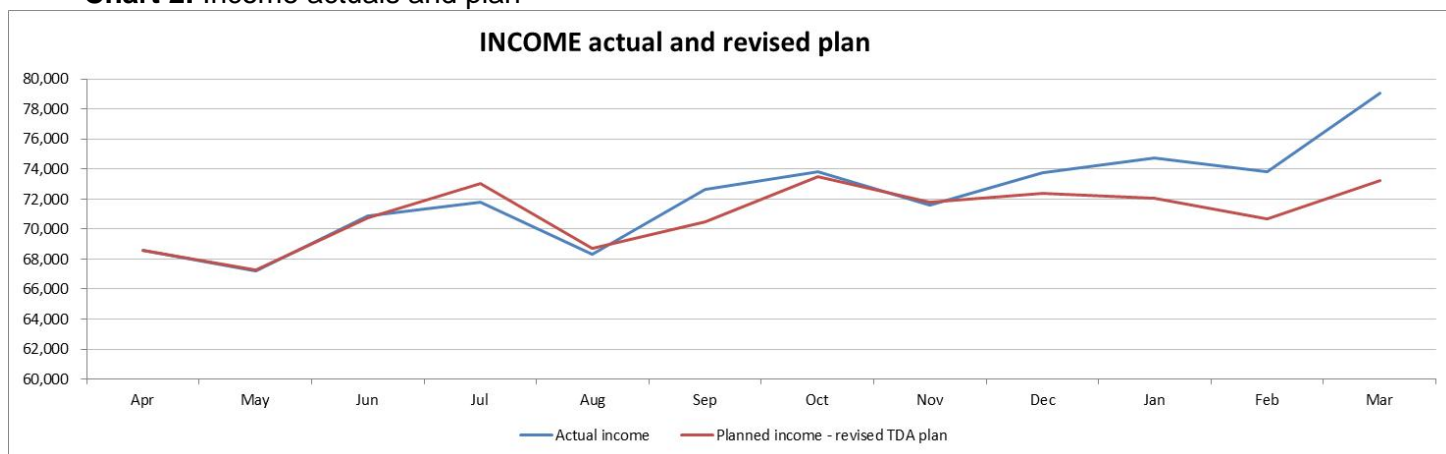
4.1 The following sections detail the trend for income, pay, non-pay, I&E deficit and CIP. The graphs include the revised plan for the year and the actual income and expenditure for the year.

4.2 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.

Income

4.3 Chart 2 shows income actuals for months 1- 12 against the revised plan for the year. Income exceeded 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 and plan

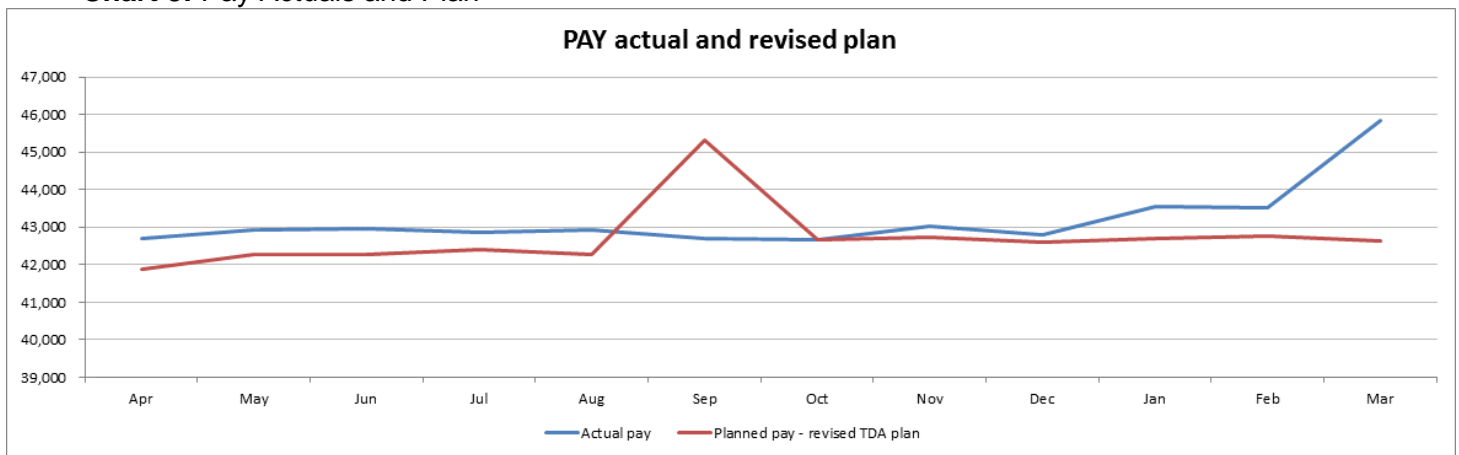


Note: The revised TDA plan (red line on chart) reflects the plan submitted to the TDA in September 2015 and therefore shows year to date adjustments being made in the month of September on the chart.

Pay

4.4 Chart 3 shows pay actuals for Months 1-12 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 was £2.4m overspent, nursing £2.4m overspent, and non-clinical £1.3m overspent.

Chart 3: Pay Actuals and Plan

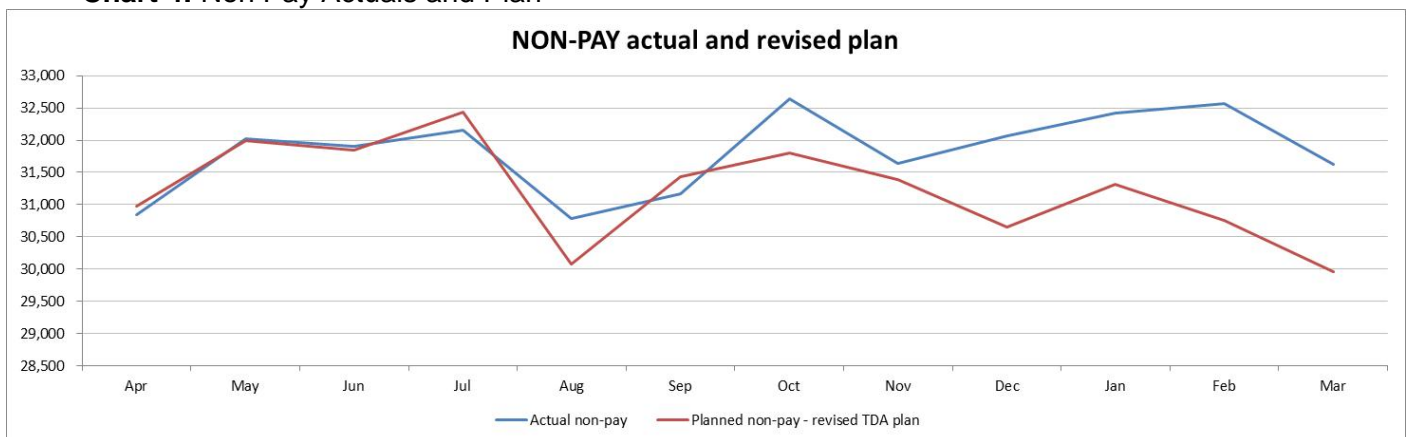


Note: The revised TDA plan (red line on chart) reflects the plan submitted to the TDA in September 2015 and therefore shows year to date adjustments being made in the month of September on the chart.

Non Pay

4.5 Chart 4 shows non pay actuals for Months 1-12 (excluding impairments) 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 and Plan

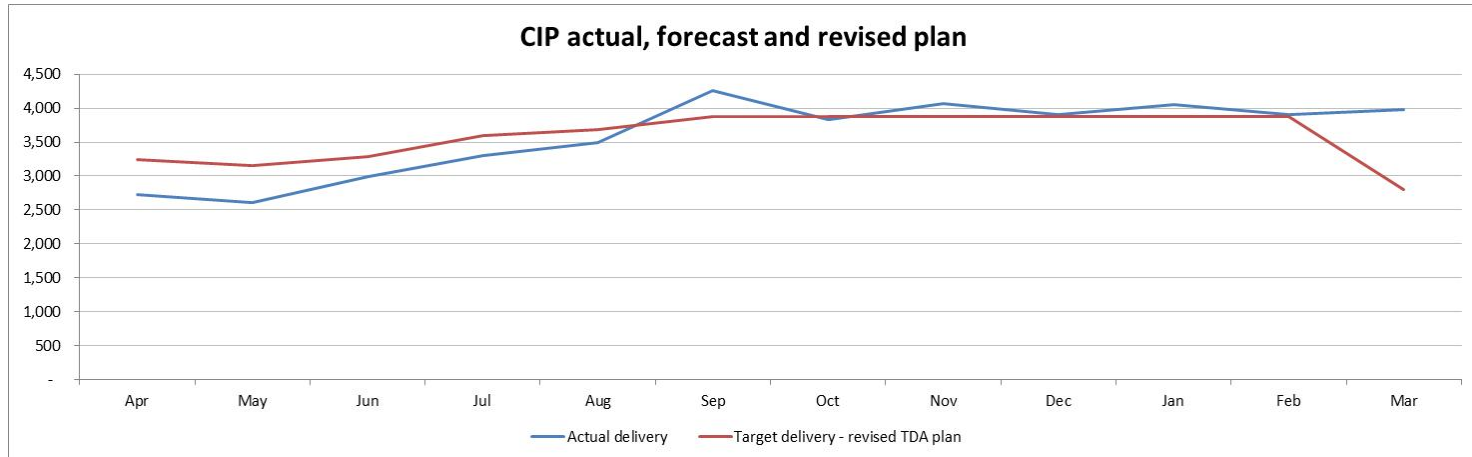


Note: The revised TDA plan (red line on chart) reflects the plan submitted to the TDA in September 2015 and therefore shows year to date adjustments being made in the month of September on the chart.

CIP

4.6 In March, the programme delivered an improvement against the planned amount of £4.0m. The year to date position is £43.1 compared to a plan of £43.0

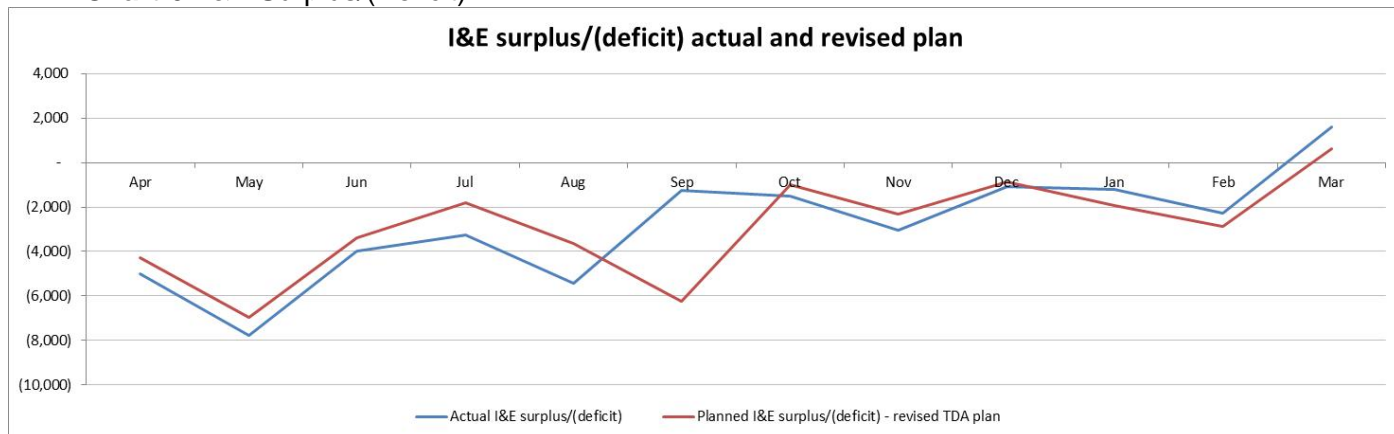
Chart 5: CIP Actuals and Plan



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.

4.7 Chart 6 details the overall I&E position for each month to year end, based on actuals from Months 1-12 against the revised plan for the year. This shows a surplus in March.

Chart 6: I&E Surplus/(Deficit)

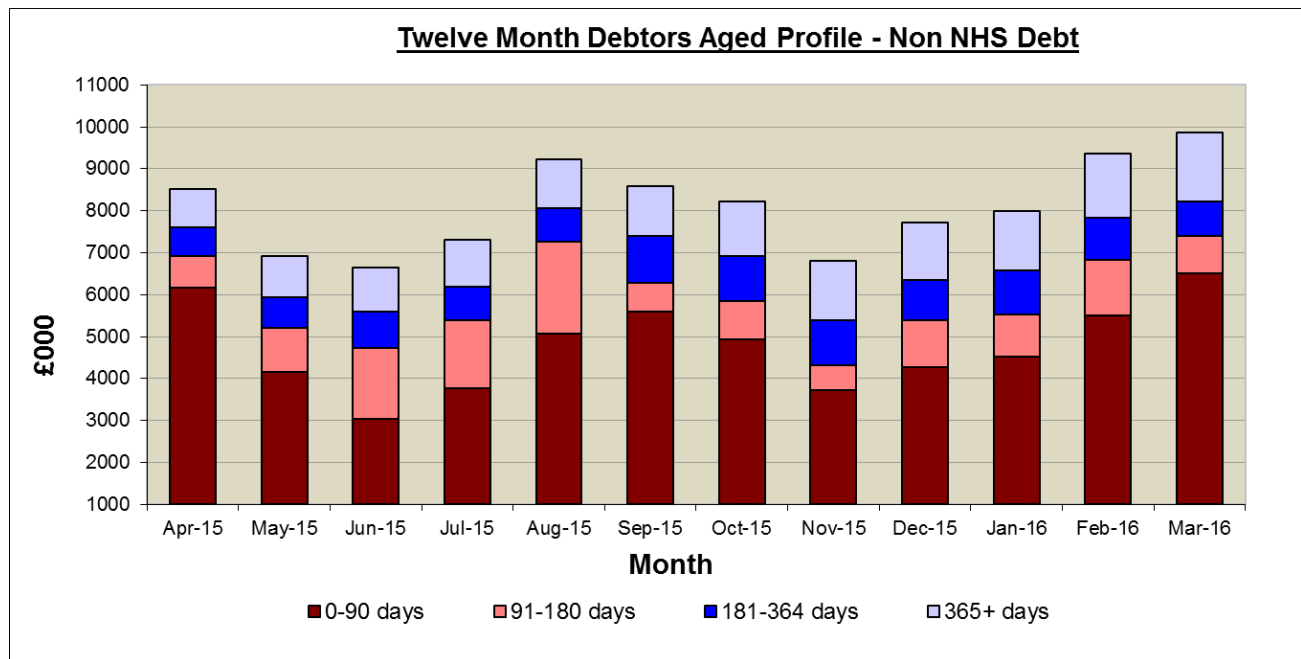


Note: The revised TDA plan (red line on chart) reflects the plan submitted to the TDA in September 2015 and therefore shows year to date adjustments being made in the month of September on the chart.

5. BALANCE SHEET AND CASHFLOW

- 5.1 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



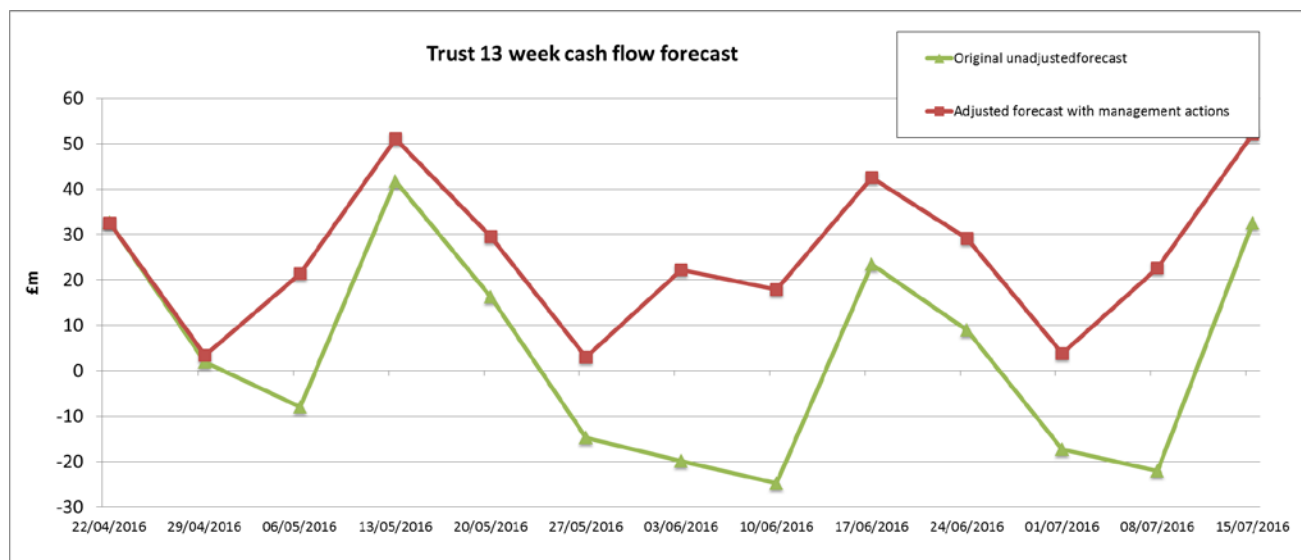
- 5.2 The overall level of non-NHS debt at the end of March increased to £9.9m from £9.3m in February. Total debt over 90 days is £3,366k from £3,863k in February. The proportion of total debt over 90 days has been reduced by 7% from 41% to 34%.
- 5.3 The Trust's Better Payments Practice Code (BPPC) performance has deteriorated slightly in March, as shown in table 7 below:

Table 7: BPPC performance

	By Volume Number	By Value £000s
Current Month YTD		
Total bills paid in the year	130,822	640,995
Total bills paid within target	75,089	492,575
Percentage of bills paid within target	57%	77%
Prior month YTD		
Total bills paid in the year	116,383	573,601
Total bills paid within target	73,027	457,961
Percentage of bills paid within target	63%	80%

- 5.4 The cash balance at the end of March was £3,178k which was £178k above plan of £3,000k. This difference was due to timing differences on the receipt of income on 31st March.
- 5.5 The cash forecast for the next 13 weeks is shown in Chart 8. This indicates that, with external financing, the Trust will maintain the £3,000k planned permissible cash balance.

Chart 8: 13 Week Cash Flow Forecast



5.6 At the end of March, the Trust had drawn down £34,100k of Interim Revenue Support Loan and £10,000k Interim Capital support loan for the Emergency Floor. The total balance of external financing is now £55,555k, which includes £11,455k brought forward from 2014-15.

6. CAPITAL

6.1 The total capital expenditure at the end of the financial year was £45.6m. This represents 100% of the available budget once donations and finance leases are excluded.

6.2 We are required to keep within our Capital Resource Limit (CRL) which we have done.

6.3 As well as delivering 100% of the plan for 2015/16 we still have £30.6m of outstanding orders which represents a pre-commitment against the plan for 2016/17.

7. CONCLUSION AND RECOMMENDATIONS

7.1 As per plan the Trust is reporting an I&E deficit of £34.1m at the end of March. This is a position that is £0.9m favourable to plan in March. The capital plan has also been delivered to plan of £45.2m.

Recommendations:

- **Note** the financial performance at year end
- **Note** performance against control totals for CMGs and Directorates

Paul Traynor
Chief Financial Officer

5th May 2016

APPENDIX 1 – FINANCIAL POSITION IN MONTH AND YEAR TO DATE

Income and Expenditure Account for the Period Ended 31st March 2016

	March 2016			April - March 2016		
	Plan	Actual	Variance (Adv) / Fav	Plan	Actual	Variance (Adv) / Fav
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Day Case	4,717	4,699	(18)	56,506	56,898	392
Elective Inpatient	6,300	5,698	(603)	72,883	70,292	(2,591)
Emergency / Non-elective Inpatient	16,339	15,791	(548)	189,069	186,751	(2,319)
Marginal Rate Emergency Threshold (MRET)	(539)	(516)	23	(6,268)	(6,094)	175
Emergency Department	1,629	1,713	84	19,140	19,567	426
Outpatient	9,320	9,246	(75)	110,845	111,058	213
Excluded Drugs and Devices	7,295	7,749	454	85,500	86,572	1,073
Critical Care Services	4,811	4,468	(343)	53,581	52,982	(599)
Renal Dialysis and Transplant	2,490	2,395	(95)	27,810	26,926	(884)
CQUIN	1,199	1,378	179	14,940	15,525	586
Other	9,261	13,383	4,122	105,119	117,572	12,453
NHS Patient Care Income	62,824	66,004	3,181	729,125	738,049	8,924
Non NHS Patient Care	657	358	(299)	7,480	6,466	(1,014)
Teaching, R&D income	6,485	7,996	1,512	77,351	80,376	3,026
Other operating Income	3,401	4,708	1,307	38,571	41,144	2,574
Total Income	73,366	79,067	5,701	852,526	866,036	13,510
Pay Expenditure	(42,696)	(45,858)	(3,163)	(512,561)	(518,493)	(5,931)
Non Pay Expenditure	(26,188)	(29,811)	(3,623)	(328,316)	(339,910)	(11,594)
Total Operating Expenditure	(68,884)	(75,669)	(6,786)	(840,877)	(858,403)	(17,526)
EBITDA	4,482	3,397	(1,085)	11,649	7,633	(4,016)
Interest Receivable	7	0	(7)	85	56	(29)
Interest Payable	(124)	(282)	(158)	(1,494)	(1,458)	36
Depreciation & Amortisation	(2,821)	(2,329)	492	(33,467)	(31,519)	1,948
Impairment	0	(19,432)	(19,432)	0	(19,432)	(19,432)
Surplus / (Deficit) Before Dividend and Disposal of Fixed Assets	1,544	(18,645)	(20,190)	(23,227)	(44,720)	(21,494)
Profit / (Loss) on Disposal of Fixed Assets	(0)	(5)	(4)	(18)	(16)	2
Dividend Payable on PDC	(959)	801	1,760	(11,508)	(8,990)	2,518
Net Surplus / (Deficit)	585	(17,849)	(18,434)	(34,753)	(53,726)	(18,973)
Less Impairments	0	19,432	19,432	0	19,432	19,432
Adjustments in respect of donated assets	51	(26)	(77)	617	243	(374)
RETAINED SURPLUS / (DEFICIT)	635	1,557	922	(34,136)	(34,051)	85

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	141,588	145,328	3,741	(50,150)	(51,028)	(878)	(46,098)	(51,244)	(5,146)	45,340	43,057	(2,283)
	Clinical Support & Imaging	44,002	44,517	514	(73,886)	(74,281)	(395)	(5,013)	(5,342)	(328)	(34,897)	(35,106)	(209)
	Emergency & Specialist Med	146,842	147,657	814	(74,905)	(82,272)	(7,367)	(43,757)	(45,130)	(1,373)	28,180	20,255	(7,926)
	I.T.A.P.S	38,581	39,594	1,013	(57,917)	(58,854)	(938)	(20,798)	(20,791)	7	(40,134)	(40,051)	83
	Musculo & Specialist Surgery	102,134	100,660	(1,474)	(47,197)	(48,403)	(1,206)	(19,247)	(21,872)	(2,625)	35,690	30,385	(5,305)
	Renal, Respiratory & Cardiac	153,353	153,955	602	(66,365)	(66,781)	(416)	(49,000)	(49,700)	(700)	37,988	37,474	(514)
	Womens & Childrens	144,826	143,955	(871)	(76,569)	(77,218)	(649)	(25,888)	(26,719)	(831)	42,369	40,018	(2,351)
Clinical Cmg'S Total		771,327	775,666	4,340	(446,988)	(458,838)	(11,850)	(209,802)	(220,797)	(10,995)	114,537	96,031	(18,506)
Corporate	Communications & Ext Relations	49	53	4	(636)	(641)	(5)	(79)	(86)	(7)	(666)	(674)	(9)
	Corporate & Legal	0	0	0	(2,321)	(2,300)	21	(1,182)	(1,074)	109	(3,504)	(3,374)	130
	Corporate Medical	3,335	4,888	1,553	(5,701)	(5,645)	56	(12,201)	(12,530)	(329)	(14,567)	(13,288)	1,279
	Facilities	13,801	13,393	(408)	(1,466)	(1,527)	(61)	(51,931)	(50,701)	1,230	(39,596)	(38,835)	761
	Finance & Procurement	50	175	125	(4,924)	(4,879)	45	(2,223)	(2,330)	(108)	(7,096)	(7,034)	62
	Human Resources	1,700	1,881	180	(5,449)	(5,563)	(114)	(1,594)	(1,495)	99	(5,343)	(5,178)	165
	Im&T	122	225	103	(988)	(792)	195	(10,262)	(10,856)	(593)	(11,128)	(11,423)	(295)
	Nursing	2,103	2,179	76	(6,377)	(6,297)	81	(879)	(901)	(22)	(5,154)	(5,019)	135
	Operations	2	300	298	(6,603)	(7,145)	(543)	(3,707)	(5,250)	(1,543)	(10,308)	(12,096)	(1,788)
	Strategic Devt	0	58	58	(916)	(646)	270	(176)	(508)	(331)	(1,092)	(1,095)	(4)
Corporate Total		21,162	23,151	1,989	(35,381)	(35,436)	(56)	(84,235)	(85,731)	(1,497)	(98,454)	(98,017)	437
Alliance Total		23,223	22,934	(289)	(10,488)	(10,442)	46	(12,735)	(12,492)	243	0	0	0
Research & Development Total		36,199	37,323	1,124	(13,511)	(13,776)	(266)	(22,430)	(23,147)	(717)	259	400	142
Central Division Total		616	6,587	5,971	(6,193)	0	6,194	(44,901)	(39,053)	5,848	(50,478)	(32,466)	18,013
Grand Total		852,527	865,662	13,135	(512,561)	(518,493)	(5,931)	(374,103)	(381,220)	(7,118)	(34,136)	(34,051)	85

APPENDIX 3 – PAY TRENDS

Division	CMG's	Actuals Apr	Actuals May	Actuals Jun	Actuals Jul	Actuals Aug	Actuals Sept	Actuals Oct	Actuals Nov	Actuals Dec	Actuals Jan	Actuals Feb	Actuals Mar	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	2016 £'000's	2016 £'000's			
Clinical Cmg'S	C.H.U.G.S	4,197	4,187	4,345	4,284	4,315	4,322	4,319	4,271	4,236	4,227	4,213	4,133	48,738	51,049	(2,311)
	Clinical Support & Imaging	6,129	6,216	6,174	6,416	6,092	6,044	6,202	6,210	6,175	6,239	6,334	6,050	73,226	74,281	(1,054)
	Emergency & Specialist Med	6,594	6,763	6,678	6,555	6,703	6,521	6,501	6,917	6,870	7,162	7,061	7,949	75,478	82,272	(6,794)
	I.T.A.P.S	5,023	5,041	4,575	4,782	4,916	5,084	5,138	4,745	4,801	4,833	4,925	4,991	57,240	58,854	(1,614)
	Musculo & Specialist Surgery	4,082	3,949	4,211	4,111	4,010	3,909	3,890	4,040	3,932	3,981	3,946	4,400	48,940	48,460	480
	Renal, Respiratory & Cardiac	5,612	5,605	5,556	5,449	5,482	5,415	5,608	5,376	5,615	5,611	5,616	5,818	61,299	66,763	(5,464)
	Womens & Childrens	6,386	6,382	6,561	6,485	6,408	6,334	6,260	6,424	6,551	6,386	6,597	6,445	75,431	77,218	(1,787)
Clinical Cmg'S Total		38,023	38,142	38,100	38,082	37,926	37,629	37,917	37,983	38,179	38,439	38,692	39,786	440,354	458,899	(18,545)
Corporate	Communications & Ext Relations	53	53	52	52	49	54	56	52	57	54	53	54	583	641	(58)
	Corporate & Legal	184	187	191	189	191	201	191	191	195	188	191	202	2,302	2,300	1
	Corporate Medical	457	448	461	491	446	448	461	483	485	488	442	561	4,014	5,672	(1,658)
	Facilities	100	130	105	128	155	123	98	132	148	139	116	154	1,214	1,527	(314)
	Finance & Procurement	390	395	405	399	400	410	425	427	381	437	374	436	4,470	4,879	(409)
	Human Resources	454	462	453	450	459	457	444	464	473	467	489	490	5,312	5,563	(251)
	Im&T	52	63	47	63	59	69	76	59	80	57	36	104	798	766	32
	Nursing	506	489	508	502	501	535	521	534	534	540	566	561	7,603	6,297	1,307
	Operations	526	563	593	598	586	524	644	587	646	632	624	622	4,963	7,145	(2,183)
	Strategic Devt	45	75	38	67	77	(36)	136	60	68	24	57	35	1,495	646	849
Corporate Total		2,766	2,866	2,854	2,939	2,924	2,785	3,051	2,988	3,068	3,027	2,947	3,222	32,754	35,436	(2,683)
Alliance Total		824	849	843	878	796	844	941	991	837	907	864	867	9,675	10,442	(767)
Research & Development Total		1,089	1,063	1,167	1,068	1,104	1,238	1,214	1,213	1,230	1,122	1,109	1,158	12,960	13,776	(817)
Central Division Total		9	(1)	(6)	(105)	191	197	(465)	(153)	(524)	60	(90)	826	1,620	(60)	1,681
Grand Total		42,711	42,919	42,958	42,862	42,942	42,694	42,659	43,022	42,791	43,555	43,522	45,858	497,362	518,493	(21,131)

APPENDIX 4 – NON PAY TRENDS

Division	CMG's	Actuals Apr	Actuals	Actuals Jun	Actuals Jul	Actuals Aug	Actuals	Actuals Oct	Actuals Nov	Actuals Dec	Actuals Jan	Actuals Feb	Actuals Mar	YTD 2014/15	YTD 2015/16	Decrease / (increase)	
		2015 £'000's	May 2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	Sept 2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2015 £'000's	2016 £'000's	2016 £'000's				2016 £'000's
Clinical Cmg'S	C.H.U.G.S	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	4,499.7	4,557.4	4,561.6	43,788.1	51,223.6	(7,435.5)	
	Clinical Support & Imaging	430.4	452.1	514.1	211.2	335.4	573.6	458.6	533.4	174.0	360.4	635.3	663.2	5,039.2	5,341.7	(302.5)	
	Emergency & Specialist Med	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	3,326.3	3,955.2	4,092.3	38,896.3	45,129.8	(6,233.5)	
	I.T.A.P.S	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	1,637.8	1,681.7	1,160.0	22,181.4	20,790.9	1,390.5	
	Musculo & Specialist Surgery	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	1,609.5	1,724.6	1,688.6	22,427.8	21,889.5	538.3	
	Renal, Respiratory & Cardiac	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	4,098.7	4,053.5	4,315.3	49,445.3	49,916.6	(471.3)	
	Womens & Childrens	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	2,123.0	2,328.2	2,227.5	25,134.9	26,718.5	(1,583.7)	
Clinical Cmg'S Total		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	17,655.3	18,935.9	18,708.4	206,913.0	221,010.6	(14,097.6)	
Corporate	Communications & Ext Relations	4.4	6.7	6.1	9.4	9.4	2.8	13.8	-	2.0	11.4	6.9	6.3	10.5	117.3	85.8	31.5
	Corporate & Legal	99.7	97.9	96.2	98.2	104.7	99.8	91.1	93.6	94.3	74.0	70.2	53.9	1,281.5	1,073.6	207.9	
	Corporate Medical	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	1,051.1	1,119.6	1,245.9	785.2	12,531.3	(11,746.1)	
	Facilities	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	4,864.2	4,557.4	3,604.6	52,145.6	50,701.0	1,444.7	
	Finance & Procurement	203.4	173.2	271.2	199.1	341.9	146.9	167.7	222.0	218.9	173.9	138.9	152.4	2,206.8	2,409.4	(202.6)	
	Human Resources	111.5	74.6	156.2	97.3	93.4	103.8	140.3	128.9	121.8	161.9	107.4	198.4	2,298.9	1,495.5	803.4	
	Im&T	932.3	995.1	850.7	876.5	1,026.4	740.9	786.4	939.5	944.3	958.8	995.0	929.2	9,131.4	10,975.1	(1,843.7)	
	Nursing	30.4	72.2	62.1	75.9	62.2	85.5	59.3	109.1	101.5	105.1	98.0	39.9	13,885.8	901.2	12,984.6	
	Operations	384.0	347.0	374.3	523.1	393.3	394.8	384.8	238.8	595.1	529.8	471.6	613.8	5,790.8	5,250.4	540.4	
Strategic Devt	47.8	35.9	115.2	62.9	143.4	6.4	188.8	-	66.3	86.3	22.1	43.6	11.9	626.7	697.8	(71.2)	
Corporate Total		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	7,948.0	7,608.0	6,860.4	88,278.1	86,121.1	2,156.9	
Alliance Total		1,090.6	973.4	1,142.1	1,056.6	753.6	1,064.5	908.1	1,112.2	1,020.8	1,090.9	1,213.2	1,066.3	11,327.1	12,492.3	(1,165.2)	
Research & Development Total		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	2,008.2	1,968.4	2,411.0	24,595.1	23,133.0	1,462.1	
Central Division Total		3,006.3	4,293.5	3,640.1	3,165.7	2,066.9	2,931.4	4,119.6	2,712.3	3,374.0	3,667.8	2,795.3	2,533.6	48,950.0	38,306.5	10,643.5	
Grand Total		30,778.4	31,885.4	31,874.5	32,060.9	30,623.0	31,226.9	32,591.2	31,582.8	32,022.8	32,370.1	32,520.8	31,579.6	380,063.3	381,116.6	(1,053.3)	

APPENDIX 5 – 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	Jan-16 £000's Actual	Feb-16 £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	418,718	425,519	353,638
Intangible assets	10,134	9,854	9,573	10,761	9,389	9,102	9,946	9,640	9,335	9,148	9,119	8,809	10,452
Trade and other receivables	2,702	2,754	2,829	2,853	2,852	2,875	2,896	2,984	2,991	3,004	2,989	2,945	2,727
TOTAL NON CURRENT ASSETS	427,029	425,877	424,461	423,532	423,385	424,968	427,526	430,053	429,907	430,167	430,826	437,273	366,817
Current Assets													
Inventories	14,141	14,462	14,413	13,811	14,169	13,711	14,262	13,273	10,174	9,597	14,484	14,345	18,605
Trade and other receivables	35,292	25,650	34,813	31,009	36,491	26,326	27,929	28,871	28,855	30,837	34,039	35,391	45,106
Cash and cash equivalents	8,498	19,762	22,565	16,303	5,966	18,963	5,161	7,750	5,224	8,068	5,766	5,344	3,178
TOTAL CURRENT ASSETS	57,931	59,874	71,791	61,123	56,626	59,000	47,352	49,894	44,253	48,502	54,289	55,080	66,889
Current Liabilities													
Trade and other payables	(103,194)	(96,854)	(105,833)	(99,569)	(92,327)	(96,211)	(93,588)	(92,835)	(91,140)	(94,538)	(99,057)	(107,458)	(120,985)
Dividend payable	0	(959)	(1,918)	(2,877)	(3,836)	(4,795)	0	(1,921)	(2,883)	(3,407)	(4,366)	(5,325)	0
Borrowings / Finance Leases	(4,919)	(4,919)	(4,919)	(4,919)	(4,190)	(4,190)	(3,280)	(3,280)	(3,280)	(4,919)	(3,280)	(3,280)	(4,315)
Other Liabilities / Loan	(545)	(545)	(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)	(777)	(820)	(633)
TOTAL CURRENT LIABILITIES	(108,933)	(104,097)	(114,035)	(108,730)	(101,718)	(106,561)	(98,233)	(99,401)	(98,668)	(104,186)	(108,025)	(117,428)	(126,478)
NET CURRENT ASSETS (LIABILITIES)	(51,002)	(44,223)	(42,244)	(47,607)	(45,092)	(47,561)	(50,881)	(49,507)	(54,415)	(55,684)	(53,736)	(62,348)	(59,589)
TOTAL ASSETS LESS CURRENT LIABILITIES	376,027	381,654	382,217	375,925	378,293	377,407	376,645	380,546	375,492	374,483	377,090	374,925	307,228
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)	(8,571)	(8,734)	(55,010)
Other Liabilities / Loan	(11,455)	(22,540)	(28,571)	(28,625)	(33,578)	(39,355)	(39,083)	(43,502)	(43,502)	(43,502)	(45,283)	(45,283)	(3,930)
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)	(1,750)	(1,611)	(1,678)
TOTAL NON CURRENT LIABILITIES	(20,306)	(31,500)	(37,394)	(37,485)	(43,091)	(49,219)	(49,313)	(53,509)	(53,667)	(52,058)	(55,604)	(55,628)	(60,618)
TOTAL ASSETS EMPLOYED	355,721	350,154	344,823	338,440	335,202	328,188	327,332	327,037	321,825	322,425	321,486	319,297	246,610
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	329,837	329,856
Revaluation reserve	107,356	107,355	107,356	107,354	107,355	107,356	107,355	107,355	107,355	107,355	107,355	107,355	52,453
Retained earnings	(82,017)	(86,988)	(92,370)	(98,751)	(101,990)	(109,005)	(109,860)	(110,155)	(115,367)	(114,767)	(115,706)	(117,895)	(135,699)
TOTAL TAXPAYERS EQUITY	355,176	350,154	344,823	338,440	335,202	328,188	327,332	327,037	321,825	322,425	321,486	319,297	246,610

APPENDIX 6 – CAPITAL PLAN AND EXPENDITURE YEAR TO DATE

Scheme Name	CMG	Annual Budget £'000	Actual Spend £'000	Variance to Budget £'000
Estates & Facilities				
Facilities Sub-Group	UHL	3,855	3,513	(342)
MES Installation Costs	UHL	1,100	755	(345)
Aseptic Suite	CSI	4	43	39
Lloyds Pharmacy Extension	CSI	45	13	(32)
Theatre Recovery LRI	ITAPS	2,750	2,740	(10)
YDU Refurbishment	ESM	76	64	(12)
Paediatric Dentistry	UHL	445	551	106
Life Studies Centre	W&C	906	907	1
Sub-total: Estates & Facilities		9,181	8,586	(595)
IM&T Schemes				
IM&T Sub-Group	UHL	2,534	2,383	(151)
LRI Managed Print	UHL	1,776	1,794	18
EDRM	UHL	670	861	191
Safecare Software System	UHL	0	0	0
Electronic Blood Tracking System	CSI	300	207	(93)
Heartsuite System	W&C	0	0	0
Renal Tissue Typing System	RRCV	0	0	0
Learning Mgt System	UHL	0	86	86
Sub-total: IM&T Schemes		5,280	5,330	50
Medical Equipment Schemes				
Medical Equipment Executive Budget	UHL	4,000	4,131	131
Linear Accelerators		31	32	1
Sub-total: Medical Equipment		4,031	4,163	132
Corporate / Other Schemes				
Donations	UHL	300	374	74
LiA Schemes	UHL	175	137	(38)
Contingency / Other	UHL	609	872	263
Sub-total: Corporate / Other Schemes		1,084	1,384	300
Reconfiguration Business Cases				
ICU Business Case		448	448	(0)
Treatment Centre		230	292	62
Women's Service		308	287	(21)
Children's Hospital		374	407	33
Sub-total: Reconfiguration Business Cases		1,360	1,434	74
Reconfiguration Design & Construction				
Emergency Floor	ESM	10,000	10,150	150
EMCH Interim Solution		317	293	(24)
Vascular Hybrid Theatre	RRC	420	593	173
Vascular Ward	RRC	1,500	1,568	68
Vascular Angio & VSU	RRC	1,500	1,361	(139)
ICU - Interim Solution	ITAPS	717	422	(295)
ICU - GH ICU Medium Term	ITAPS	168	103	(65)
ICU - Imaging	ITAPS	378	280	(98)
ICU Interim Solution - GH Beds	ITAPS	218	371	153
ICU Interim Solution - LRI Ward Beds	ITAPS	9	109	100
Multi-storey Car Park Development	UHL	4,229	4,201	(28)
Sub-total: Reconfiguration Design & Construction		19,456	19,452	(4)
EPR Programme	UHL	3,387	3,504	117
Linear Accelerators		0	0	0
MES Finance Lease Additions		5,698	5,698	(0)
GRAND TOTAL CAPITAL EXPENDITURE		49,477	49,551	74