

2015/16 Financial Position (Month 2)

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Date: Trust Board - Thursday 2nd July 2015

Executive Summary

Trust Board paper L

Context

The Trust is planning for a deficit of £36.1m 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 May?
2. What are the drivers of this position?
3. What are the actions needed to support delivery of the planned deficit?

Conclusion

1. As at the end of May, the net I&E position was a deficit of £12.7m, compared to a plan of £11.2m, an adverse position of £1.5m
2. The driver of this was pay, which is £1.6m overspent year to date; including additional theatre sessions, premium costs for cover of nursing vacancies and medical overspends
3. A full forecast and recovery plans have been produced at Month 2. These have been reviewed and further work is being undertaken by CMGs to develop recovery plans further. These will be monitored through performance meetings on a weekly basis. In addition, a number of actions have been identified through the workforce workstream board

Input Sought

We would welcome Trust Board's input regarding whether actions taken are sufficient to address the identified issues.

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: 29th July 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: 2ND JULY 2015

REPORT FROM: PAUL TRAYNOR - DIRECTOR OF FINANCE

SUBJECT: 2015/16 FINANCIAL POSITION (MONTH 2)

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	(11.1)	(12.6)	A	(36.1)	(36.1)	G
Achieving the EFL	21.7	2.2	A	109.0	109.0	G
Achieving the Capital Resource Limit	4.1	2.7	A	106.4	106.4	G

2.2 We are permitted to underspend against the EFL. We are significantly underspent against the EFL plan due to a net increase in payables on the balance sheet which has reduced the requirement for external financing. We expect to achieve the full year EFL.

2.3 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 overleaf:

Better Payment Practice Code	April to May 2015	
	Volume Number	Value £000s
Total bills paid in the year	19,685	97,606
Total bills paid within target	12,958	79,928
Percentage of bills paid within target	66%	82%

Key Issues

- In month adverse movement to plan of £0.8m and £1.5m YTD. Pay overspends are the driver of this
- CIP delivery of £5.1m YTD, £0.2m worse than plan
- Key areas of pressures are in cover of nursing vacancies, additional theatre sessions and medical staff overspends in all CMGs
- Capital spend YTD is £2.7m, with a further £11.9m committed via orders

3. FINANCIAL POSITION (MONTH 2)

3.1. The Month 2 results may be summarised as follows and as detailed in Appendix 1:

	May 2015			April - May 2015		
	Plan £m	Actual £m	Var (Adv) / Fav £m	Plan £m	Actual £m	Var (Adv) / Fav £m
Income						
Patient income	57.8	57.6	(0.2)	117.0	116.8	(0.1)
Teaching, R&D	6.9	7.0	0.1	13.2	13.4	0.2
Other operating Income	2.5	2.6	0.1	5.7	5.5	(0.1)
Total Income	67.3	67.2	(0.1)	135.8	135.8	(0.0)
Operating expenditure						
Pay	(42.2)	(42.9)	(0.7)	(84.1)	(85.6)	(1.6)
Non-pay	(28.1)	(28.2)	(0.1)	(55.1)	(55.2)	(0.1)
Total Operating Expenditure	(70.3)	(71.1)	(0.8)	(139.2)	(140.9)	(1.7)
EBITDA	(3.0)	(3.9)	(0.9)	(3.4)	(5.1)	(1.7)
Net interest	(0.1)	(0.1)	0.0	(0.3)	(0.3)	0.1
Depreciation	(2.8)	(2.7)	0.1	(5.6)	(5.4)	0.2
Profit / (loss) of disposal of fixed asset	0.0	-	(0.0)	0.0	(0.0)	(0.0)
PDC dividend payable	0.0	0.0	-	(0.9)	(0.9)	-
Net deficit	(5.9)	(6.7)	(0.8)	(10.3)	(11.7)	(1.5)
EBITDA %		-5.8%			-3.8%	
Adjustments for donated assets	0.1	0.1	(0.0)	0.1	0.1	(0.0)
RETAINED SURPLUS / (DEFICIT)	(5.8)	(6.7)	(0.8)	(10.1)	(11.7)	(1.5)

3.2 In the month of May, the Trust delivered a deficit of £6.7m against a planned deficit of £5.8m, an adverse variance of £0.8m.

3.3 Year to date (YTD), the Trust has a deficit of £12.7m, £1.5m adverse to the £11.1m plan. Appendix 3 details this by CMG and Directorate.

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 £0.1m adverse to plan YTD. Key movements YTD can be summarised as follows with further detail in Appendix 2:

- Emergency activity £0.4m above plan in RRC and ESM
- Non elective activity £1m below plan, £0.7m in W&C and £0.3m in RRC (although offset with emergencies in RRC)
- Critical Care £0.6m below plan in ITAPS (£0.4m) and RRC (£0.1m) most significantly
- Elective activity £0.1m favourable to plan in RRC
- Daycase activity £0.1m adverse to plan, in ITAPS (£0.1m) and the Alliance (£0.1m) offset with RRC over-performance of £0.1m
- Outpatients activity in line with plan, but under in CHUGGS (£0.1m) and the Alliance (£0.1m) offset with W&C over-performance £0.2m
- Renal activity £0.3m adverse to plan, £0.2m on transplants and £0.1m on dialysis
- ED attendances £0.2m above plan
- Diagnostic Imaging £0.2m above plan
- A benefit of £0.5m compared to plan for specialised activity marginal rate adjustment. Specialised activity is below plan YTD so the deduction for payment at 70% is less than planned for

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

3.6 **Pay**

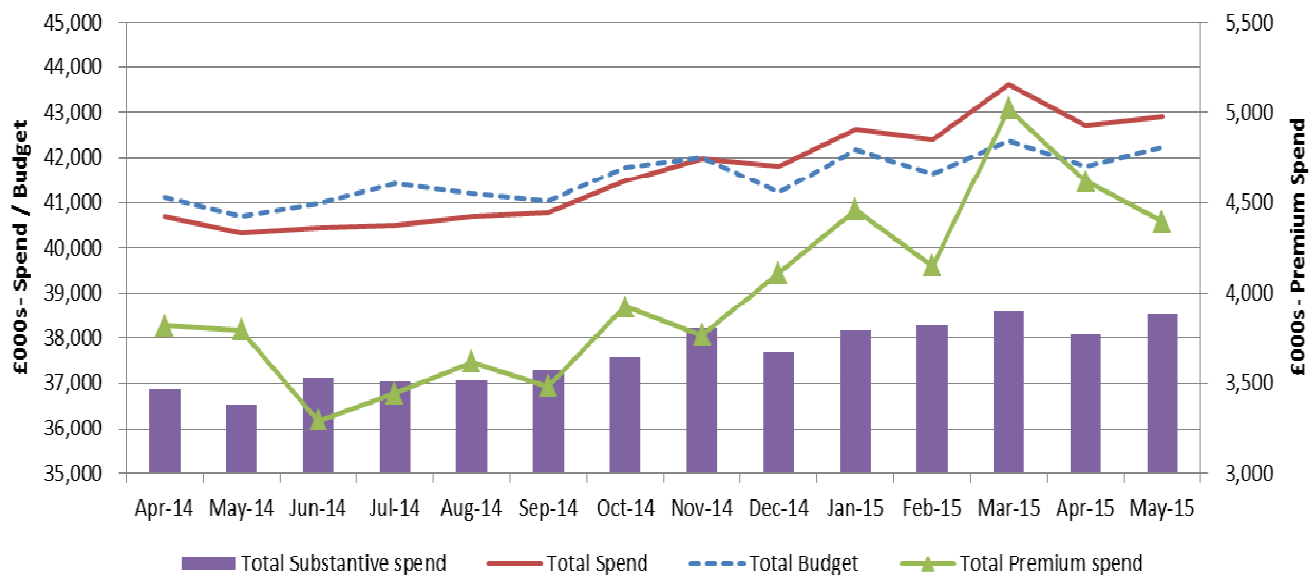
Pay costs are £0.7m adverse to plan in May and £1.6m adverse to plan YTD. This is the main driver of the Trust's overspend, in particular premium pay.

The total paybill 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 £2.6m higher in May 2015 than May 2014
- Substantive pay is £2m higher than a year ago (bars) but premium pay is not decreasing (triangled line) as substantive spend increases

In addition to the above, there are 521 more worked WTE in May 2015 compared to May 2014.

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 308 below the plan, a favourable volume variance of £1.1m. However, this was offset by the increased cost for the WTEs that were worked, leading to an adverse price variance of £1.8m. It is this price variance due to premium pay that is the driver of the overspend.

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	6,228	6,217	11	12,267	12,248	18	2,478	2,492	(13)	44	(34)
Other Clinical	5,340	5,189	151	10,679	10,296	383	1,754	1,643	112	(188)	340
Medical & Dental	14,039	14,753	(714)	28,107	29,532	(1,425)	1,784	1,717	67	(1,240)	526
Nursing & Midwifery	16,581	16,760	(178)	33,009	33,554	(545)	5,650	5,508	143	(598)	419
Total	42,188	42,919	(731)	84,061	85,630	(1,569)	11,667	11,360	308	(1,844)	1,113

There are three main reasons for the overspend on pay in Month 1 & 2:

• Additional Theatre Sessions

In month, there were 154 additional theatre sessions provided at a cost of £0.3m; pay costs of £0.2m and non pay costs of £0.1m. In total, YTD additional theatre sessions above the plan are at a cost of £661k.

The revised theatre model has now been agreed in all specialties.

Actions proposed are therefore:

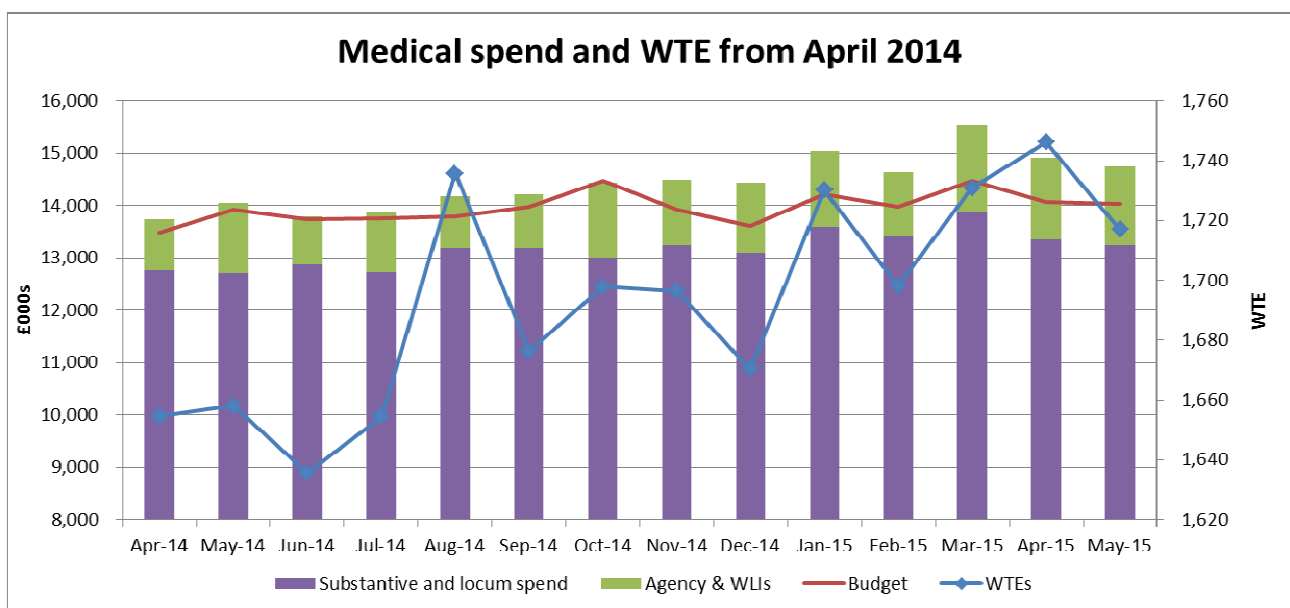
- Commence trading of theatres from Q2
- Focus on reduction on WLIs and cancellations as an immediate reduction to costs incurred
- Ongoing review of sessions utilised, including in hours, to ensure theatre plan is managed with for the planned level of activity

- Medical Pay Overspends

In month, medical pay is overspent by £0.7m and by £1.4m YTD. All CMGs are overspent on medical staffing. Of this YTD overspend, £0.3m relates to additional sessions in theatres. All CMGs are overspent on medical staffing, but for different reasons.

Overspends YTD in CHUGGS (£0.1m), CSI (£0.05m), ESM (£0.4m) and RRC (£0.2m) are due to the cover of vacant junior grade and consultant posts (ESM) being covered by agency posts. Overspends in ITAPS (£0.3m) are due to additional theatre session cover. Overspends in MSS (£0.5m) are due in part to premium cover, £0.2m, and in part due to a non recurrent CIP within pay that has not delivered.

The chart below shows medical spend since April 2014, showing that £1m a month more is spent on medical staff a month compared to the same period last year. Spend increased in excess of budget from November 2014 as RTT activity intensified, but has not reduced since this time.



Actions proposed are therefore:

- As with theatre sessions, an aim to reduce WLIs and cancellations so reducing surgeon operating costs
- Ensure proactive recruitment for upcoming rotations, including possible over-recruitment, to reduce reliance on premium cover

- Cover of Nursing Vacancies

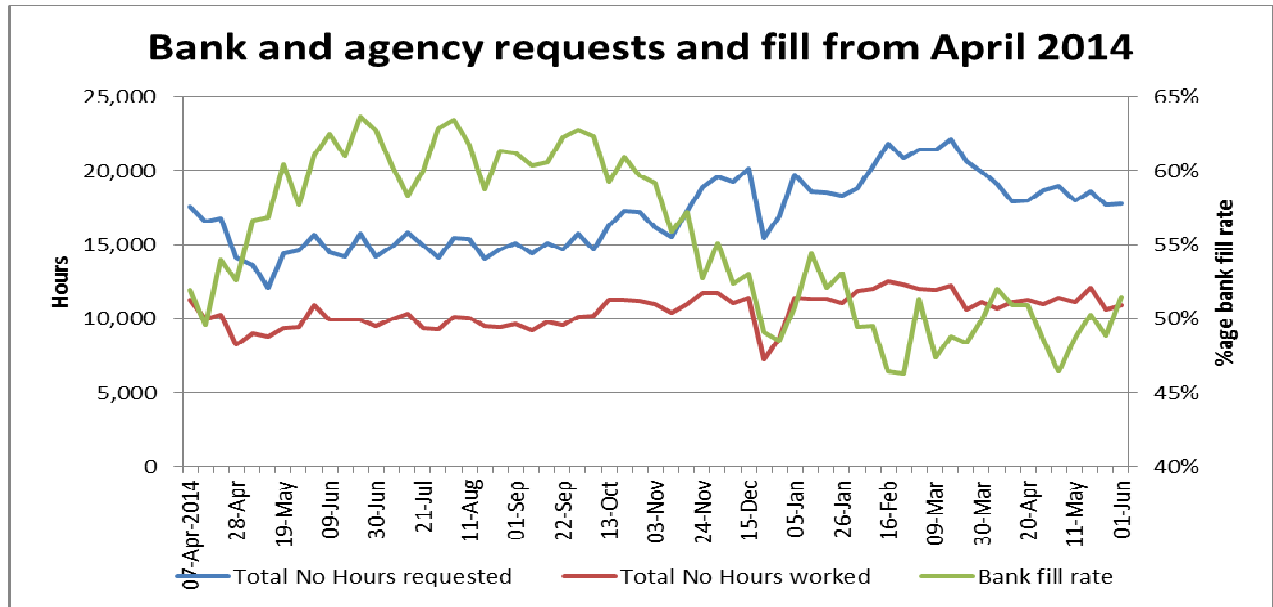
Nursing is overspent in YTD by £0.5m, although 143 less WTEs than budget were worked. The overspend is broken down as follows:

- Cover for vacancies - £365k – see below
- Additional theatre sessions (see above) - £142k
- Research costs – offset with income - £42k

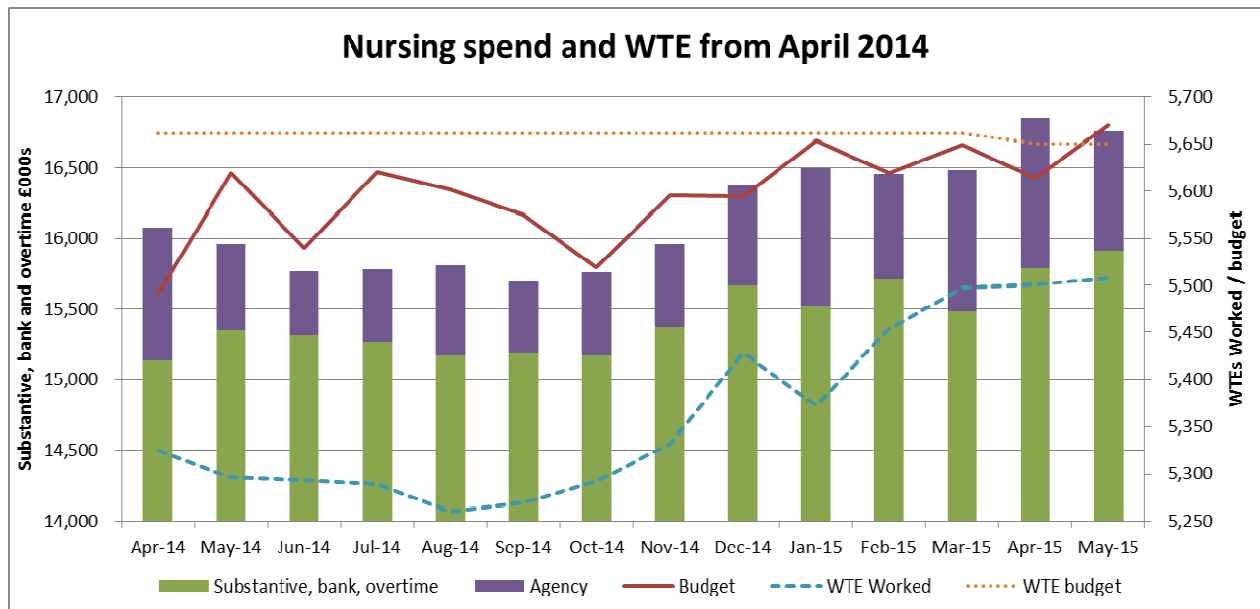
Since investment in increased nursing ratios, spend on nursing has been steadily increasing as vacancies are recruited to. In 2014/15, vacancy rates were high and fill rate for bank and agency shifts was at 55%-60%. This meant underspends on vacancies were sufficient to offset premium costs of cover. As recruitment has

increased and reduction in beds has seen the removal of vacancies, there is no longer sufficient underspend on substantive vacancies to offset the premium costs of cover. This pressure materialises most significantly in ESM, where nursing overspends are £0.5m YTD.

The chart below demonstrates the requested hours of bank and agency as well as fill since April 2014. As can be seen, requests have always been higher than fill. It should also be noted that only 50% of the hours filled is via bank, the remainder being filled by agency. The workforce workstream is looking at options as to how to increase bank fill and so reduce costs.



The chart below shows the nursing spend since April 2014 increasing in line with recruitment and investment in acuity. A total of 212 additional nurses worked in May 2015 compared to May 2014.



Actions proposed are therefore:

- Workforce workstream investigating options to make bank shifts more attractive and so increase fill from bank

- Accelerate drive to close a ward within Medicine to reduce reliance on agency within ESM
- A focus on managing within the nursing budgets in addition to ensuring safe staffing levels on wards

The overspends in these three areas are offset by underspends on other clinical and non-clinical staffing.

3.7 **Non Pay**

Operating non pay spend is £0.1m adverse to plan in month and YTD.

There are non pay overspends within Facilities of £0.4m relating to the receipt of invoices for items outside the contract, such as printing, additional security and additional catering. Full support for these invoices has not been received but these have been reflected in full in the position.






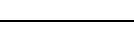
Other non pay overspends relate to additional theatre sessions, £0.3m, Pathology, £0.2m, Imaging £0.1m, use of the independent sector in MSS, £0.2m. These overspends are offset by underspends on drugs of £0.5m and release of contingency to support the position.

3.8 **Cost Improvement Programme**

Appendix 3 shows CIP performance YTD by CMG and Corporate Directorate against the 2015/16 CIP plan. This currently shows under-delivery against plan of £0.2m YTD.

4. **FORECAST**

- 4.1 In view of the financial position at Month 1 and the nature of the pressures, a full forecast was asked for from each CMG/Directorate.
- 4.2 The table below is a summary of the forecast. It should be noted that this is a first draft and highlights the scale of actions required to deliver the planned deficit. Further work is being undertaken to refine and agree with individual CMGs.

	£000s			RAG rating	
	Income	Pay	Non Pay		Total
Forecast outturn before recovery plans	1,011	(11,563)	(5,256)	(15,808)	
Recovery plans from CMGs	2,582	1,320	1,661	5,563	
Forecast outturn net of CMG recovery plans	3,593	(10,243)	(3,595)	(10,245)	
Other actions required					
Theatre sessions reduction		1,200	600	1,800	
Premium spend reduction		1,500		1,500	
Full CIP delivery		213	213	426	
No use of IS to support activity			1,000	1,000	
Inflation control (pay and non pay)		300	700	1,000	
Further improvement in recovery plans		2,000	2,500	4,500	
Revised forecast post actions	3,593	(5,030)	1,418	(19)	

- 4.3 CMGs have presented recovery plans to a value of £5.6m, with emphasis placed on income improvement. These recovery plans have been discussed with CMGs at the performance meetings on 15th June 2015 and work is ongoing to develop these further as they are currently insufficient to support delivery of the planned deficit.

Further actions required Trust-wide include:

- Reduction of theatre sessions to plan from September 2015
- Further reduction in premium spend, linked to workforce workstream actions as well as local control and actions within CMG
- Full delivery of CIP at £43m
- Not using independent sector to deliver activity over the summer period (assumed in MSS), unless there is additional income over plan
- Managing inflation in pay and non pay. Inflation has been lower than planned for
- In addition, a further £4.5m in recovery plan from CMGs and Corporate Directorates

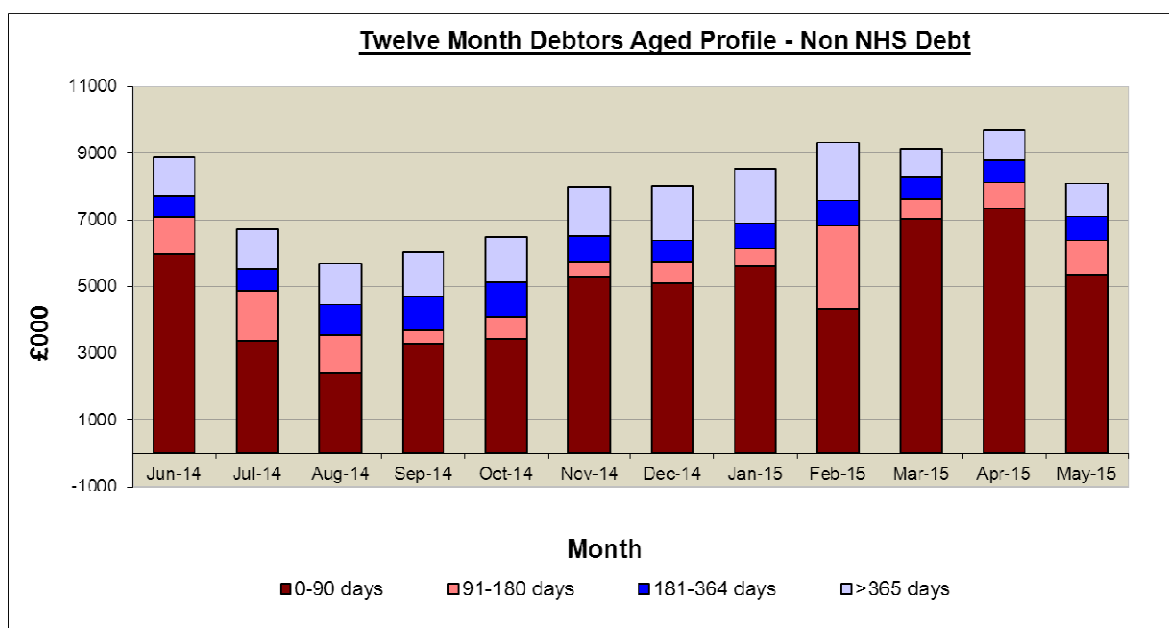
5. RESERVES

5.1 The table below details the reserves holdings as well as current known commitments in year. The balance of reserves is £7.3m. Of this, £4.2m has been committed, including £1.4m YTD to support the position. This leaves £3.1m uncommitted, but it should be noted that no further commitment has been made for release to support the position which is in line with the forecast in Section 5.

	Opening balance £000s
Inflation - Non Pay	700
Inflation - Pay	300
Contingency	4,060
Provisions for items agreed to be funded when incurred	2,279
Reserves balance	7,339
Commitments	
Inflation to support recovery plan	(1,000)
Released to support position YTD	(1,400)
Items committed to be funded when incurred	(1,800)
Total Commitments at M2	(4,200)
Remaining reserve	3,139

6. BALANCE SHEET AND CASHFLOW

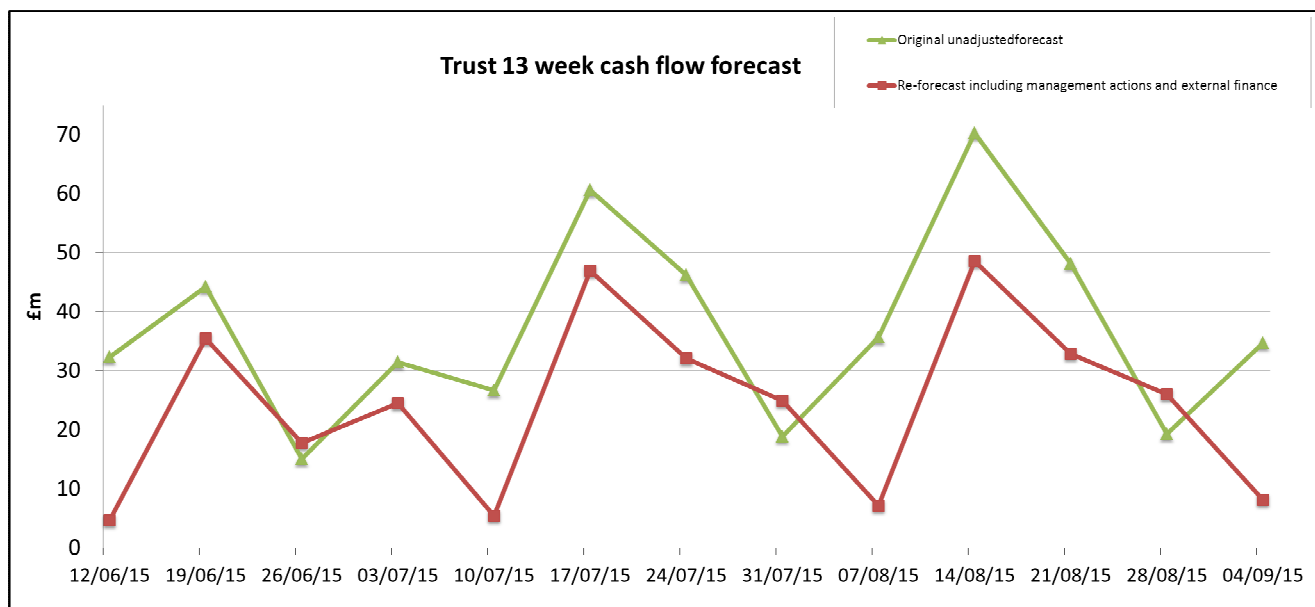
6.1 The effect of the Trust's financial position on its balance sheet is provided in Appendix 4. The retained earnings reserve has reduced by our deficit for the year to date. The level of non-NHS debt has fluctuated across the last year as shown in the following table:



- 6.2 The overall level of non-NHS debt at the end of May decreased to £8.1m from £9.7m in April. Total debt over 90 days is £2.8m which is an increase of £0.4m from April.
- 6.3 The proportion of total debt over 90 days has increased from 24% to 34% mainly due to the overall reduction. The Better Payments Practice Code (BPPC) performance for May, shown in the table below, shows an improvement from April in terms of invoices paid within 30 days by value.

	By Volume Number	By Value £000s
Current Month YTD		
Total bills paid in the year	19,685	97,606
Total bills paid within target	12,958	79,928
Percentage of bills paid within target	66%	82%
Prior month YTD		
Total bills paid in the year	9,958	47,333
Total bills paid within target	7,029	40,005
Percentage of bills paid within target	71%	85%

- 6.4 Our cashflow forecast is consistent with the income and expenditure position and our cash balance at the end of May was £22.6m which is £19.6m above plan of £3.0m. This difference is due to 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 £21.9m of external financing in the form of our Revolving Working Capital facility, of which the final draw down of £4.9m will be made in July 2015.

7. CAPITAL

- 7.1 The total capital expenditure at the end of May 2015 was £2.7m. This is an underspend of £3.9m against the year to date plan of £6.6m and we have achieved 41% of planned spend. The capital plan and expenditure can be seen in Appendix 5.
- 7.2 Outstanding orders totalled £11.9m at the end of May. The combined position is that we have spent or committed £14.6m, or 13.7% 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 £4m a 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

- **Managing within capacity (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, with complete trading to take place from Month 3, 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 in Month 1 and 2. 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 £1.5m adverse to plan YTD. This is driven by pay overspends.

10. NEXT STEPS AND RECOMMENDATIONS

10.1. The Trust Board is **recommended** to:

- **Note** the financial performance at Month 2
- **Agree** the proposed actions
- **Note** the forecast and the required actions to deliver to the planned deficit
- **Note** the risks to the financial position

Paul Traynor
Director of Finance

2nd July 2015

	May 2015			April - May 2015		
	Plan	Actual	Variance (Adv) / Fav	Plan	Actual	Variance (Adv) / Fav
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Elective	5,755	6,057	302	11,488	11,611	123
Day Case	4,346	4,144	(202)	8,840	8,709	(131)
Emergency (incl MRET)	15,053	14,939	(113)	29,964	29,947	(16)
Outpatient	8,389	8,464	75	17,128	17,092	(36)
Non NHS Patient Care	526	501	(25)	1,064	1,328	264
Other	23,748	23,472	(276)	48,485	48,155	(330)
Patient Care Income	57,818	57,578	(239)	116,969	116,842	(126)
Teaching, R&D income	6,932	7,004	72	13,157	13,369	212
Other operating Income	2,540	2,605	65	5,654	5,547	(107)
Total Income	67,290	67,187	(102)	135,780	135,758	(21)
Pay Expenditure	(42,188)	(42,918)	(730)	(84,061)	(85,630)	(1,569)
Non Pay Expenditure	(28,095)	(28,199)	(104)	(55,134)	(55,245)	(111)
Total Operating Expenditure	(70,283)	(71,117)	(834)	(139,195)	(140,875)	(1,680)
EBITDA	(2,993)	(3,930)	(936)	(3,415)	(5,117)	(1,701)
Interest Receivable	6	1	(5)	12	2	(10)
Interest Payable	(151)	(124)	27	(352)	(258)	94
Depreciation & Amortisation	(2,806)	(2,710)	96	(5,578)	(5,423)	155
Surplus / (Deficit) Before Dividend and Disposal of Fixed Assets	(5,944)	(6,763)	(818)	(9,333)	(10,796)	(1,462)
Profit / (Loss) on Disposal of Fixed Assets	(1)	0	1	(1)	(16)	(15)
Dividend Payable on PDC	(959)	(959)	0	(1,918)	(1,918)	0
Net Surplus / (Deficit)	(6,904)	(7,722)	(817)	(11,252)	(12,730)	(1,477)
Adjustments in respect of donated assets	56	53	(3)	112	90	(22)
RETAINED SURPLUS / (DEFICIT)	(6,848)	(7,669)	(820)	(11,140)	(12,640)	(1,499)

INCOME POSITION BY POINT OF DELIVERY AND PRICE AND VOLUME VARIANCES

Case mix	Annual Plan (Activity)	Plan to Date (Activity)	Total YTD (Activity)	Variance YTD (Activity)	Variance YTD (Activity %)	Annual Plan (£000)	Plan to Date (£000)	Total YTD (£000)	Variance YTD (£000)	Variance YTD (Activity %)
Day Case	98,189	15,265	15,644	379	2.48	56,579	8,840	8,709	(131)	(1.48)
Elective Inpatient	22,346	3,511	3,594	83	2.37	72,458	11,488	11,611	123	1.07
Emergency / Non-elective Inpatient	106,587	17,505	17,892	387	2.21	189,105	30,979	30,908	(71)	(0.23)
Marginal Rate Emergency Threshold (MRET)	0	0	0	0	0.00	(6,094)	(1,016)	(961)	55	(5.42)
Outpatient	904,652	142,115	137,412	(4,704)	(3.31)	109,076	17,128	17,092	(36)	(0.21)
Emergency Department	149,087	24,891	26,362	1,471	5.91	18,267	3,048	3,220	172	5.65
Other	8,681,972	1,439,268	1,323,075	(116,193)	(8.07)	285,725	46,501	46,263	(238)	(0.51)
Grand Total	9,962,834	1,642,555	1,523,979	(118,576)	(7.22)	725,117	116,969	116,842	(126)	(0.11)

Average tariff	Price Variance YTD %	Volume Variance YTD %	Price / Mix Variance (£000)	Volume Variance (£000)	Variance YTD (£000)
Day Case	(3.9)	2.5	(350)	219	(131)
Elective Inpatient	(1.3)	2.4	(149)	272	123
Emergency / Non-elective Inpatient	(2.4)	2.2	(757)	686	(71)
Marginal Rate Emergency Threshold (MRET)			55	0	55
Outpatient	3.2	(3.3)	531	(567)	(36)
Emergency Department	(0.2)	5.9	(8)	180	172
Penalties			0		0
Other			0	(238)	(238)
Grand Total	7.7	(7.2)	(679)	552	(126)

Financial Performance by CMG & Corporate Directorate

I&E and CIP – May 2015

CMG / Directorate	Year to Date					
	I&E			CIP		
	YTD Budget £000s	YTD Actual £000s	Variance £000s	YTD Plan £000s	YTD Actual £000s	Variance £000s
CMGs:						
C.H.U.G.S	6,684	6,477	-207	542	577	34
Clinical Support & Imaging	-5,921	-6,227	-306	867	829	-38
Emergency & Specialist Med	3,519	3,083	-436	624	624	0
I.T.A.P.S	-7,158	-8,286	-1,128	585	585	1
Musculo & Specialist Surgery	5,964	4,889	-1,075	878	776	-102
Renal, Respiratory & Cardiac	5,068	4,869	-199	658	567	-91
Womens & Childrens	6,591	6,234	-357	671	676	5
	14,747	11,040	-3,707	4,825	4,633	-191
Corporate:						
Communications & Ext Relations	-111	-112	-1	7	6	-1
Corporate & Legal	-581	-568	14	12	12	0
Corporate Medical	-2,484	-2,445	39	44	44	0
Facilities	-6,632	-6,999	-367	155	155	0
Finance & Procurement	-1,162	-1,140	22	48	48	0
Human Resources	-875	-880	-5	53	53	0
Im&T	-1,876	-1,936	-61	4	4	0
Nursing	-1,132	-1,058	74	79	79	0
Operations	-1,833	-1,820	13	29	40	11
Strategic Devt	-184	-203	-19	10	10	0
	-16,870	-17,162	-291	440	450	10
Other:						
Alliance Elective Care	-249	-217	32			0
R&D	42	29	-13	250	250	0
Central	-8,922	-6,425	2,497			0
	-9,128	-6,613	2,515			
Total	-11,252	-12,735	-1,483	5,515	5,333	-181

Balance Sheet

	Mar-15 £000's Actual	Apr-15 £000's Actual	May-15 £000's Actual	Mar-16 £000's Forecast
Non Current Assets				
Property, plant and equipment	414,193	413,269	412,059	487,619
Intangible assets	10,134	9,854	9,573	7,350
Trade and other receivables	2,702	2,754	2,829	2,354
TOTAL NON CURRENT ASSETS	427,029	425,877	424,461	497,323
Current Assets				
Inventories	14,141	14,462	14,413	14,141
Trade and other receivables	35,292	25,650	34,813	26,292
Cash and cash equivalents	8,498	19,762	22,565	3,000
TOTAL CURRENT ASSETS	57,931	59,874	71,791	43,433
Current Liabilities				
Trade and other payables	(103,194)	(96,854)	(105,833)	(86,067)
Dividend payable	0	(959)	(1,918)	0
Borrowings / Finance Leases	(4,919)	(4,919)	(4,919)	(4,170)
Loan	(545)	(545)	(545)	(3,251)
Provisions for liabilities and charges	(820)	(820)	(820)	(567)
TOTAL CURRENT LIABILITIES	(108,933)	(104,097)	(114,035)	(94,055)
NET CURRENT ASSETS (LIABILITIES)	(51,002)	(44,223)	(42,244)	(50,622)
TOTAL ASSETS LESS CURRENT LIABILITIES	376,027	381,654	382,217	446,701
Non Current Liabilities				
Borrowings / Finance Leases	(6,869)	(6,945)	(6,887)	(8,427)
Other Liabilities / Loan	(11,455)	(22,540)	(28,571)	(76,125)
Provisions for liabilities and charges	(1,982)	(2,015)	(1,936)	(1,973)
TOTAL NON CURRENT LIABILITIES	(20,306)	(31,500)	(37,394)	(86,525)
TOTAL ASSETS EMPLOYED	355,721	350,154	344,823	360,176
Public dividend capital	329,837	329,787	329,837	370,937
Revaluation reserve	107,356	107,355	107,356	107,356
Retained earnings	(82,017)	(86,988)	(92,370)	(118,117)
TOTAL TAXPAYERS EQUITY	355,176	350,154	344,823	360,176

Capital Plan

Scheme Name	CMG	UHL Approval	Funding Status	YTD Spend:			Annual	Annual	Variance
				YTD Budget	May	YTD Variance	Budget	Forecast	
				£'000	£'000	£'000	£'000	£'000	£'000
INTERNALLY FUNDED CAPITAL									
Estates & Facilities									
Facilities Sub-Group	UHL	N/A	Internal	10	286	(276)	5,355	5,355	0
MES Installation Costs	UHL	N/A	Internal	29	(49)	78	1,500	1,898	(398)
Aseptic Suite	CSI	Approved	Internal	0	(2)	2	440	440	0
Lloyds Pharmacy Extension	CSI	Approved	Internal	26	14	12	126	126	0
Theatre Recovery LRI	ITAPS	Approved	Internal	100	9	91	2,750	2,750	0
Life Studies Centre	W&C	Approved	Internal	130	26	104	850	850	0
Sub-total: Estates & Facilities				295	283	12	11,021	11,419	(398)
IM&T Schemes									
IM&T Sub-Group	UHL	N/A	Internal	1,162	1,038	124	4,000	4,000	0
LRI Managed Print	UHL	Under review	Internal	1,323	0	1,323	1,323	1,875	(552)
EDRM	UHL	Under review	Internal	0	88	(88)	3,000	3,000	0
Safecare Software System	UHL	Approved	Internal	0	0	0	58	58	0
Electronic Blood Tracking System	CSI	Approved	Internal	0	9	(9)	996	996	0
Learning Mgt System	UHL	Approved	Internal	0	0	0	150	150	0
Sub-total: IM&T Schemes				2,485	1,134	1,351	9,527	10,079	(552)
Medical Equipment Schemes									
Medical Equipment Executive Budget	UHL	N/A	Internal	300	29	271	5,500	5,500	0
Linear Accelerators		Not Approved	Internal	0	0	0	3,300	3,300	0
Sub-total: Medical Equipment				300	29	271	8,800	8,800	0
Reconfiguration Schemes									
Relocation of ICU level 3	UHL	Not Approved	Internal	0	14	(14)	3,000	3,000	0
Sub-total: Reconfiguration Schemes				0	14	(14)	3,000	3,000	0
Corporate / Other Schemes									
Donations	UHL	N/A	Internal	50	15	35	300	300	0
LiA Schemes	UHL	Not Approved	Internal	0	5	(5)	250	250	0
Contingency	UHL	Not Approved	Internal	0	66	(66)	881	881	0
Sub-total: Corporate / Other Schemes				50	86	(36)	1,431	1,431	0
Sub total: Internally funded capital expenditure				3,130	1,546	1,584	33,779	34,729	(950)
EXTERNALLY FUNDED CAPITAL									
Emergency Floor	ESM	Approved	Not Approved	0	355	(355)	17,698	17,698	0
EPR Programme	UHL	Approved	Not Approved	2,570	7	2,563	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	0	48	(48)	11,428	11,428	0
Multi-storey Car Park Development	UHL	Not Approved	Not Approved	150	(33)	183	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	(39)	39	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				2,720	359	2,361	67,921	67,921	0
FINANCE LEASE ADDITIONS									
MES Finance Lease Additions				839	839	0	5,031	5,031	0
GRAND TOTAL CAPITAL EXPENDITURE				6,689	2,744	3,945	106,731	107,681	(950)