

2015/16 Financial Position to Month 4 - July

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Date: Trust Board – 3 September 2015

Trust Board paper O

Executive Summary

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 July and what are the drivers?
2. How does this compare to forecast?
3. What is capital spend compared to plan and the cash balance?

Conclusion

1. As at the end of July, the net I&E position was a deficit of £19.9m, compared to a plan of £16.2m, an adverse position of £3.6m. The drivers of this are premium pay costs and, for the first time in Month 4, income is below plan
2. The position in July was £0.6m worse than forecast. Expenditure was in line with forecast, but income was worse than forecast
3. Capital spend is £7.1m compared to a plan of £11.9m and our cash balance at the end of July was £6m, £3m above plan

Input Sought

We would like Trust Board to **note** the financial position as at the end of Month 4, **agree** the actions within the paper and **note** the risks to the financial position.

For Reference

Edit as appropriate:

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

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

2. This matter relates to the following governance initiatives:

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

3. Related Patient and Public Involvement actions taken, or to be taken: Not applicable

4. Results of any Equality Impact Assessment, relating to this matter: Not applicable

5. Scheduled date for the next paper on this topic: 24/09/2015

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

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

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT TO: TRUST BOARD

DATE: 3RD SEPTEMBER 2015

REPORT FROM: PAUL TRAYNOR – CHIEF FINANCIAL OFFICER

SUBJECT: 2015/16 FINANCIAL POSITION (MONTH 4)

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	(16.2)	(19.9)	A	(36.1)	(36.1)	G
Achieving the EFL	25.8	22.0	A	109.0	109.0	G
Achieving the Capital Resource Limit	11.8	7.0	A	106.4	106.4	G

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

Better Payment Practice Code	April to July 2015	
	Volume Number	Value £000s
Total bills paid in the year	47,193	219,298
Total bills paid within target	33,504	185,292
Percentage of bills paid within target	71%	84%

Key issues

- In month adverse movement to plan of £1.4m and £3.6m YTD. This is £0.6m worse than the forecast for July
- EBITDA is £1.5m adverse to plan in month and £3.8m adverse to plan YTD
- CIP delivery of £11.6m YTD, £1.2m worse than plan
- Key areas of pressures are in cover of nursing vacancies, additional theatre sessions and medical staff overspends in all CMGs. For the first time this year, income is worse than plan by £1.3m
- Capital spend YTD is £7.1m against a plan of £11.9m

3. FINANCIAL POSITION (MONTH 4)

3.1 The Month 4 results may be summarised as follows and as detailed in Appendix 1:

	July 2015			April - July 2015		
	Plan £m	Actual £m	Var (Adv) / Fav £m	Plan £m	Actual £m	Var (Adv) / Fav £m
Income						
Patient income	63.5	62.0	(1.5)	241.5	240.1	(1.4)
Teaching, R&D	6.4	6.7	0.3	25.4	25.7	0.3
Other operating Income	3.2	3.1	(0.1)	12.7	12.5	(0.2)
Total Income	73.1	71.8	(1.3)	279.7	278.4	(1.3)
Operating expenditure						
Pay	(42.5)	(42.9)	(0.4)	(168.8)	(171.5)	(2.6)
Non-pay	(28.6)	(28.4)	0.2	(111.8)	(111.7)	0.1
Total Operating Expenditure	(71.1)	(71.2)	(0.1)	(280.6)	(283.1)	(2.6)
EBITDA	2.0	0.6	(1.5)	(0.9)	(4.7)	(3.8)
Net interest	(0.1)	(0.1)	0.0	(0.6)	(0.5)	0.1
Depreciation	(2.8)	(2.8)	0.0	(11.1)	(10.9)	0.2
Profit / (loss) of disposal of fixed asset	-	-	-	0.0	(0.0)	(0.0)
PDC dividend payable	(1.0)	(1.0)	-	(3.8)	(3.8)	-
Net deficit	(1.8)	(3.2)	(1.4)	(16.5)	(20.0)	(3.5)
EBITDA %		0.8%			-1.7%	
Adjustments for donated assets	0.1	0.0	(0.0)	0.2	0.1	(0.1)
RETAINED SURPLUS / (DEFICIT)	(1.8)	(3.2)	(1.4)	(16.2)	(19.9)	(3.6)

3.2 In the month of July, the Trust delivered a deficit of £3.2m against a planned deficit of £1.8m, an adverse variance of £1.4m.

3.3 Year to date (YTD), the Trust has a deficit of £19.9m, £3.6m adverse to the £16.2m plan. Appendix 3 details this by CMG.

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

3.5 Income

Patient care income is £1.5m adverse to plan in month and £1.4m adverse to plan YTD. This is the first month this year where income has materially deviated from plan. Key movements can be summarised as follows:

- Emergency activity £0.4m above plan in month in RRC, CHUGGS, MSS and W&C. Emergency activity in ESM was £0.3m below plan in month. After adjustment for the

MRET and CCG agreed marginal rate of £0.3m, actual payment was £0.1m. Emergency activity is £1.8m above plan YTD at 100%, which is £0.4m after adjustment for marginal rates and MRET

- Non elective activity is on plan in month representing recovery from £0.9m below plan YTD in W&C £0.4m and RRC £0.5m
- Elective activity £0.4m below plan in month, £0.8m YTD. Under-performance in month is spread across all CMGs, with YTD under-performance most prevalent in W&C, £0.2m, CHUGGS, £0.2m, and ITAPS £0.1m
- Outpatients £0.5m below plan in month, £0.1m above plan YTD. All CMGs have under-performed in month with the exception of CSI and ITAPS
- Critical Care £0.2m below plan in month and £0.9m below plan YTD. Activity in critical care has increased in month by £0.2m, however it has been CCG activity so is subject to the block arrangement
- Excluded drugs and devices are £0.5m below plan in month. Whilst there are some non pay benefits, there have also been £0.3m of drugs prescribed in month in excess of the CCG block value and so for which there is no income
- Renal activity £0.3m adverse to plan in month, split equally between dialysis and transplantation. YTD income is £0.7m adverse to plan of which £0.4m is in transplantation
- An assumption of £0.5m has been made in month for improvement in income between first and final cut based on missing outpatient outcomes, expected improvements in the split between CCG and specialised activity and finalisation of coding

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

3.6 **Pay**

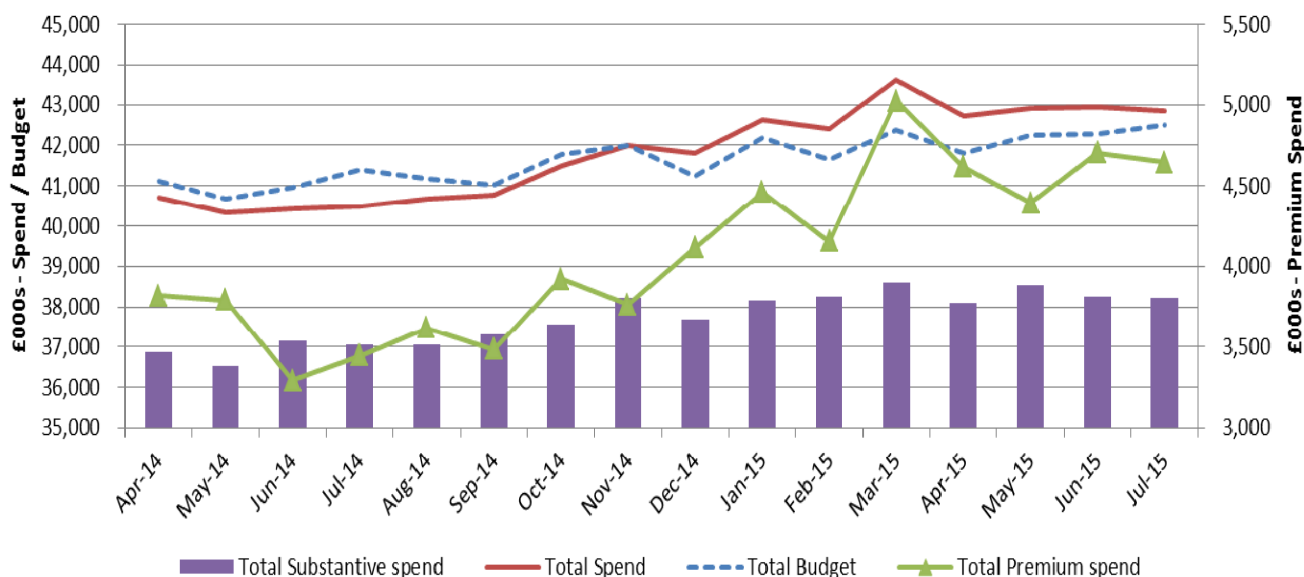
Pay costs are £0.4m adverse to plan in July and £2.6m adverse to plan YTD. This has been the main driver of overspend year to date, although has improved in Month 4 largely due to recruitment slippage against a number of investments.

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

- Total pay spend (solid line) has been in excess of budget (dashed line) since December 2014
- Pay spend is £2.4m higher in July 2015 than July 2014
- Substantive pay is £1.2m higher than a year ago (bars) but premium pay is not decreasing (triangled line) as substantive spend increases, it is in fact £1.2m higher than one year ago

In addition to the above, there are 436 more worked WTE in July 2015 compared to July 2014, including 165 WTE nurses, 150 WTE non clinical staff, 32 WTE medics and 89 WTE other clinical staff.

Pay spend (incl premium) and budget from April 2014



The variance to plan by staff group can be seen in the table below, including all premium costs. In month, the number of WTEs worked was 410 below the plan, a favourable volume variance of £1.6m. However, this was offset by the increased cost for the WTEs that were worked, leading to an adverse price variance of £2m. 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	6,379	5,987	392	25,029	24,365	664	2,570	2,489	81	192	200
Other Clinical	5,411	5,428	(17)	21,459	20,866	593	1,757	1,647	110	(356)	339
Medical & Dental	14,251	14,626	(375)	56,402	58,950	(2,548)	1,783	1,721	62	(872)	497
Nursing & Midwifery	16,457	16,820	(364)	65,936	67,269	(1,333)	5,637	5,455	183	(898)	534
Total	42,497	42,862	(365)	168,826	171,451	(2,624)	11,747	11,311	436	(1,941)	1,576

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

• Additional Theatre Sessions

In month, there were 292 additional theatre sessions provided (91 at weekends, the remainder in week) at a cost of £0.4m; pay costs of £0.3m and non pay costs of £0.1m. In total, YTD additional theatre sessions above the plan are a cost of £1.0m.

Actions proposed are therefore:

- Focus on reduction of WLIs and cancellations as an immediate reduction to costs incurred
- Ongoing review of sessions utilised, including in hours, to ensure theatre plan is managed for the planned level of activity via the Theatres Board

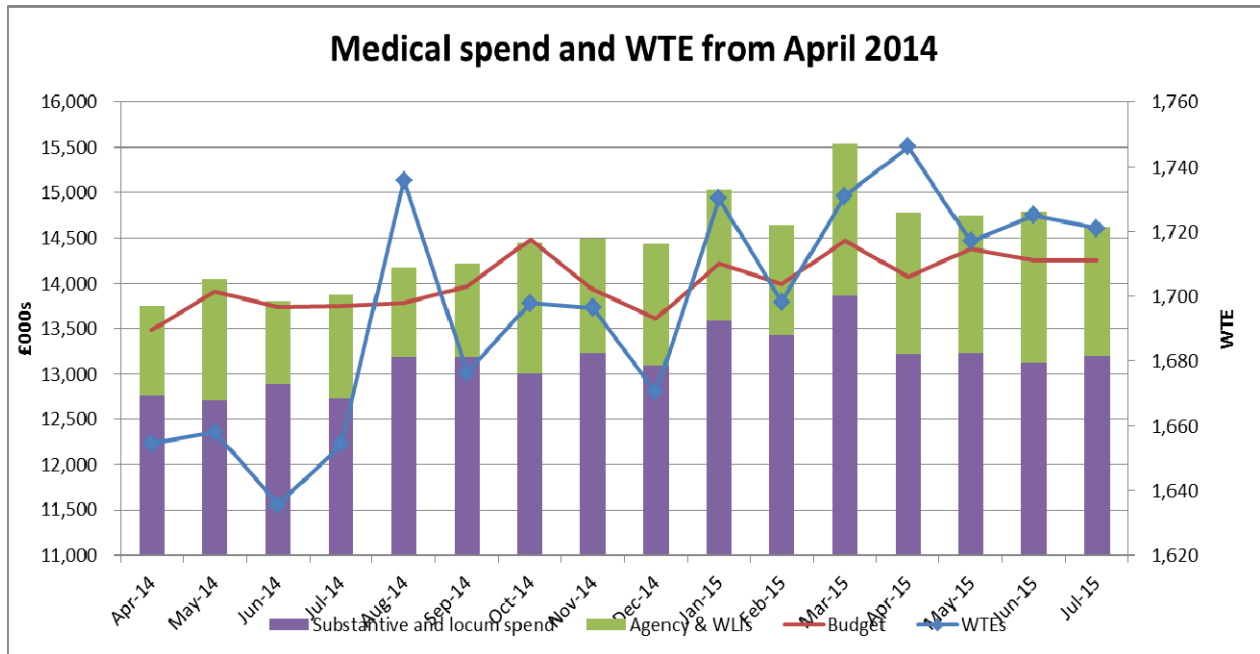
• Medical Pay Overspends

In month, medical pay is overspent by £0.4m and by £2.5m YTD. The in month position is an improvement on the run rate compared to earlier months as shown in the

chart below with spend £0.2m lower than June. All CMGs are overspent on medical staffing YTD. Of this YTD overspend, £0.45m relates to additional sessions in theatres. All CMGs are overspent on medical staffing, but for different reasons.

Overspends YTD in CHUGGS (£0.2m), ESM (£0.5m), 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 (£0.7m) are due to additional theatre session cover £0.45m and acting down of consultants to cover middle grade rotas (£0.3m). Overspends in MSS (£0.8m) are due in part to premium cover, £0.4m, and in part due to a non recurrent CIP within pay that has not been delivered. Overspends in CSI relate to Imaging and cover of additional shifts, £0.1m.

The chart below shows medical spend since April 2014, showing that £0.7m per month more is spent on medical staff compared to the same period last year.



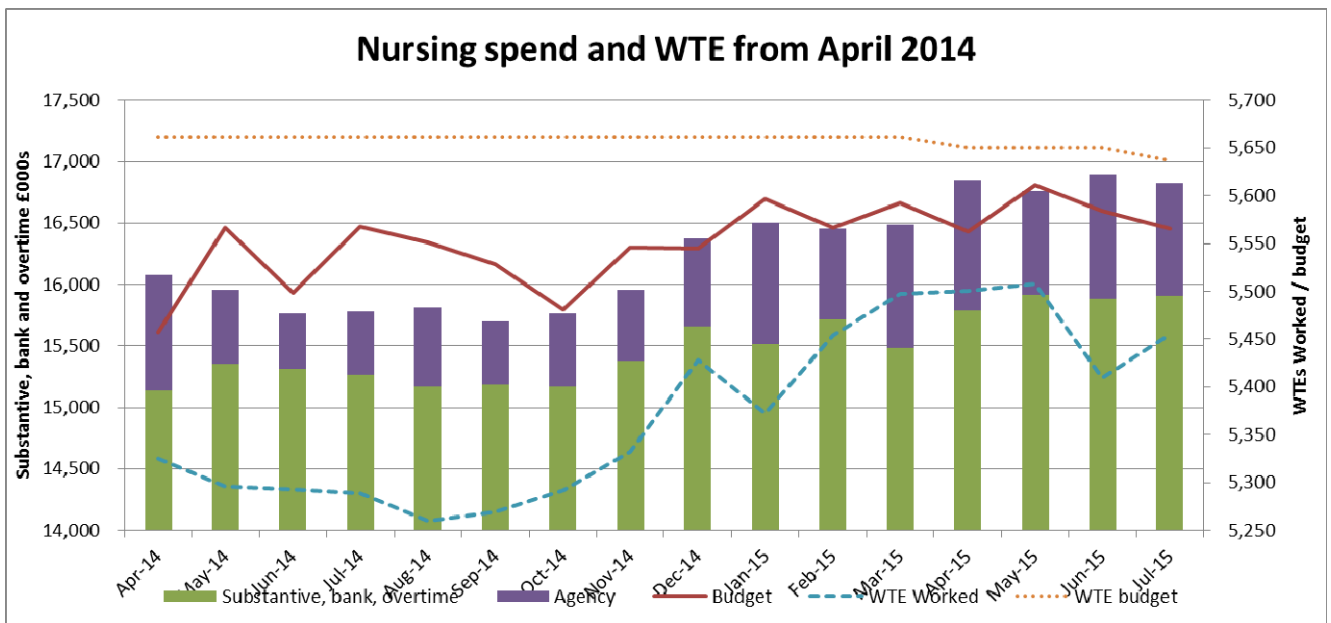
Actions proposed are therefore:

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

Nursing is overspent YTD by £1.3m, and in month by £0.4m, although 183 less WTEs than budget were worked in month. The overspend YTD is broken down as follows:

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

The chart below shows the nursing spend since April 2014 increasing in line with recruitment and investment in acuity. A total of 166 additional nurses worked in July 2015 compared to July 2014.



Actions proposed are therefore:

- Incentives to increase bank working to be put in place, including weekly payroll for bank shifts
- Prospective review of shifts booked for agency staffing at ward level
- A focus on managing within the nursing budgets in addition to ensuring safe staffing levels on wards

The overspends in these three areas are offset by underspends on other clinical and non-clinical staffing including release of contingency of £0.2m in month.

Performance by CMG and Directorate is shown in Appendix 3.

3.7 Non Pay

Operating non pay spend is £0.2m favourable to plan in month and £0.1m favourable to plan YTD.

In month non pay overspends relating to CIP slippage £0.5m, excluded drugs in excess of the block income £0.3m, tariff drugs £0.2m and printing, stationary and postage £0.1m are offset with underspends of £0.5m related to non block excluded drugs and devices, £0.4m of items transferred from revenue to capital and £0.2m release of contingency.

Non pay overspends YTD relate to CIP slippage £1.2m, additional theatre sessions, £0.3m, Pathology, £0.2m, Imaging £0.2m, use of the independent sector in MSS, £0.5m, prostheses £0.2m. These overspends are offset by underspends on drugs of £1.2m and release of contingency to support the position £2.2m.

3.8 Cost Improvement Programme

Appendix 3 shows CIP performance YTD by area against the 2015/16 CIP plan. This currently shows under-delivery against plan of £1.2m YTD. Further detail is included within the CIP paper elsewhere on this agenda.

4. IN MONTH POSITION COMPARED TO FORECAST

4.1 Since Month 2, CMGs and Directorates have been undertaking a full forecast. In Month 4, the Trust was forecasting to be £0.8m adverse to plan. The £1.4m adverse movement to plan is therefore £0.6m worse than was forecast. The table below shows that expenditure was in line with forecast, although worse on pay and better on non pay, but income was worse than forecast.

	Forecast		
	Forecast variance to plan	Actual variance to plan	Better / (worse) than forecast
Income	70	769	(699)
Pay	196	698	(502)
Non Pay	888	304	584
Net surplus / (deficit)	1,154	1,772	(618)

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

Income

- Outpatients are £0.4m worse than forecast
- Excluded drugs are £0.5m worse than forecast, however £0.3m of drugs were prescribed in excess of the CCG block level for which no income was received
- Critical Care is £0.1m worse than forecast. Activity was high, but it has been CCG activity which is within the block
- Renal transplant and dialysis activity is £0.1m worse than forecast
- Emergency activity is £0.2m better than forecast after adjustment for contract terms marginal rate with CCGs and MRET with NHSE. This is within CHUGGS and RRC
- The split between specialised and CCG work is slightly different to forecast and so therefore the deduction of 30% is greater than forecast. This is £0.2m worse than forecast
- An assumption of £0.5m has been made in month for improvement in income between first and final cut based on missing outpatient outcomes, expected improvements in the split between CCG and specialised activity and finalisation of coding
- Research income £0.3m better than forecast

Pay

- Worse than forecast in CSI by £0.4m, within Imaging and MSS £0.2m relating to theatre recharges and cover for junior posts
- These areas of worse than forecast are offset by release of contingency of £0.2m

Non pay

- £0.5m related to excluded drugs and devices not within the CCG block. However, there are overspends of £0.3m related to excluded drugs for CCGs where spend is in excess of the block and so there is no additional income
- Tariff drugs £0.2m
- Clinical supplies £0.3m
- Postage, printing and stationary £0.1m
- These overspends compared to forecast are offset with £0.4m transferred from revenue to capital and £0.2m released from the contingency to support the position

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

Area	Forecast variance to plan	Actual Variance to plan	Better / (worse) than forecast
CHUGGS	(192)	(478)	(286)
CSI	127	(266)	(393)
ESM	69	(980)	(1,050)
ITAPS	(158)	(411)	(252)
MSS	(318)	(478)	(160)
RRCV	(169)	(160)	9
W&C	(45)	(3)	41
CMG Total	(684)	(2,776)	(2,092)
Communications & Ext Relations	0	(2)	(2)
Corporate & Legal	4	3	(1)
Corporate Medical	5	23	18
Facilities	(83)	182	265
Finance & Procurement	(15)	5	20
Human Resources	30	12	(18)
Im&T	0	(17)	(17)
Nursing	(11)	53	65
Operations	(76)	(236)	(159)
Strategic Devt	(10)	(36)	(26)
Corporate Total	(166)	(12)	143
R&D	(36)	18	64
Alliance	73	(25)	(98)
Central	(19)	1,355	1,373
Trust Total	(823)	(1,441)	(618)

Key movements are as follows:

- CHUGGS worse than forecast due to income
- CSI worse than forecast due to pay spend in Imaging
- ESM worse than forecast due to income (£0.9m) and excluded drugs within the block (£0.3m)
- ITAPS worse than forecast due to critical care income
- MSS worse than forecast due to theatre trading and cover for junior vacancies
- Facilities better than forecast on utilities and VAT write back related to 2014/15
- Ops worse than forecast due to costs for Care Home Select
- Central better than forecast due to release of contingency (£0.4m), write back of cost to capital (£0.5m) and assumption on improved income (£0.5m)

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

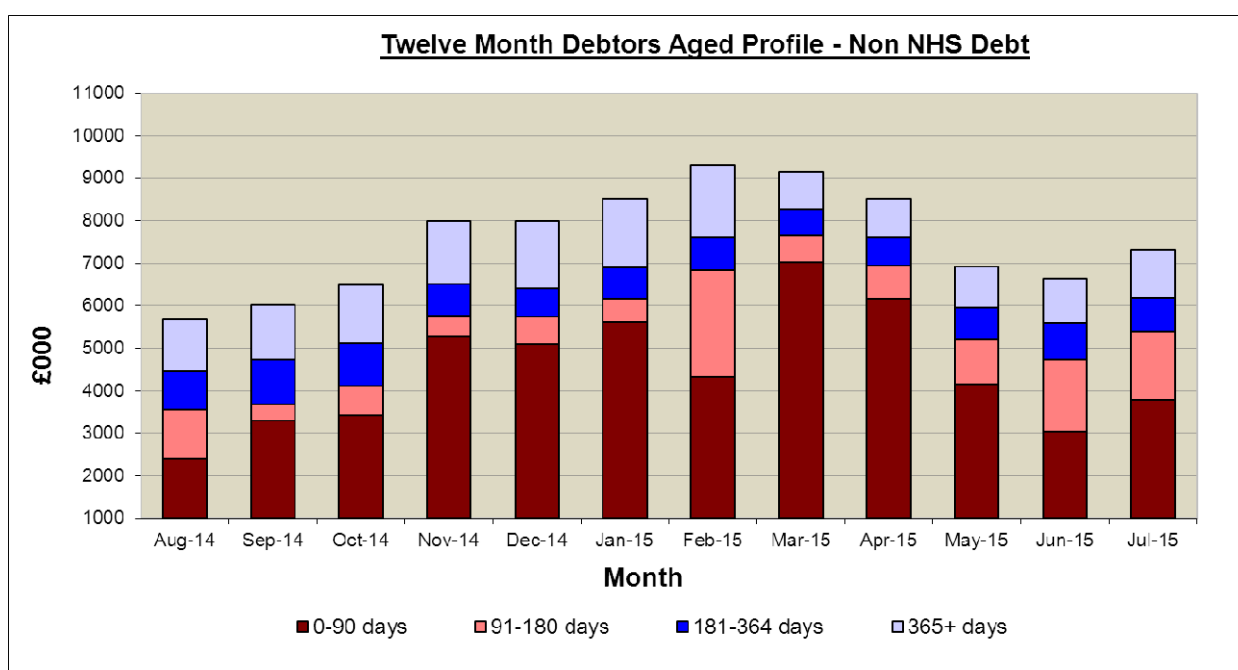
5. RESERVES

- 5.1 The table below details the reserves holdings as well as current known commitments in year. The balance of reserves is £6.4m. Of this, £5.5m has been committed, including £2.4m YTD to support the position and a further £1m to support the position to year end. There remains £0.9m of contingency uncommitted.

	Opening balance £000s
Inflation - Non Pay	700
Inflation - Pay	300
Contingency	4,060
Provisions for items agreed to be funded when incurred	1,374
Reserves balance	6,434
Commitments	
Inflation to support recovery plan	(1,000)
Released to support position YTD	(2,396)
Reserve committed to support year end position	(1,000)
Items committed to be funded when incurred	(1,100)
Total Commitments at M3	(5,496)
Remaining reserve	938

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:



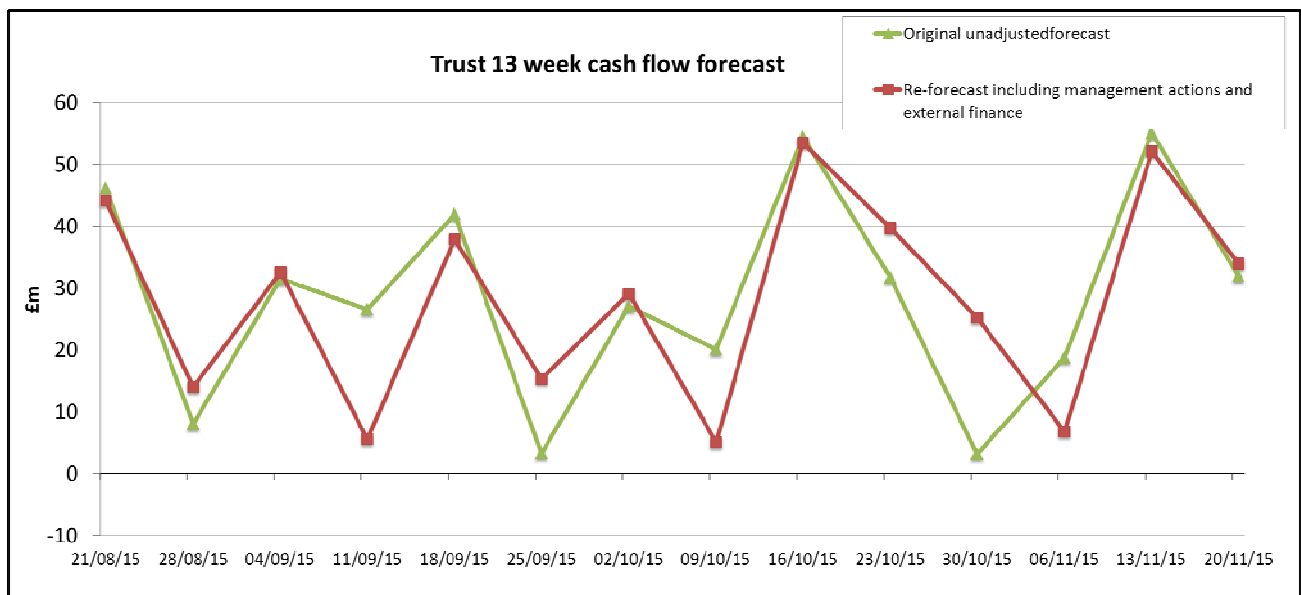
6.2 The overall level of non-NHS debt at the end of July increased to £7.3m from £6.9m in June. Total debt over 90 days is £3.5m which is a decrease of £0.1m from June. The proportion of total debt over 90 days has decreased from 54% to 48%.

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

	By Volume Number	By Value £000s
Current Month YTD		
Total bills paid in the year	47,193	219,298
Total bills paid within target	33,504	185,292
Percentage of bills paid within target	71%	84%
Prior month YTD		
Total bills paid in the year	30,558	156,546
Total bills paid within target	20,051	131,049
Percentage of bills paid within target	66%	84%

6.4 Our cashflow forecast is consistent with the income and expenditure position and our cash balance at the end of July was £6.0m which is £3.0m 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 £27.9m of external financing in the form of our Revolving Working Capital facility.

7. CAPITAL

7.1 The total capital expenditure at the end of July 2015 was £7.1m. This is an underspend of £4.8m against the year to date plan of £11.9m and we have achieved 60% of planned spend. The capital plan and expenditure can be seen in Appendix 5.

7.2 Outstanding orders totalled £23.7m at the end of July. The combined position is that we have spent or committed £30.8m, or 29% 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 per month on premium pay is the largest financial risk to the Trust in delivery of the planned deficit

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

- **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, and trading of additional sessions has commenced, which will be monitored and reviewed through the Theatre Programme Board. In addition, bed modelling has been undertaken to ensure correct capacity, particularly within ESM and is managed through the Bed Programme Board

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

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

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

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

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

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

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

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

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

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

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

Mitigation: The Trust holds a small contingency

9. CONCLUSION

9.1 The Trust has reported to the NTDA a position that is £3.6m adverse to plan YTD. This is driven by pay overspends and income under-performance seen for the first time in Month 4.

10. NEXT STEPS AND RECOMMENDATIONS

10.1 The Trust Board is recommended to:

- **Note** the financial performance at Month 4
- **Agree** the proposed actions
- **Note** the risks to the financial position

Paul Traynor
Chief Financial Officer

3rd September 2015

	July 2015			April - July 2015		
	Plan	Actual	Variance (Adv) / Fav	Plan	Actual	Variance (Adv) / Fav
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Elective	6,507	6,262	(245)	24,163	23,621	(542)
Day Case	5,155	5,023	(132)	18,831	18,564	(267)
Emergency (incl MRET)	15,425	15,724	298	60,126	60,895	769
Outpatient	9,815	9,276	(539)	36,225	36,299	74
Penalties	0	0	0	0	0	0
Non NHS Patient Care	444	528	84	2,041	2,249	208
Resilience Funding	0	0	0			0
Other	26,119	25,151	(968)	100,118	98,501	(1,617)
Patient Care Income	63,465	61,963	(1,502)	241,503	240,129	(1,375)
Teaching, R&D income	6,406	6,675	269	25,448	25,740	292
Other operating Income	3,224	3,140	(84)	12,716	12,529	(187)
Total Income	73,095	71,778	(1,317)	279,667	278,398	(1,270)
Pay Expenditure	(42,497)	(42,862)	(365)	(168,826)	(171,451)	(2,625)
Non Pay Expenditure	(28,579)	(28,308)	271	(111,752)	(111,689)	63
Total Operating Expenditure	(71,076)	(71,170)	(94)	(280,578)	(283,140)	(2,562)
EBITDA	2,019	608	(1,412)	(911)	(4,742)	(3,832)
Interest Receivable	6	8	2	24	32	8
Interest Payable	(104)	(132)	(28)	(597)	(513)	84
Depreciation & Amortisation	(2,776)	(2,763)	13	(11,142)	(10,898)	244
Surplus / (Deficit) Before Dividend and Disposal of Fixed Assets	(855)	(2,280)	(1,425)	(12,626)	(16,121)	(3,496)
Profit / (Loss) on Disposal of Fixed Assets	0	0	0	(1)	(16)	(15)
Dividend Payable on PDC	(959)	(959)	0	(3,836)	(3,836)	0
Net Surplus / (Deficit)	(1,814)	(3,239)	(1,425)	(16,463)	(19,973)	(3,510)
Adjustments in respect of donated assets	55	40	(15)	222	110	(112)
RETAINED SURPLUS / (DEFICIT)	(1,759)	(3,199)	(1,440)	(16,241)	(19,863)	(3,622)

INCOME POSITION BY POINT OF DELIVERY AND PRICE AND VOLUME VARIANCES

Case mix	Plan to Date (Activity)	Total YTD (Activity)	Variance YTD (Activity)	Variance YTD (Activity %)	Plan to Date (£000)	Total YTD (£000)	Variance YTD (£000)	Variance YTD (Activity %)
Day Case	32,700	32,476	(224)	(0.68)	18,831	18,564	(267)	(1.42)
Elective Inpatient	7,447	7,372	(75)	(1.00)	24,163	23,621	(542)	(2.24)
Emergency / Non-elective Inpatient	35,317	36,114	797	2.26	62,158	62,993	835	1.34
Marginal Rate Emergency Threshold (MRET)	0	0	0	0.00	(2,031)	(2,098)	(66)	3.26
Outpatient	299,284	293,187	(6,097)	(2.04)	36,225	36,299	74	0.20
Emergency Department	49,850	52,401	2,551	5.12	6,102	6,442	340	5.57
Penalties	0	0	0		0	0	0	
Other	2,884,358	2,881,231	(3,127)	(0.11)	96,057	94,308	(1,749)	(1.82)
Grand Total	3,308,955	3,302,782	(6,173)	(0.19)	241,503	240,129	(1,375)	(0.57)

Average tariff	Price Variance YTD %	Volume Variance YTD %	Price / Mix Variance (£000)	Volume Variance (£000)	Variance YTD (£000)
Day Case	(0.7)	(0.7)	(138)	(129)	(267)
Elective Inpatient	(1.3)	(1.0)	(299)	(242)	(542)
Emergency / Non-elective Inpatient	(0.9)	2.3	(568)	1,403	835
Marginal Rate Emergency Threshold (MRET)			(66)	0	(66)
Outpatient	2.3	(2.0)	812	(738)	74
Emergency Department	0.4	5.1	27	312	340
Penalties			0		0
Other			0	(1,749)	(1,749)
Grand Total	(0.4)	(0.2)	(232)	(1,142)	(1,375)

Financial Performance by CMG & Corporate Directorate

I&E and CIP – July 2015

CMG / Directorate	Year to Date					
	I&E			CIP		
	YTD Budget £000s	YTD Actual £000s	YTD Variance £000s	YTD Plan £000s	YTD Actual £000s	YTD Variance £000s
CMGs:						
C.H.U.G.S	14,978	13,929	-1,049	1,540	1,401	-139
Clinical Support & Imaging	-11,593	-12,123	-531	1,667	1,793	126
Emergency & Specialist Med	7,964	6,878	-1,086	1,933	1,492	-441
I.T.A.P.S	-14,192	-15,217	-1,025	1292.18	867	-425
Musculo & Specialist Surgery	12,516	10,065	-2,452	1,610	1,852	242
Renal, Respiratory & Cardiac	11,603	10,952	-651	1,913	1,548	-364
Womens & Childrens	13,865	13,306	-558	1,487	1,455	-32
	35,142	27,790	-7,351	11,443	10,408	-1,034
Corporate:	-51,384	-47,653	3,731	1,425	1,216	-209
Total	-16,242	-19,863	-3,620	12,868	11,625	-1,243

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	Mar-16 £000's Forecast
Non Current Assets						
Property, plant and equipment	414,193	413,269	412,059	409,918	411,144	487,619
Intangible assets	10,134	9,854	9,573	10,761	9,389	7,350
Trade and other receivables	2,702	2,754	2,829	2,853	2,852	2,354
TOTAL NON CURRENT ASSETS	427,029	425,877	424,461	423,532	423,385	497,323
Current Assets						
Inventories	14,141	14,462	14,413	13,811	14,169	14,141
Trade and other receivables	35,292	25,650	34,813	31,009	36,491	26,292
Cash and cash equivalents	8,498	19,762	22,565	16,303	5,966	3,000
TOTAL CURRENT ASSETS	57,931	59,874	71,791	61,123	56,626	43,433
Current Liabilities						
Trade and other payables	(103,194)	(96,854)	(105,833)	(99,569)	(92,327)	(86,067)
Dividend payable	0	(959)	(1,918)	(2,877)	(3,836)	0
Borrowings / Finance Leases	(4,919)	(4,919)	(4,919)	(4,919)	(4,190)	(4,170)
Loan	(545)	(545)	(545)	(545)	(545)	(3,251)
Provisions for liabilities and charges	(820)	(820)	(820)	(820)	(820)	(567)
TOTAL CURRENT LIABILITIES	(108,933)	(104,097)	(114,035)	(108,730)	(101,718)	(94,055)
NET CURRENT ASSETS (LIABILITIES)	(51,002)	(44,223)	(42,244)	(47,607)	(45,092)	(50,622)
TOTAL ASSETS LESS CURRENT LIABILITIES	376,027	381,654	382,217	375,925	378,293	446,701
Non Current Liabilities						
Borrowings / Finance Leases	(6,869)	(6,945)	(6,887)	(6,958)	(7,635)	(8,427)
Other Liabilities / Loan	(11,455)	(22,540)	(28,571)	(28,625)	(33,578)	(76,125)
Provisions for liabilities and charges	(1,982)	(2,015)	(1,936)	(1,902)	(1,878)	(1,973)
TOTAL NON CURRENT LIABILITIES	(20,306)	(31,500)	(37,394)	(37,485)	(43,091)	(86,525)
TOTAL ASSETS EMPLOYED	355,721	350,154	344,823	338,440	335,202	360,176
Public dividend capital	329,837	329,787	329,837	329,837	329,837	370,937
Revaluation reserve	107,356	107,355	107,356	107,354	107,355	107,356
Retained earnings	(82,017)	(86,988)	(92,370)	(98,751)	(101,990)	(118,117)
TOTAL TAXPAYERS EQUITY	355,176	350,154	344,823	338,440	335,202	360,176

Capital Plan

Scheme Name	CMG	UHL Approval	Funding Status	YTD Spend: YTD			Annual Budget	Annual Forecast	Annual Variance
				YTD Budget	July	Variance			
				£'000	£'000	£'000	£'000	£'000	£'000
INTERNALLY FUNDED CAPITAL									
Estates & Facilities									
Facilities Sub-Group	UHL	N/A	Internal	595	875	(280)	5,355	5,355	0
MES Installation Costs	UHL	N/A	Internal	120	(201)	321	1,500	1,898	(398)
Aseptic Suite	CSI	Approved	Internal	0	5	(5)	440	440	0
Lloyds Pharmacy Extension	CSI	Approved	Internal	86	17	69	126	126	0
Theatre Recovery LRI	ITAPS	Approved	Internal	500	281	219	2,750	2,750	0
Life Studies Centre	W&C	Approved	Internal	430	76	354	850	850	0
Sub-total: Estates & Facilities				1,731	1,053	678	11,021	11,419	(398)
IM&T Schemes									
IM&T Sub-Group	UHL	N/A	Internal	1,357	1,429	(72)	4,000	4,000	0
LRI Managed Print	UHL	Under review	Internal	1,323	207	1,116	1,323	1,875	(552)
EDRM	UHL	Under review	Internal	527	(12)	539	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	18	(18)	996	996	0
Learning Mgt System	UHL	Approved	Internal	0	0	0	150	150	0
Sub-total: IM&T Schemes				3,207	1,642	1,565	9,527	10,079	(552)
Medical Equipment Schemes									
Medical Equipment Executive Budget	UHL	N/A	Internal	750	338	412	5,500	5,500	0
Linear Accelerators		Not Approved	Internal	100	0	100	3,300	3,300	0
Sub-total: Medical Equipment				850	338	512	8,800	8,800	0
Reconfiguration Schemes									
ICU Expansion	UHL	Not Approved	Internal	100	54	46	3,000	3,000	0
Sub-total: Reconfiguration Schemes				100	54	46	3,000	3,000	0
Corporate / Other Schemes									
Donations	UHL	N/A	Internal	100	101	(1)	300	300	0
LiA Schemes	UHL	Not Approved	Internal	5	44	(39)	250	250	0
Contingency / Other	UHL	Not Approved	Internal	81	128	(47)	881	881	0
Sub-total: Corporate / Other Schemes				186	272	(86)	1,431	1,431	0
Sub total: Internally funded capital expenditure				6,074	3,358	2,716	33,779	34,729	(950)
EXTERNALLY FUNDED CAPITAL									
Emergency Floor	ESM	Approved	Not Approved	2,000	1,830	170	17,698	17,698	0
EPR Programme	UHL	Approved	Not Approved	4	(450)	454	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	1,000	383	617	11,428	11,428	0
Multi-storey Car Park Development	UHL	Not Approved	Not Approved	1,150	337	813	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				4,154	2,082	2,072	67,921	67,921	0
FINANCE LEASE ADDITIONS									
MES Finance Lease Additions				1,677	1,677	(0)	5,031	5,031	0
GRAND TOTAL CAPITAL EXPENDITURE				11,905	7,117	4,788	106,731	107,681	(950)