

2019/20 Financial Performance

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Executive Summary

Paper N1

Context

The 2019/20 Financial Plan requires delivery of a £48.7m deficit which excludes central funding in relation to Provider Sustainability Funding (PSF), Financial Recovery Funding (FRF) and MRET funding of £38m. The planned deficit including this central funding is £10.7m and is aligned to the NHSI Control Total.

Delivery of the 2019/20 financial Control Total is essential in order to maintain the Trust's position as an organisation with good financial control supporting financial improvement and sustainability.

Questions

1. What is the financial performance for the period ending 30th April 2019?

The Trust has achieved a year to date deficit of £10.3m excluding PSF, FRF and MRET which is in line with Plan. Including PSF/FRF/MRET, the Trust has achieved a year to date deficit of £8.2m in line with Plan.

Underlying performance is in line with Plan with over-performance across all Points of Delivery offset by the marginal cost to deliver the additional activity.

2. What is the performance against the agency ceiling?

Agency expenditure is currently on track to achieve the agency cap set by NHSI (£18.8m same level as 2018/19).

3. What is the performance against the Trust's Cost Improvement Programme?

The Trust's Cost Improvement Programme target is £26.6m. As at Month 1, the Trust has delivered efficiencies of £1.4m which is £0.1m adverse to Plan.

4. **What are the key risks to delivery of the planned deficit?**

As outlined on page 23 of the Finance Report, the key risks are summarised as:

- Delivery of the CMG Control Totals which includes £26.6m efficiencies
- Identification of actions to close the planning gap of £7.8m
- Commissioner affordability and the requirement for the Trust to be paid for all completed activity
- Shortage of Capital Funding and achieving CRL

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	[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: **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: **4th July 2019**

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**]

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Executive Summary

Financial performance

Statutory duties

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

Financial Performance

- **Deficit of £10.3m excluding Provider Sustainability Funds (PSF), Financial Recovery Fund (FRF), and Marginal Rate Emergency Tariff (MRET), in line with Plan** : Over-performance within Patient Care Income offset by marginal cost to deliver activity within pay and non pay.
- **Including PSF/FRF/MRET: Deficit of £8.2m, in line with plan**
- **Patient Care Income, £1.9mF to Plan** : Underlying over-delivery of £1.3m with over-performance in Emergency, Day Case, Elective Inpatients and Outpatients across most CMGs. Emergency over-performance of £1.1m before applying the blended rate adjustment of £0.6m reflecting 5.2% over-performance against contract
- **Operating Costs, £1.9mA to Plan**: with pay £0.2mA to Plan driven by additional capacity to deliver activity. Non-pay overspend of £25.1m driven by marginal cost to deliver activity together with continued Winter pressures
- **CIP 1.4m, £0.1mA**
- **Forecast**: There is no detailed financial forecast reported at Month 1 as at this stage of the year the financial forecast is in line with the annual plan. The data and graphs supplied within this report will therefore make reference to the annual plan.

Cash

- Closing cash position at April of £4m, including Trust Group Holdings (TGH) which is higher than forecast due to the timing of month end cash receipts from Commissioners.
- TGH cash balance was £2.4m.
- Funded YTD operating deficit and movement in working capital by securing £0.9m of external financing.

Capital

- **April**: Total capital expenditure of £3.1m, £1.7mF to Plan.

Underspend due to uncertainties of capital funding through Emergency Capital loans and an alternative solution for Endoscopy Decontamination. Therefore, all budget holders are working within a reduce capital budget until funding is confirmed.

Key

F refers to a Favourable variance to plan, A refers to an Adverse variance to plan

April 2019: Key Facts



Patient Income
£1.9mF

Other Income
In line



Substantive pay
£0.3mA

Agency
£0.1mF



Non pay
£1.7mA

Non-Operating Costs
In Line



EBITDA
In line

CIP
£0.1m A



Liquidity Indicators

Capital
£1.7mF

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: YTD Deficit of £8.2m

	Apr-19				
	Plan	Actual	Vs Plan	%	
Value Drivers	Day Case	8,087	8,749	662	8%
	Elective Inpatient	1,582	1,665	83	5%
	Emergency / Non-elective Inpatient	9,706	10,039	333	3%
	Emergency Department	20,699	21,916	1,217	6%
	Outpatient Procedures	78,419	79,286	868	1%
	Critical Care Services	4,726	4,486	(240)	(5%)
	Renal Dialysis and Transplant	15,073	15,146	73	0%
	Other Activity	689,527	713,088	23,560	3%
	WTE Total	14,945	14,107	838	6%
	WTE Agency	101	246	(144)	(143%)
	I&E £'000	Apr-19			
Plan		Actual	Vs Plan	%	
£'000		£'000	£'000	%	
Patient Care Income		70,834	72,731	1,897	3%
Non Patient Care Income		438	472	34	8%
Other Operating Income		10,179	10,113	(66)	(1%)
Total Income		81,451	83,316	1,865	2%
Pay Costs		(56,710)	(57,039)	(329)	1%
Pay Costs: Agency		(1,606)	(1,478)	128	(8%)
Non Pay		(30,249)	(31,912)	(1,663)	5%
Total Operating Costs		(88,565)	(90,428)	(1,864)	2%
EBITDA		(7,114)	(7,112)	2	(0%)
Non Operating Costs		(3,254)	(3,247)	8	(0%)
Retained deficit		(10,368)	(10,358)	10	0%
Adjustments for Donated Assets		19	29	9	(48%)
Net Deficit	(10,349)	(10,330)	19	0%	
PSF/FRF/MRET	2,132	2,132	0	0%	
Net Deficit Including PSF/FRF/MRET	(8,217)	(8,198)	19	0%	
Ratios	Agency: Total Pay	2.83%	2.59%	0.24%	(9%)
EBITDA: Income	(8.73%)	(8.54%)	0.20%	2%	
Net Deficit: Income	(12.71%)	(12.40%)	0.31%	2%	

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

- **NHS Patient Care Income: £72.7m,£1.9mF** including £0.6mF in relation to drugs and devices excluded from tariff with the offset in non-pay. Underlying over-delivery of £1.3m with over-performance in Emergency, Day Case, Elective Inpatients and Outpatients across most CMGs. Emergency over-performance of £1.1m before applying the blended rate adjustment of £0.6m reflecting 5.2% over-performance against contract.
- **Other Income: £10.6m, in line with plan**
- **Total Pay Costs: £58.5m, £0.2mA** driven by additional capacity to deliver activity. Most CMGs are either in line or below Plan with overspend in ESM and CHUGGS.

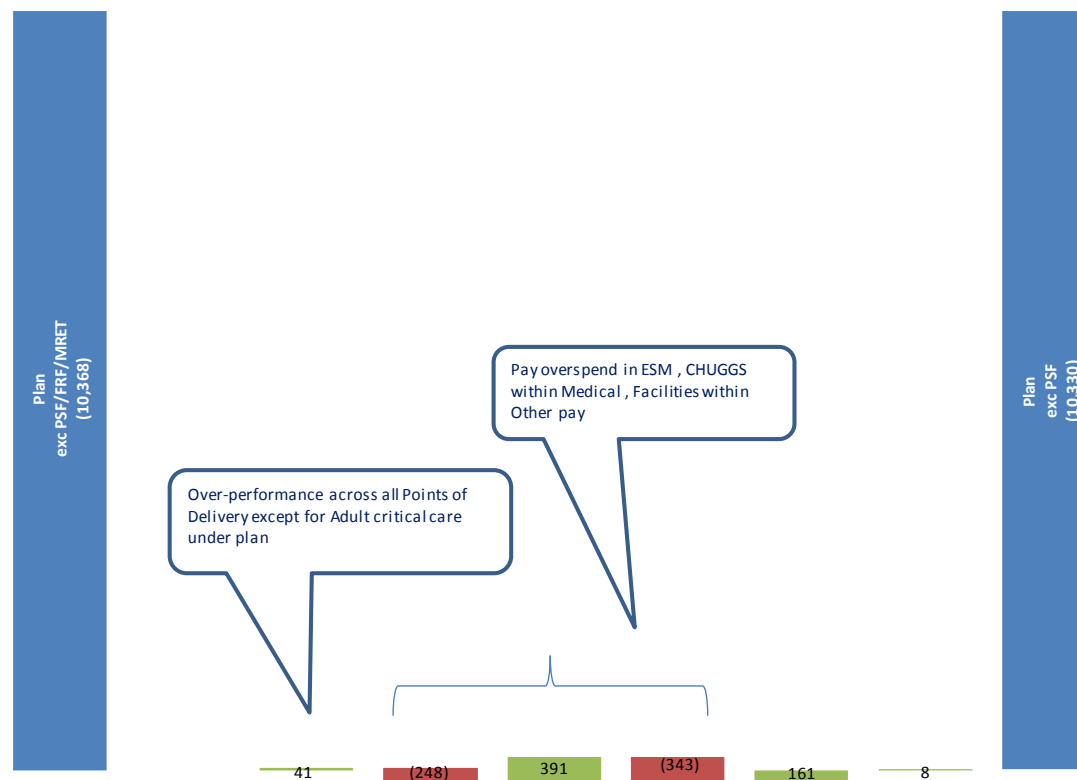
Agency spend in line with the NHSI agency ceiling.

Pay remains an area of focus in 2019/20 to ensure appropriate control and optimum use of financial resources to support the Trust's financial commitments in line with funded Establishment.

- **Non-Pay: £31.9m, £1.7mA** including £0.6mA relating to drugs and devices excluded from tariff. Underlying overspend of £1.1m which is driven by marginal cost to deliver the additional activity together with additional capacity to support the Emergency Pathway.
- **EBITDA: deficit of £7.1m, in line with plan**
- **Non-Operating Costs: £3.2m, in line with plan**
- **Provider Sustainability Fund, Financial Recovery Fund, Marginal Rate Emergency Tariff (PSF,FRF,MRET), in line with plan**

I&E Bridge: in line with plan

Underlying performance in line with Plan with over-performance in Elective, Emergency and Outpatients offset by marginal cost to deliver additional capacity and continued Winter pressures.

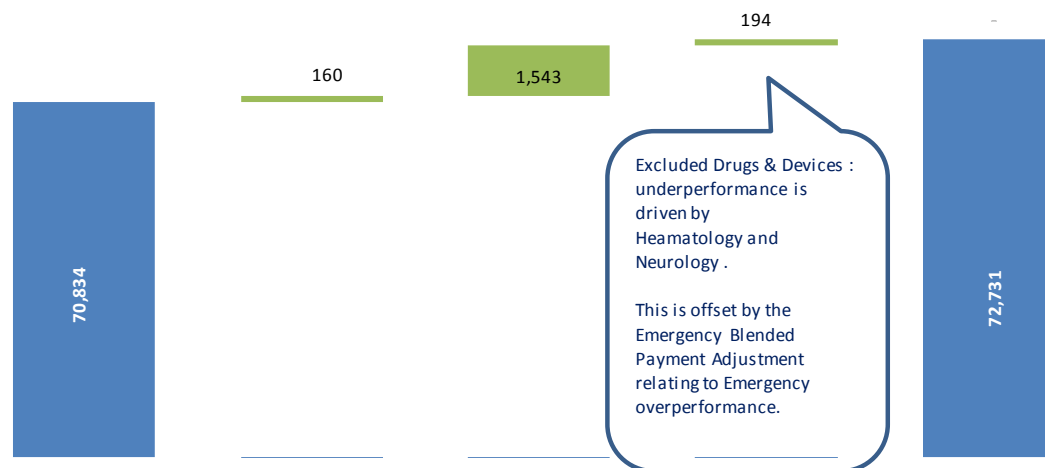


£(000)	Plan exc PSF	Pass Through	Activity	Medical Pay	Nursing Pay	Other Pay	QIPP	Other	Plan exc PSF	Var F/(A)
NHS PCI	70,834	662	1,070				165		72,731	1,897
Other Income	10,595	(36)	4						10,563	(32)
Pay	(56,710)			(288)	227	(268)			(57,039)	(329)
Pay: Agency	(1,606)			40	163	(75)			(1,478)	128
Non Pay	(30,249)	(626)	(1,033)				(4)		(31,912)	(1,663)
Non-Operating Costs	(3,213)							17	(3,197)	17
Net Deficit	(10,349)	0	41	(248)	391	(343)	161	17	(10,330)	19

NHS Patient Income: April £72.7m, £1.9mF to Plan

Over-performance across all admitted Points of Delivery with over-performance in Emergency activity partially offset by the blended payment adjustment. Adult critical care is underperforming against plan.

Over performance across a widerange of areas and specialities including:
 - Day Case : Gastro, Cardiology, and Urology
 - Elective Inpatient : Paed Cardiothoracic Surgery, Cardiac Surgery and Cardiology
 - Emergency: Thoracic medicine, Geriatric Medicine, Hepatobiliary, Cardiology, Diabetology and Stroke Medicine



£(m)	Plan	Rate	Volume	Other	Actual	Var F / (A)
Day Case	4,806	(102)	385	0	5,090	284
Elective Inpatient	6,405	163	342	0	6,910	505
Emergency / Non-elective Inpatient	21,693	77	748	0	22,518	825
Emergency Blended Payment Adjustment	-	0	0	(604)	(604)	(604)
Emergency Department	3,181	(1)	187	0	3,367	186
Outpatient	9,613	29	107	0	9,749	135
Drugs and Devices excluded from Tariff	7,627	0	0	662	8,289	662
Critical Care Services	4,742	(51)	(238)	0	4,453	(289)
Renal Dialysis and Transplant	2,467	45	12	0	2,524	57
CQUIN	826	0	0	0	826	0
Other Activity	9,057	0	0	118	9,175	118
Other Financial Values	418	0	0	18	436	18
Total	70,834	160	1,543	194	72,731	1,897

Activity & Income: Performance versus Contract

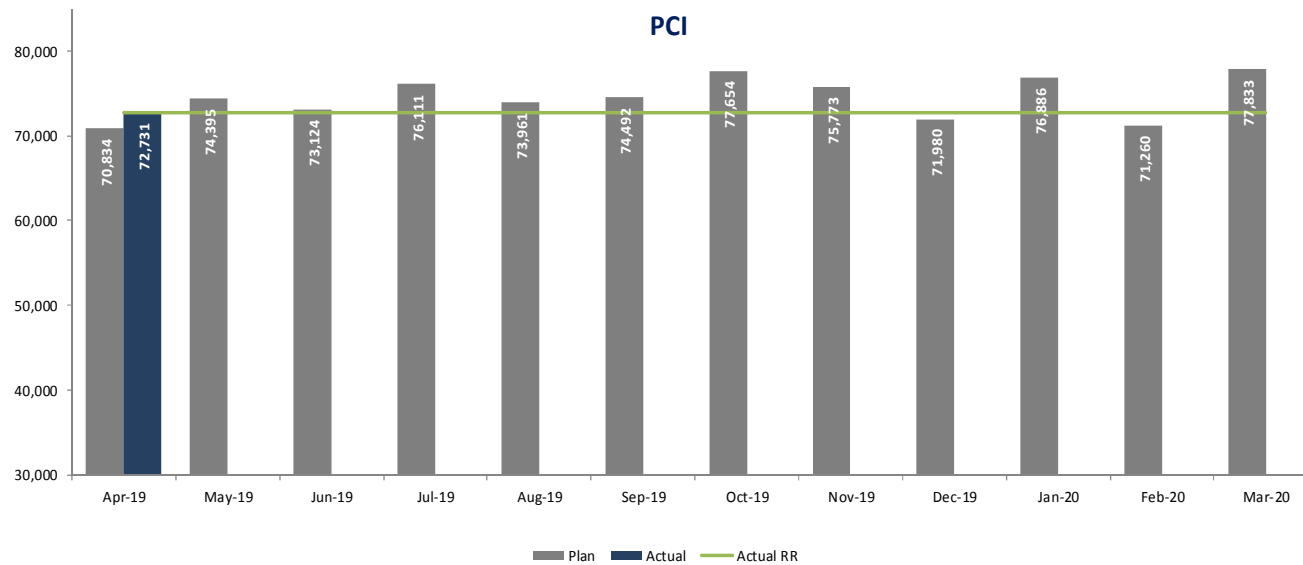
Activity	Case Mix	City	East	West	Specialised	Other	Alliance	Total	%
	Day Case	212	233	192	29	33	(36)	662	8%
	Elective Inpatient	9	9	7	40	17		83	5%
	Emergency / Non-elective Inpatient	113	90	93	36	0		333	3%
	Emergency Blended Payment Adjustment	0	0	0	0	0		0	0%
	Emergency Department	633	280	251		53		1,217	6%
	Outpatient	139	160	113	525	(118)	49	868	1%
	Excluded Drugs and Devices	(0)	(0)	(0)	125	2,239	-	2,364	0%
	Critical Care Services	(81)	(61)	(58)	12	(51)		(240)	(5%)
	Renal Dialysis and Transplant	0	0	0	73	0		73	0%
CQUIN	0	0	0	0	0	0	0	0%	
Other Activity	8,405	7,350	6,577	153	795	280	23,560	3%	
Other Financial Values	271	(130)	8	6	4,138	-	4,293	0%	

Financial	Case Mix	City (£000)	East (£000)	West (£000)	Specialised (£000)	Other (£000)	Alliance (£000)	Total (£000)	%
	Day Case	62	62	53	28	85	(7)	284	6%
	Elective Inpatient	(19)	(14)	(24)	464	99	0	505	8%
	Emergency / Non-elective Inpatient	353	254	260	(90)	47	0	825	4%
	Emergency Blended Payment Adjustment	(246)	(177)	(181)	0	0	0	(604)	#DIV/0!
	Emergency Department	93	45	41	0	8	0	186	6%
	Outpatient	25	26	20	36	28	2	135	1%
	Excluded Drugs and Devices	53	45	39	362	163	(1)	662	9%
	Critical Care Services	(69)	(50)	(50)	(70)	(50)	0	(289)	(6%)
	Renal Dialysis and Transplant	0	0	0	52	5	0	57	2%
CQUIN	0	0	0	0	0	0	0	0%	
Other Activity	87	65	63	(131)	25	10	118	1%	
Other Financial Values	10	192	104	392	(681)	1	18	4%	
Grand Total	348	448	324	1,042	(270)	5	1,897	3%	

Contracts:

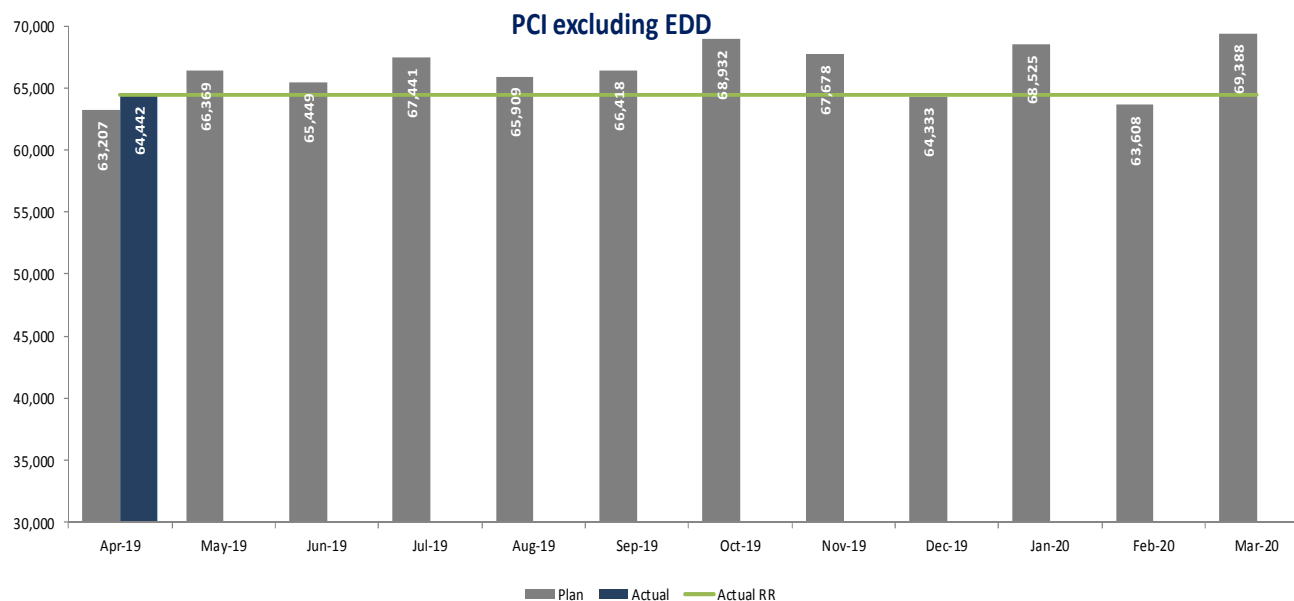
- **Day Case & Elective Inpatient:** over performance predominantly within Gastroenterology Cardiology, Urology partially offset by under performance in Paediatric Cardiothoracic Surgery , General Surgery and General Medicine.
- **Emergency / Non Elective:** Over performance across a wide range of specialties with Geriatric Medicine, Hepatobiliary , Cardiology and Diabetology
This is partially offset by underperformance in Paediatric Cardiothoracic Surgery
- **Outpatients:** There are a range of Specialties which are over performing
- **Critical Care services** underperformance within ITU and HDUs ,within General Medicine, Nephrology and Thoracic Medicine
- **Excluded Drugs and Devices:** The over performance is driven by Haematology and Neurology.
- The CCG& Specialised contracts have already started to over perform significantly at Month 1. Similar to 2018/19, it is anticipated that there will be a high level of commissioner challenge.

Patient Income Run Rates

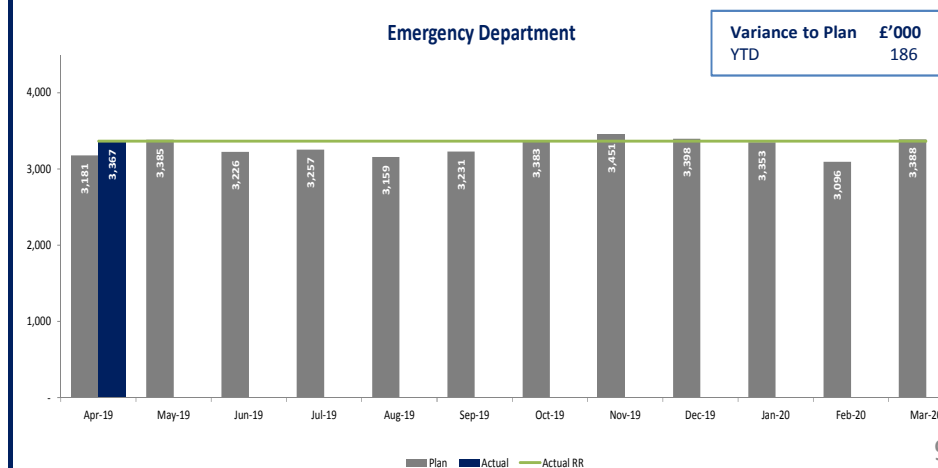
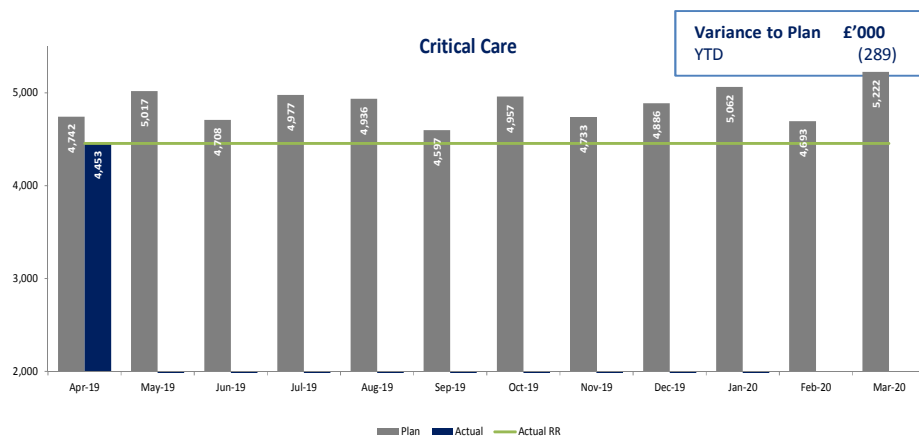
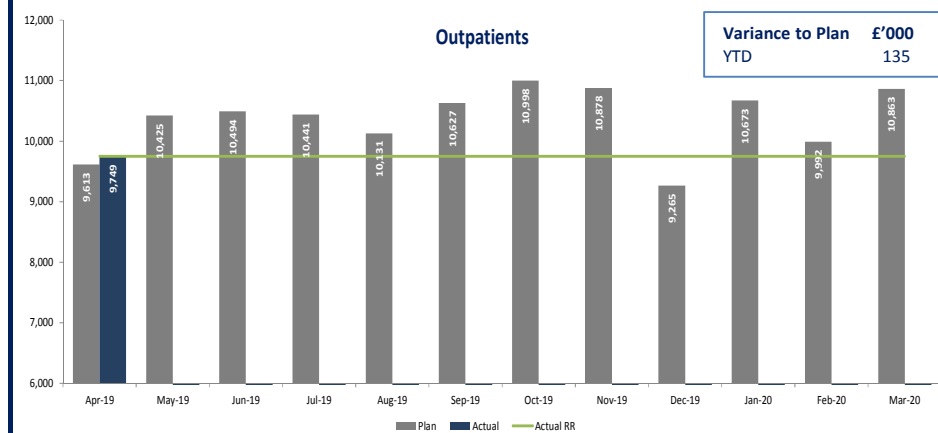
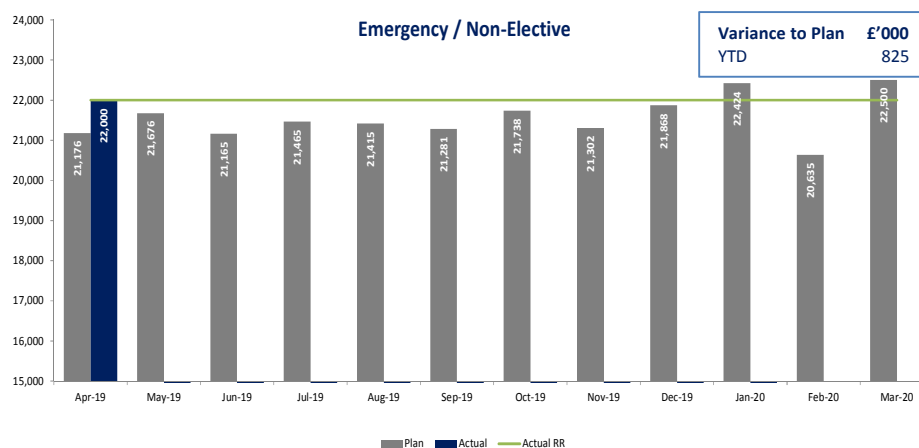
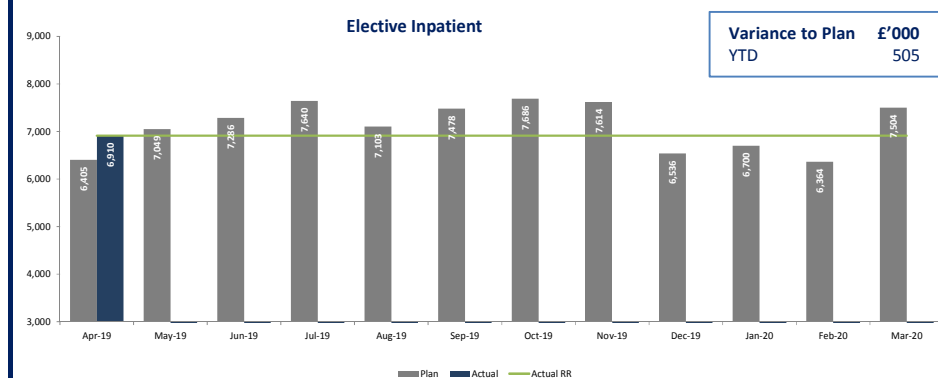
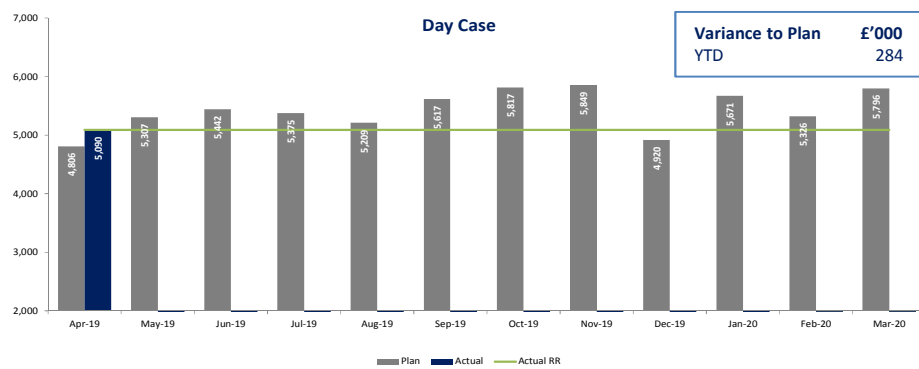


Year to Date

- Year to date over-performance of £1.9m which includes £0.6mF in relation to drugs and devices excluded from tariff
- Over-performance across most Points of Delivery but predominantly within driven by Elective Inpatients, Emergency/Non-elective and Outpatients across most CMGs



Patient Income Run Rates: Point of Delivery



Pay: YTD £58.5m, £0.2mA to Plan

		Apr-19					
		£'000			WTE		
		Plan	Actual	F/(A)	Plan	Actual	F/(A)
Agency	Medical	606	566	40	17	48	(32)
	Nursing & Midwifery	773	610	163	37	171	(134)
	Other Clinical	190	281	(91)	35	26	9
	Non Clinical	37	21	16	12	0	12
	Total: Agency	1,606	1,478	128	101	246	(144)
Other Non-contracted	Medical	0	1,585	(1,585)	0	1	(1)
	Nursing & Midwifery	0	1,727	(1,727)	0	524	(524)
	Other Clinical	0	369	(369)	0	76	(76)
	Non Clinical	0	561	(561)	0	263	(263)
	Total: Other Non-contracted	0	4,242	(4,242)	0	864	(864)
Total Non-contracted	Medical	606	2,151	(1,545)	17	50	(33)
	Nursing & Midwifery	773	2,337	(1,564)	37	695	(658)
	Other Clinical	190	650	(460)	35	102	(67)
	Non Clinical	37	582	(545)	12	263	(250)
	Total: Non-contracted	1,606	5,719	(4,113)	101	1,110	(1,009)
Substantive	Medical	17,338	16,041	1,297	2,039	1,955	84
	Nursing & Midwifery	20,223	18,268	1,955	6,165	5,307	858
	Other Clinical	8,543	7,717	826	2,326	1,997	329
	Non Clinical	10,607	10,771	(164)	4,414	3,983	432
	Total: Substantive	56,710	52,797	3,913	14,945	13,242	1,702
Total	Medical	17,944	18,192	(248)	2,056	2,005	51
	Nursing & Midwifery	20,996	20,605	391	6,203	6,003	200
	Other Clinical	8,733	8,367	366	2,361	2,099	262
	Non Clinical	10,643	11,352	(709)	4,427	4,246	181
	TOTAL: Pay	58,316	58,516	(200)	15,046	14,352	694

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.

Agency Pay

- Year to date cost of £1.5m, £0.1Fm.

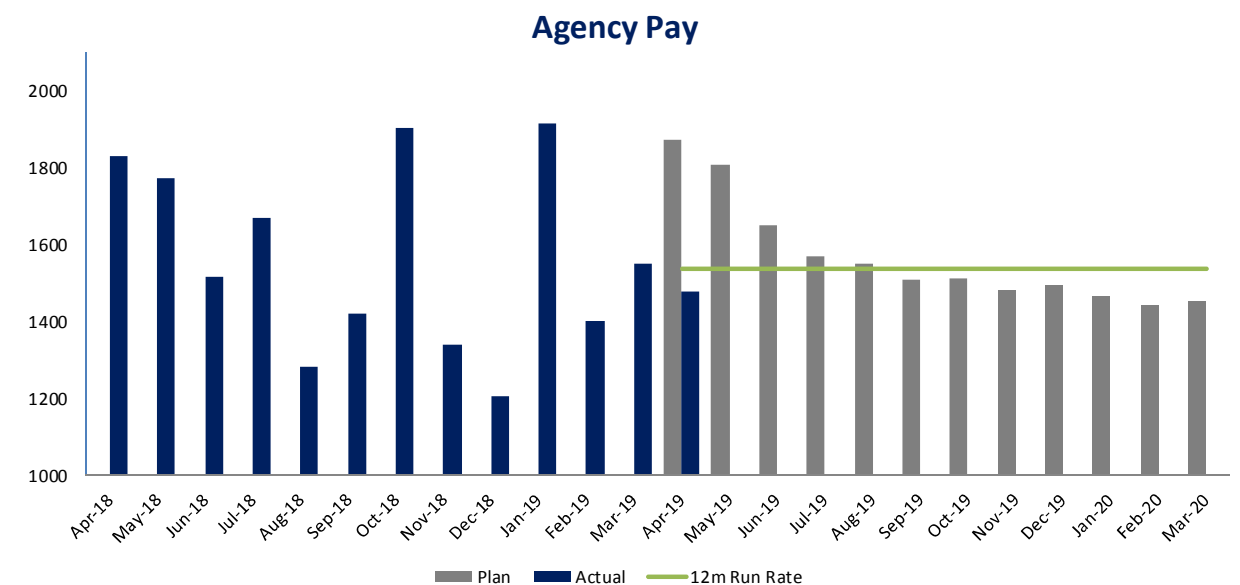
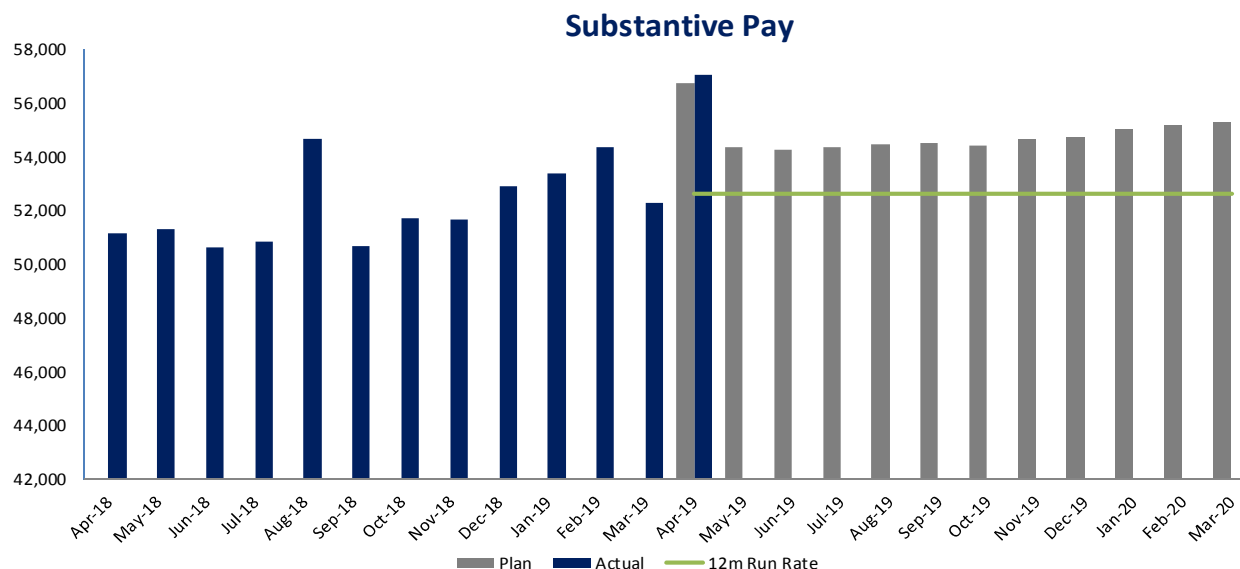
Other Non-contracted Pay

- Other non-contracted pay consists of overtime, bank, WLIs and internal locums.
- Year to date expenditure of £4.2m with Medical and Nursing driving 75% of spend. Whilst premium pay shows an overspend this needs to be taken into account with Substantive Pay as budgets are held at Established levels.

Substantive Pay

- Combined with other non-contracted, expenditure of £57.0m, £0.3mA to Plan.
- Overspend driven by additional capacity to deliver activity. Most CMGs are either in line or below Plan with overspend in ESM and CHUGGS.

Pay Run Rates



Total Pay excluding Agency Pay

- Pay remains an area of focus in 2019/20 to ensure appropriate control and optimum use of financial resources to support the Trust’s financial commitments in line with funded Establishment.

Agency Pay

- The planned trajectory is supported by specific actions identified and tracked through the Premium Pay group.
- The NHSI Agency Ceiling for 2019/20 is £18.8m.

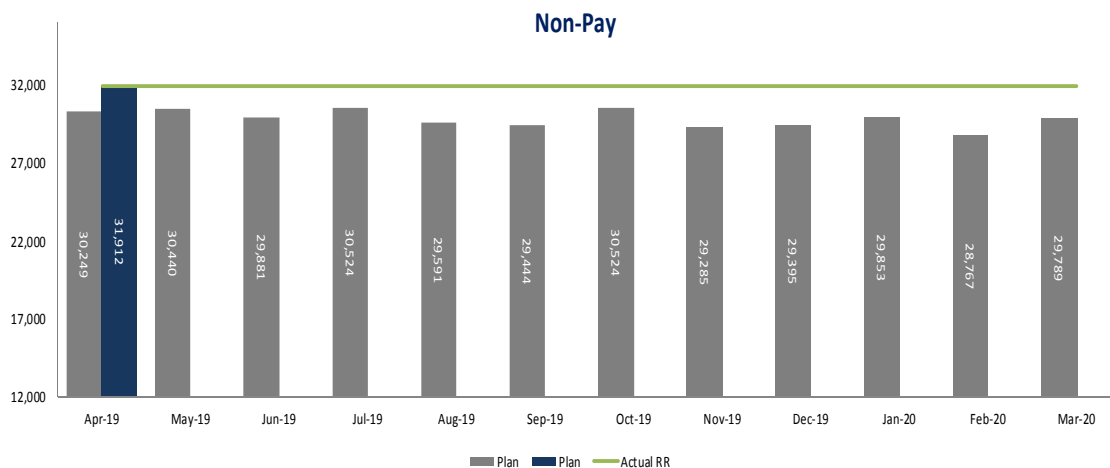
Non-Pay: YTD £31.9m, £1.7mA to Plan

		Apr-19			
		Plan	Actual	F / (A)	
		£'000	£'000	£'000	%
Direct	Blood Products	69	60	9	13%
	Drugs	8,194	8,745	(551)	(7%)
	Clinical Supplies & Services	9,630	10,185	(555)	(6%)
	Transport	403	548	(145)	(36%)
	Recharges	600	617	(17)	(3%)
	Misc & General Supplies	1,954	2,145	(191)	(10%)
External Providers	Healthcare	918	890	29	3%
	Non Healthcare	1,275	1,229	47	4%
Overheads	Establishment, Premises & Plant	4,584	4,872	(289)	(6%)
	Consultancy	68	67	0	1%
	Clinical Negligence	2,554	2,554	0	0%
Total: Non Pay		30,249	31,912	(1,663)	(5%)

- **Direct Costs: £22.3m, £1.4mA to Plan** including £0.7mA in relation to drugs and devices excluded from tariff.

Underlying overspend of £0.7m which is driven by marginal cost to deliver the additional activity together with continued Winter pressures.

- **External Providers:** YTD cost of £2.1m, £0.1mF.
- **Overheads:** YTD expenditure of £7.5m, £0.3mA to Plan.

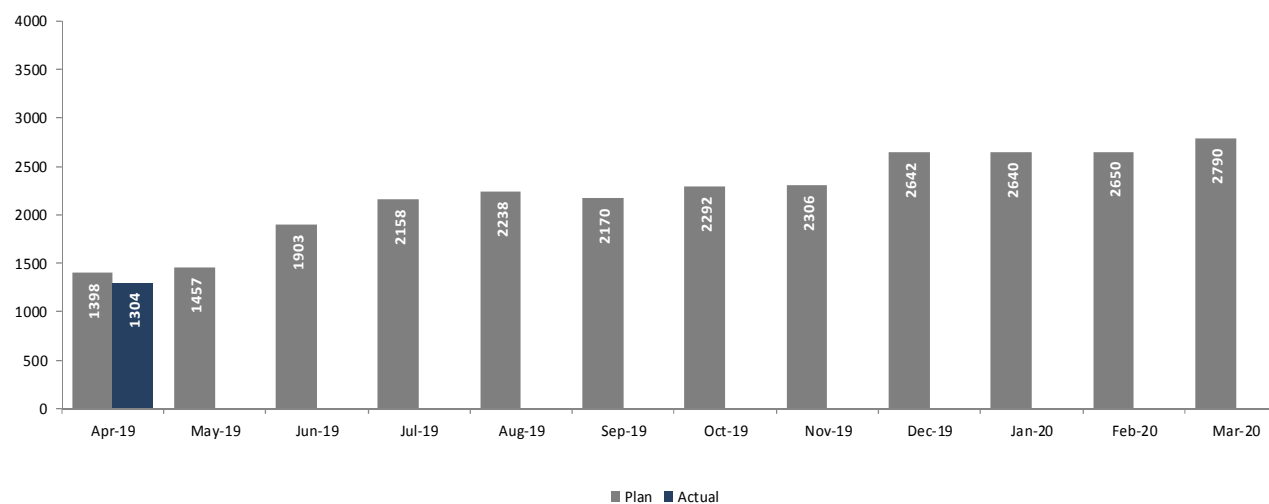


CIP: YTD £1.4m, £0.1mA to Plan

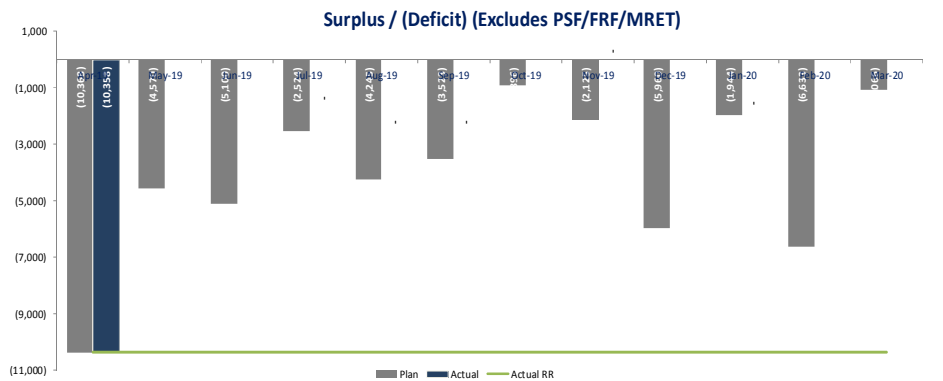
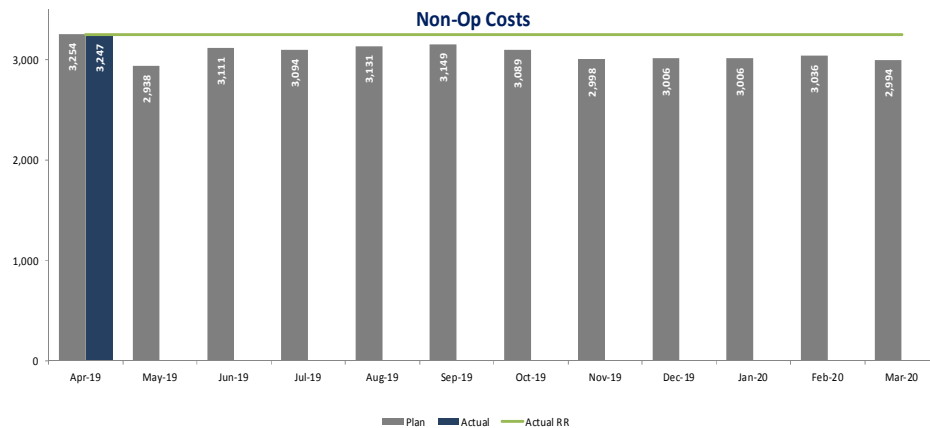
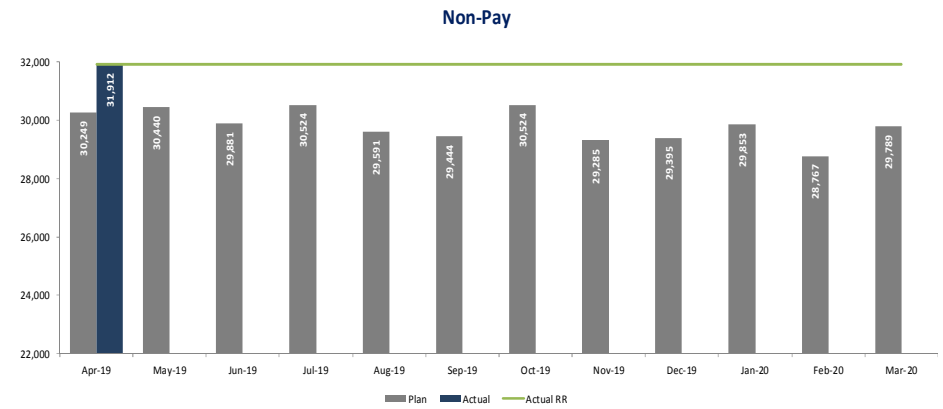
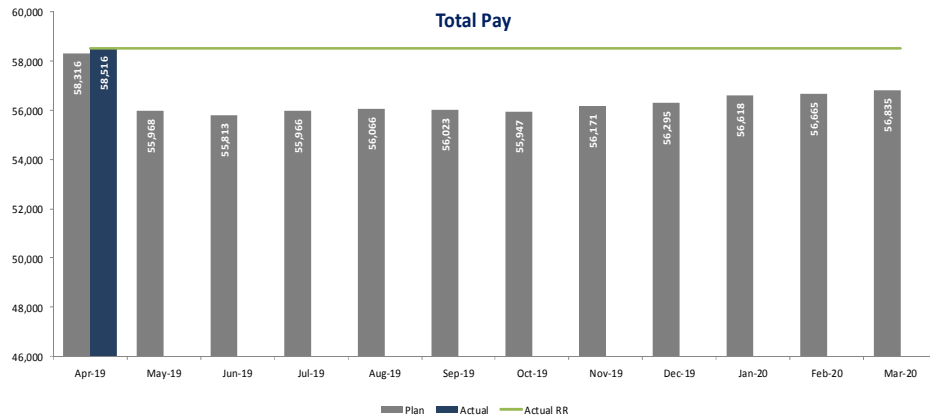
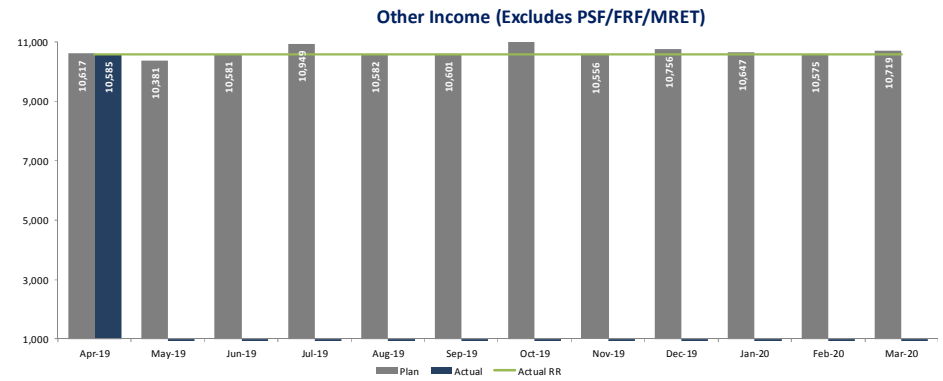
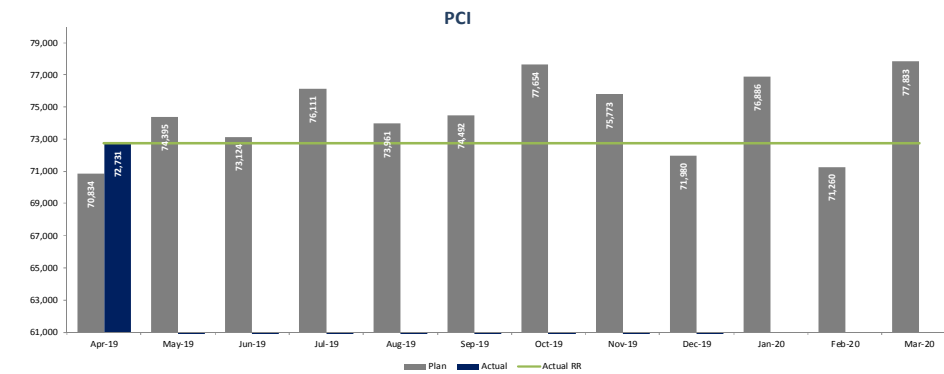
	Apr-19				FY Plan £'000
	Plan	Actual	F / (A)		
	£'000	£'000	£'000	%	
CHUGGS	141	140	(1)	(1%)	4,245
CSI	164	180	17	10%	2,058
ESM	268	285	17	6%	4,294
ITAPS	115	113	(2)	(2%)	1,564
MSS	297	229	(68)	(23%)	4,330
RRCV	166	182	17	10%	3,325
Womens & Childrens	139	127	(12)		3,405
Total: CMG	1,290	1,257	(33)	(3%)	23,220
Facilities	84	22	(62)	(74%)	1,862
Corporate Total	25	25	0	0%	540
Central	0	0	0	0%	950
Total CIP	1,398	1,304	(94)	(7%)	26,572

- CIP delivered of £1.3m which is £0.1mA to Plan.
- The specific CIP Paper provides further insight into the performance of CIP.

CIP Delivery



I&E Run Rates



Performance by CMG and Directorates

	CHUGGS		
	Plan	YTD	Variance
	£'m	£'m	£'m
PCI	12.9	13.7	0.8
Other Income	0.7	0.7	(0.0)
Total Income	13.5	14.3	0.8
Total Pay	(5.2)	(5.4)	(0.2)
Total Non-Pay	(4.8)	(5.5)	(0.7)
EBITDA	3.5	3.5	0.0

	CSI		
	Plan	YTD	Variance
	£'m	£'m	£'m
PCI	3.4	3.6	0.2
Other Income	1.0	1.0	(0.1)
Total Income	4.4	4.5	0.1
Total Pay	(7.9)	(7.8)	0.2
Total Non-Pay	(0.2)	(0.4)	(0.3)
EBITDA	(3.7)	(3.7)	(0.0)

	ESM		
	Plan	YTD	Variance
	£'m	£'m	£'m
PCI	14.1	14.6	0.5
Other Income	0.9	0.9	(0.0)
Total Income	15.0	15.4	0.5
Total Pay	(9.0)	(9.1)	(0.1)
Total Non-Pay	(4.1)	(4.5)	(0.4)
EBITDA	1.9	1.9	0.0

	ITAPS		
	Plan	YTD	Variance
	£'m	£'m	£'m
PCI	3.2	2.8	(0.4)
Other Income	0.3	0.6	0.3
Total Income	3.6	3.4	(0.2)
Total Pay	(6.0)	(6.0)	(0.0)
Total Non-Pay	(1.7)	(1.5)	0.2
EBITDA	(4.1)	(4.1)	(0.0)

	MSS		
	Plan	YTD	Variance
	£'m	£'m	£'m
PCI	8.3	8.4	0.1
Other Income	0.5	0.5	(0.0)
Total Income	8.8	8.9	0.1
Total Pay	(4.9)	(4.8)	0.1
Total Non-Pay	(2.1)	(2.3)	(0.2)
EBITDA	1.7	1.7	0.0

	RRCV		
	Plan	YTD	Variance
	£'m	£'m	£'m
PCI	14.6	15.2	0.6
Other Income	0.7	0.6	(0.1)
Total Income	15.3	15.9	0.5
Total Pay	(7.3)	(7.2)	0.0
Total Non-Pay	(4.8)	(5.4)	(0.6)
EBITDA	3.2	3.2	0.0

	W&C		
	Plan	YTD	Variance
	£'m	£'m	£'m
PCI	13.1	13.3	0.1
Other Income	0.8	0.8	(0.0)
Total Income	14.0	14.1	0.1
Total Pay	(7.8)	(7.8)	0.0
Total Non-Pay	(3.3)	(3.4)	(0.1)
EBITDA	2.8	2.8	(0.0)

	ESTATES		
	Plan	YTD	Variance
	£'m	£'m	£'m
PCI	0.0	0.0	0.0
Other Income	1.9	1.9	(0.0)
Total Income	1.9	1.9	(0.0)
Total Pay	(3.3)	(3.4)	(0.1)
Total Non-Pay	(2.9)	(2.8)	0.1
EBITDA	(4.3)	(4.3)	(0.0)

	CORPORATE		
	Plan	YTD	Variance
	£'m	£'m	£'m
PCI	0.0	0.0	0.0
Other Income	0.6	0.5	(0.0)
Total Income	0.6	0.5	(0.0)
Total Pay	(3.1)	(3.1)	0.1
Total Non-Pay	(3.2)	(3.2)	(0.1)
EBITDA	(5.8)	(5.8)	0.0

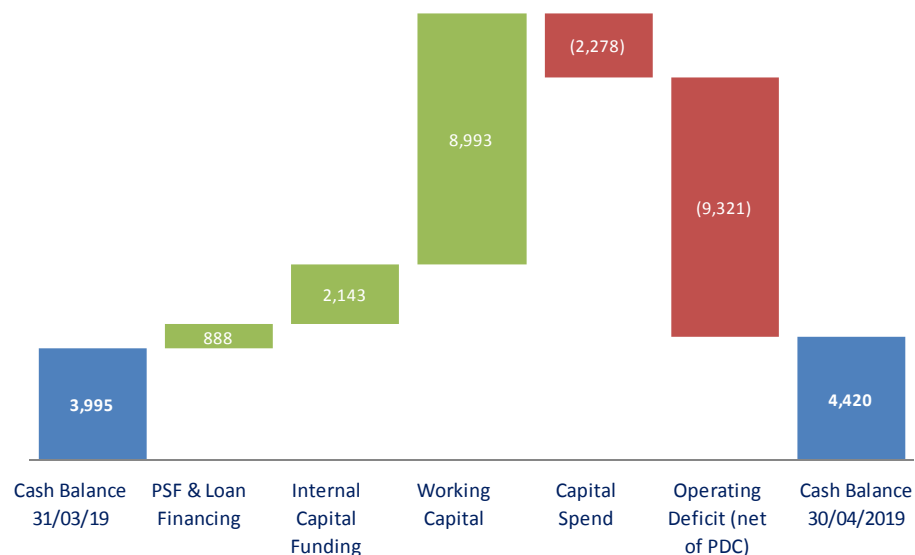
April 2019: Statement of Financial Position

	Mar-19 £000's Actual	Apr-19 £000's Actual	Movement £000's Actual
Non Current Assets			
Property, plant and equipment	473,262	471,759	(1,502)
Intangible assets	8,953	8,663	(290)
Trade and other receivables	15,356	14,924	(432)
TOTAL NON CURRENT ASSETS	497,571	495,346	(2,225)
Current Assets			
Inventories	25,052	25,579	526
Trade and other receivables	57,731	70,022	12,291
Cash and cash equivalents	3,995	4,420	425
TOTAL CURRENT ASSETS	86,778	100,020	13,242
Current Liabilities			
Trade and other payables	(112,899)	(125,705)	(12,806)
Dividend payable	0	0	0
Borrowings / Finance Leases	(5,415)	0	5,415
Other Liabilities / Loan	(37,982)	(37,982)	0
Provisions for liabilities and charges	(368)	0	368
TOTAL CURRENT LIABILITIES	(156,664)	(163,687)	(7,023)
NET CURRENT ASSETS (LIABILITIES)	(69,886)	(63,667)	6,219
TOTAL ASSETS LESS CURRENT LIABILITIES	427,685	431,679	3,994
Non Current Liabilities			
Borrowings / Finance Leases	(10,289)	(15,598)	(5,309)
Other Liabilities / Loan	(208,549)	(209,619)	(1,070)
Provisions for liabilities and charges	(1,584)	(1,753)	(169)
TOTAL NON CURRENT LIABILITIES	(220,422)	(226,970)	(6,547)
TOTAL ASSETS EMPLOYED	207,263	204,710	(2,553)
Public dividend capital	341,176	341,176	0
Revaluation reserve	134,417	133,945	(472)
Retained earnings	(268,329)	(270,411)	(2,081)
TOTAL TAXPAYERS EQUITY	207,263	204,710	(2,553)
Ratios			
Liquidity Ratio Days (Working Capital Balance / Annual Operating Expenses)	(33)	(28)	
Liquidity Ratio Metric	4	4	

- **Total Assets Employed:** Movement of £2.6m
- **Non-Current Assets:** Increased by £2.2m.
- **Working capital:**
 - Trade receivables have increased by £12.3m
 - Trade payables have increased by £12.8m
- **Cash:** April balance of £4.4m is above the £1m target cash balance due to the timing of cash receipts, and includes TGH cash of £2.4m.
- **Non-current liabilities:**
 - Increase due to loan funding received.
- **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 4 (high risk), which is in line with our plan.

April 2019: Cash movement

Year to Date Cash Bridge £'000



Cash Bridge:

- Opening cash balance of £4m, in line with our plan.
- Funded YTD operating deficit (net of PDC) of £9.3m and movement in working capital by securing £888k of external financing.

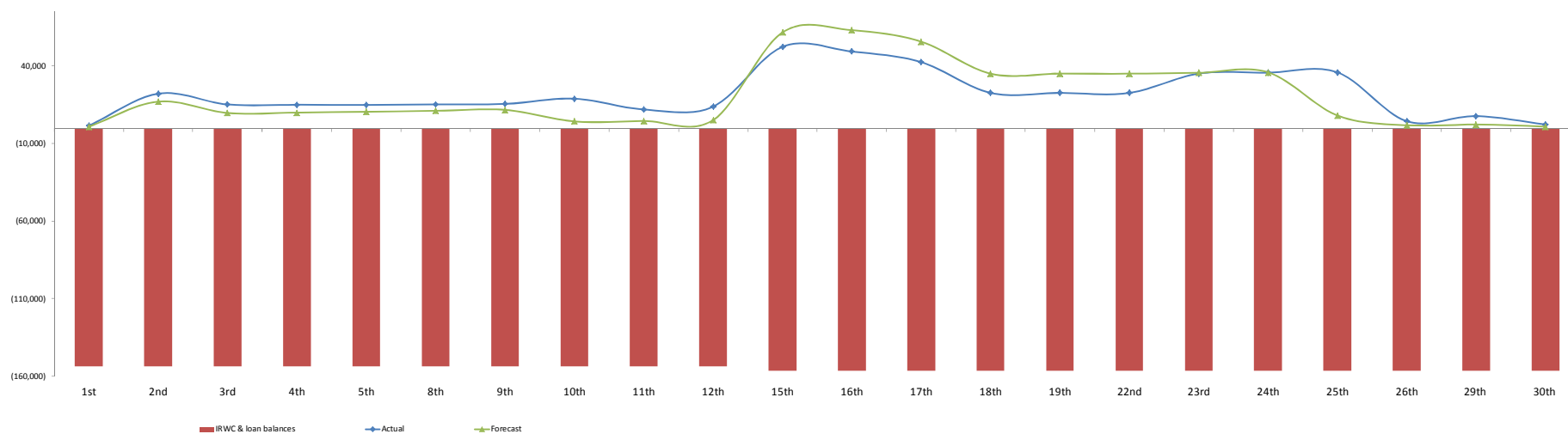
Full Year Forecast

- 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 27th April due to the monthly payroll run.

Daily Cash Balance



Liquidity: Movement of £0.5m

	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	33,369	37,784	(4,415)	32,446	648	334	4,355	12%
	Non-NHS receivables - revenue	14,767	16,109	(1,341)	9,306	1,767	676	4,359	27%
	Provision for the impairment of receivables	(2,170)	(2,170)	0	(2,170)				
	Non-NHS prepayments and accrued income	9,308	15,674	(6,366)	15,674				
	PDC dividend prepaid to DH	0	0	0	0				
	VAT	1,782	1,766	15	1,766				
	Other receivables	674	859	(185)	859				
TOTAL	57,730	70,022	(12,291)	57,882	2,415	1,010	8,714		
Accounts Payable	NHS payables - revenue	(31,530)	(32,965)	(1,435)	(13,132)	(1,764)	(724)	(17,346)	53%
	NHS accruals and deferred income	0	0	0	0				
	Non-NHS payables - revenue	(36,191)	(37,372)	(1,181)	(18,628)	(10,462)	(5,029)	(3,253)	9%
	Non-NHS payables - capital	(3,423)	(2,496)	927	1,036	(2,861)	(585)	(86)	3%
	Non-NHS accruals and deferred income	(14,550)	(22,298)	(7,748)	(11,114)	(6,242)	(3,001)	(1,941)	9%
	Social security costs	(7,298)	(7,781)	(483)	(7,781)				
	Tax	(6,121)	(6,763)	(642)	(6,763)				
	Other	(11,200)	(13,480)	(2,281)	(13,480)				
TOTAL	(110,313)	(123,157)	(12,843)	(69,863)	(21,329)	(9,338)	(22,626)		
Total Liquidity	(52,583)	(53,135)	(552)						

Liquidity: movement of £0.5m from opening position due to:

- Accounts receivable: increase of £12.3m
- Accounts payable: increase of £12.8m

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

- NHS receivables: 12% - £4.4m over 90 days.
- Non-NHS receivables: 27% - £4m over 90 days.
- NHS payables-revenue: 53% - £17.3m over 90 days
- Non-NHS payables: 9% - £3.3m over 90 days
- Non-NHS accruals and deferred income: 9% - £1.9m over 90 days
- Further analysis of payables and receivables is provided in the separate cash report.

YTD Better Payments Practice Code: Non-compliant

Better Payment Practice Code - Measure of Compliance	April YTD		Prior month YTD	
	Number	£000s	Number	£000s
All				
Total Invoices Paid in the Year	11,349	58,046	175,252	727,520
Total Invoices Paid Within Target	5,416	41,741	66,938	471,789
Percentage Invoices Paid Within Target (target 95%)	48%	72%	38%	65%
Non-NHS Payables				
Total Non-NHS Invoices Paid in the Year	10,894	46,450	168,792	590,724
Total Non-NHS Invoices Paid Within Target	5,295	33,440	65,816	394,946
Percentage of Non-NHS Invoices Paid Within Target	49%	72%	39%	67%
Local SME payables				
Total SME Invoices Paid in the Year	86	503	821	6,845
Total SME Invoices Paid Within Target	58	87	158	685
Percentage of Local SME Invoices Paid Within Target	67%	17%	19%	10%
NHS Payables				
Total NHS Invoices Paid in the Year	369	11,093	5,639	129,951
Total NHS Invoices Paid Within Target	63	8,213	964	76,159
Percentage of NHS Invoices Paid Within Target	17%	74%	17%	59%

- 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.

Capital: April £3.1m, £1.7mF to Plan

Underspend due to uncertainties of capital funding through Emergency Capital loans and an alternative solution for Endoscopy Decontamination. Therefore, all budget holders are working within a reduce capital budget until funding is confirmed.

Scheme Name	Annual Budget £'000	Year to Date - April 19		
		YTD Plan £'000	YTD Actual £'000	YTD F / (A) £'000
ICU	21,567	1,798	1,798	-
Endoscopy Decontamination	8,600	717	-	717
Business Cases & Reconfiguration Schemes	6,453	564	564	-
Estates & Facilities Schemes	8,429	702	351	351
IM&T Schemes	4,000	333	167	167
Medical Equipment Schemes	3,000	250	125	125
3T MRI Scanner / Linear Accelerator	3,700	225	-	225
Managed Equipment Service	3,349	279	140	140
			-	-
TOTAL CAPITAL EXPENDITURE	59,098	4,868	3,144	1,724

2019/20 Financial Plan: Key Risks

- **Risk:** Delivery of the CMG Control Totals which includes £26.6m efficiencies

Mitigation: continuation of Performance Management Framework together with any CMG/Directorate at risk to have regular meetings with Corporate to pro-actively manage the risk with associated Corporate Support. In addition, an established PMO function is in place to support the efficiency target together with planned investment in the Quality Strategy to drive increased sustainable, cash releasing efficiencies.

- **Risk:** System imbalance and Commissioner Affordability

Mitigation: The governance structure around Contract Management Performance with CCGs continues to be in place

- **Risk:** Identification and execution of actions to bridge the residual planning gap

Mitigation: Continuation of FRB continue with the objective to identify and ensure delivery of financial opportunities to close the gap

- **Risk:** delivery of planned activity and managing Emergency pressures

Mitigation: phasing of in line with capacity together with increased permanent and Winter bed capacity for December-March to manage emergency demands and help to protect planned level of elective procedures.

- **Risk:** Shortage of Capital Funding and achieving CRL

Mitigation: Application of Emergency Capital Loans in accordance with NHSI process together with proactive investigation of alternative funding options for Endoscopy Decontamination. In the meantime, all budget holders are working within a reduce capital budget until funding is confirmed.