

United Lincolnshire Hospitals

NHS Trust

To:	Trust Board
From:	John Barber, Interim Director of Finance & Corporate Affairs
Date:	2 August 2016

Title:	2016/17 Financial Position to Month 3
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Purpose of the Report:
To provide the Board with an update on the Trust's financial position as at the end of July 2016

The Report is provided to the Board for:

Information	✓	Assurance	✓
Discussion	✓	Decision	

Summary/Key Points:

- The Trust has an agreed control total deficit of £47.9m for 2016/17.
- The Month 3 position is a deficit of £4.4m, leading to a year to date deficit position of £12.4m. The performance to date is marginally better than plan
- The forecast year end position is reliant on the reduction of pay and growth in income, as highlighted at section 3.4
- Compared to plan the Month 3 position gives a favorable variance of c. £0.3m.
- The Trust is at risk of under achieving £470k of the £16.1m Sustainability and Transformation Fund

Recommendations:
The Board are asked to:

- Note the Month 3 financial position and performance against the key financial duties.
- Discuss the key risks and agree what further action is required to mitigate the risks.

Strategic Risk Register	Performance KPIs year to date
Resource Implications (eg Financial, HR)	
Assurance Implications	
Patient and Public Involvement (PPI) Implications	
Equality Impact	
Information exempt from Disclosure	
Requirement for further review?	

1. Introduction

1.1. The purpose of this report is to provide Trust Board with an update on performance against the Trust's key financial duties as follows:

- Delivery against the planned Deficit
- Achieving the External Financial Limit (EFL)
- Achieving the Capital Resource Limit (CRL)

1.2. The report also provides further commentary on the year-end forecast based on the Month 3 results, key risks and the main financial statements.

2. Key Financial Duties

Financial Duty	Annual Plan £m	YTD Plan £m	YTD Actual £m	Forecast Outturn £m	RAG
Delivering the Planned Deficit	(47.9)	(12.7)	(12.4)	(47.9)	G
Achieving the EFL	54.0	-	-	54.0	G
Achieving the Capital Resource Limit	17.6*	5.1	1.5	16.7	G

*The original 2016/17 capital programme of £19.6m was inclusive of the sale proceeds from the Welland Hospital site (£2.0m) although this sale is progressing this is now planned for receipt in 2017/18.

3. Year to Date Financial Position and Month 3 Results

3.1. The Month 3 results and year-to-date Income and Expenditure performance are provided in Appendix 1 and summarised in the table below

Table 1:- Summary Income and Expenditure Position

	June 2016			April 2016 to June 2016		
	Plan	Actual	Surplus (Deficit)	Plan	Actual	Surplus (Deficit)
	£m	£m	£m	£m	£m	£m
Income	37.2	37.3	0.1	111.5	110.8	(0.8)
Expenditure	(40.2)	(40.2)	(0.1)	(120.0)	(119.1)	0.8
EBITA	(2.9)	(2.9)	(0.0)	(8.4)	(8.4)	0.1
Net Interest	(0.2)	(0.1)	0.1	(0.4)	(0.4)	0.0
Depreciation	(1.0)	(1.0)	(0.0)	(3.0)	(2.8)	0.2
PDC Dividend Payable	(0.2)	(0.3)	(0.1)	(0.9)	(0.9)	0.0
Net Deficit	(4.3)	(4.4)	(0.0)	(12.8)	(12.5)	0.3
Net Deficit adjusted for impairment & impact of donated / govt granted assets	(4.3)	(4.4)	(0.1)	(12.7)	(12.4)	0.3

3.2. The Trust is reporting:

- A deficit at the end of Month 3 (June 2016) of £12.4m, which is £0.3m favorable to the planned year to date deficit of £12.7m.

3.3. The main reasons for the variance to plan are as follows:

- NHS Patient Care Income initially £699k below target, mainly as a result of underperformance on inpatient activity, but then offset by the release of £340k from contingency in month 1 to bring to £359k below target.
- Other Operating Revenue and Government granted/donated Income £410k below target. An element of this relates to Income efficiency schemes included in the plan that have not yet delivered. There is a compensating reduction in expenditure that offsets the reduced income levels.
- Pay Expenditure and Non Pay Expenditure overall £850k below plan reflecting reduced activity, compared to plan, and a significant underspend on pay budgets in particular reflecting vacancies in Women's and Children's and Clinical Support Business Units.

3.4 The plan trajectory, as shown below, highlights that the Trust is anticipating increasing income streams, together with reducing pay costs as the year develops. These trends are linked to the efficiency savings requirements. The income increases by £0.6m a quarter from Q3 as a result of efficiencies but is dampened down by lower income levels in December and February, where there is typically a lower level of activity. Pay is reduced in Q3 by £1m a quarter as a result in the planned reduction in medical agency and by £0.8m a quarter due to reductions in nursery agency as a result of the recruitment of new graduates.

Financial Plan - 2016/17					
	Qtr 1 Plan	Qtr 2 Plan	Qtr 3 Plan	Qtr 4 Plan	Total Plan
Income	111,910	112,819	112,938	113,070	450,737
Pay	-79,068	-79,072	-77,137	-76,857	-312,134
Non pay	-45,528	-46,179	-47,319	-47,477	-186,503
Total	-12,686	-12,432	-11,518	-11,264	-47,900

3.5. Progress continues to be made with regards to the development, delivery and reporting of the Financial Efficiency Programme (FEP):

- At the end of the first quarter, approximately half of the FEP target of £19m has been removed from budget, and it is expected that by the end of the summer the full target will have been removed from the budgets where savings are expected to be delivered.

- Reporting of FEP savings is being developed to ensure we both deliver and capture the full extent of savings delivery. A separate report on this agenda describes the approach to delivering this year's FEP.
- Whilst the financial plan for 2016/17 expected the Trust to have delivered savings of £3.279m by the end of June 2016, the Trust has reported delivery of £2.906m, and is therefore £373k below plan.
- However, it is noted that whilst only £373k below plan, the Trust has relied upon non-recurrent savings within both pay and non-pay expenditure budgets to offset delays in the realisation of savings from schemes generating recurrent benefits.
- Given the delays in savings realisation from some schemes, additional savings schemes are being developed in order to reduce the risk around full delivery of the £19m FEP target and the revised total of potential schemes is now c£25m. We need to aim to deliver at least 80% of this overall potential programme.

Income Summary

3.6. Appendix 2 provides Income and Activity by point of delivery and CCG and is summarised in table 2 below:-

Table 2:- Summary Income and Activity Position by point of delivery

Table 2

	YTD £000s Plan	YTD £000s Actual	YTD £000s Var	YTD £ % Var	YTD Activity Plan	YTD Activity Actual	YTD Activity Var	YTD Activity % Var
AandE	4,662.8	4,887.6	224.9	5%	38,832	40,314	1,482	4%
Inpatients	47,247.3	45,255.0	- 1,992.3	-4%	37,873	36,893	- 980	-3%
Outpatients	17,921.5	18,644.3	722.8	4%	169,474	173,875	4,401	3%
Critical Care	3,587.8	3,590.2	2.4	0%	4,352	4,341	- 11	0%
Maternity	2,664.6	2,409.8	- 254.8	-10%	3,318	2,802	- 516	-16%
Non PbR	10,347.0	10,992.9	645.9	6%				
Passthrough	8,477.1	8,701.9	224.8	3%				
Income from activity before adjustments	94,908.1	94,481.8	- 426.4	0%				
Penalty	- 76.1	- 10.7	65.4	-86%				
30 day Readmissions	- 806.7	- 806.7	-	0%				
MRET	- 652.1	- 734.6	- 82.4	13%				
CQUIN	2,030.5	1,841.0	- 189.5	-9%				
Systems Resilience	-	-	-					
Additional Items	- 0.0	- 0.0	-	0%				
MRET Reinvestment	49.0	49.0	-	0%				
National Fines	-	- 66.6	- 66.6					
Contingency	-	340.3	340.3					
	95,452.7	95,093.5	- 359.2	0%				

3.7. The key points to note are as follows:

- The year to date NHS patient care income was £359k below target. This is mainly as a result of reduced inpatient activity of £1,992k and maternity underperformance of £255k offset by the release of £340k from contingency.

- Activity over performance is mainly in relation to follow-ups £592k. It should be noted that the penalty in relation to over-performance above the contracted first to follow up ratio for specific specialties has been suspended for quarter 1 whilst clinical discussions take place. There is however a risk that fines will be imposed should these discussions not happen. The follow up penalty would have been approximately £70k per month, this is not included in the reported income figures.
- Financial under performance on inpatient activity comprises elective spells -13%, day cases -6%, non-elective spells -0.3%.
- The Trust has accrued £66.5k for payment of national fines and £10.7k for local penalties although at the time of calculation this is an estimate as performance against some standards is measured in arrears and in some cases quarterly.
- The breakdown of Inpatient activity by specialty has been included in Appendix 2a and the breakdown of Outpatient activity by specialty has been included in Appendix 2b.

Fines and Penalties

3.8. A&E, RTT, Diagnostics, Cancer 62 day and ambulance fines are suspended due to the 'double jeopardy' implications of the Sustainability and Transformation Fund. Other fines accrued are shown in appendix 2.

MRET

3.9. Marginal Rate Emergency Threshold deductions of £734.6k have been accrued as a result of increased emergency admissions over the baseline threshold, of which £49k has been reinvested by Specialised Commissioning.

CQUIN

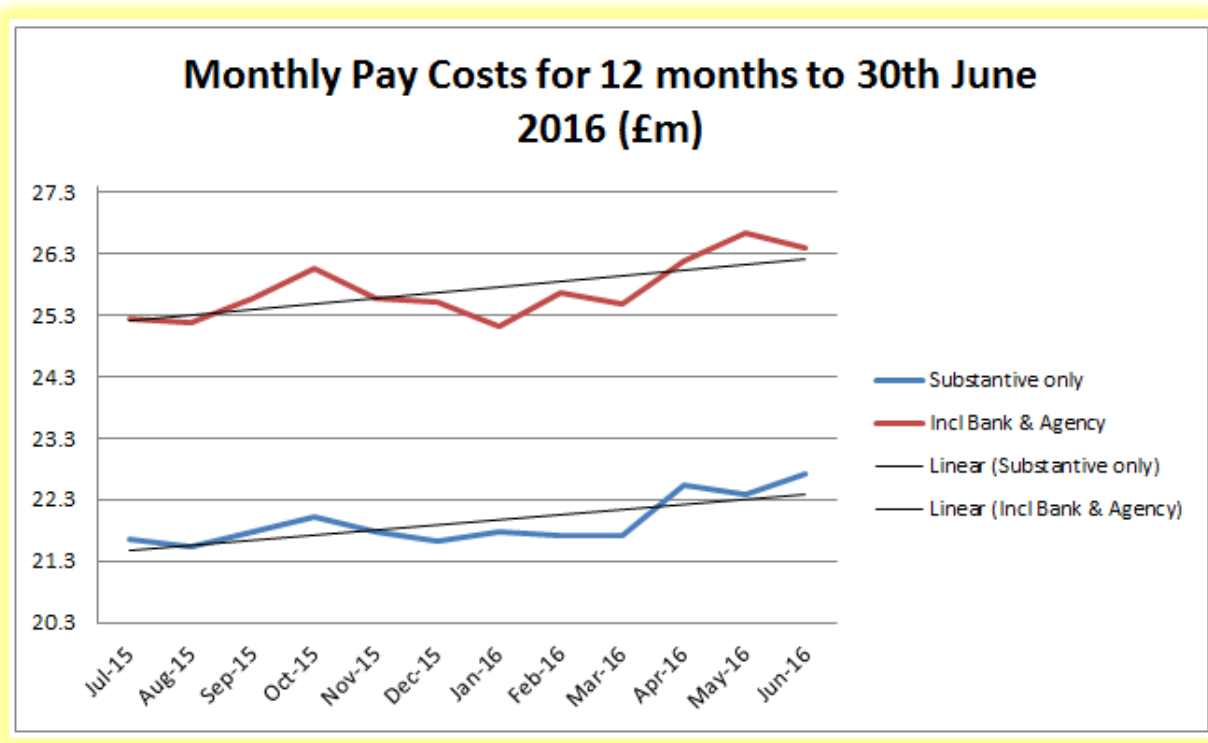
3.10. CQUIN is measured on a quarterly basis; however at this stage the Trust has assumed 90% achievement against schemes. Initial indication of likely delivery in quarter 1 is in line with this assumption.

Pay Expenditure Summary

3.11. Main points to note are as follows:-

- Overall pay expenditure is close to balance as we have accrued for pay risks such as Clinical Excellence Awards, scale of agency creditors and prudent reporting.
- At the end of the first quarter, business units overall were underspent by £1.4m on pay, primarily in Women's and Children's and Clinical Support Services. This trend has created a new opportunity to explore a higher level of pay savings within the overall efficiency programme.
- The non-clinical expenditure is still below budget by £313k year to date. This is mainly due to vacancies held within the three months, for which recruitment is underway.

- The pay position also includes an under spend of £120k in relation to Medical staffing, reflecting reduced activity, in part resulting from the Junior Doctors strike, Norovirus outbreak and Grantham fire in April.
- Whilst expenditure on Nursing & Midwifery staffing exceeded budgets by £156k, it should be noted that no funding has been released with regards to either escalation beds or A&E nurse staffing, and these were estimated to be £550k. This reserve is reported as part of the non-pay budget until such point that it is formally allocated. The budgets are planned to be released for these elements during July.



3.12. In 2016/17, the Trust is being measured on agency expenditure against a ceiling of £21m. The Trust has a planned trajectory for the expenditure and plans are in place to meet those trajectories. Year to date performance against this trajectory is shown in the table below.

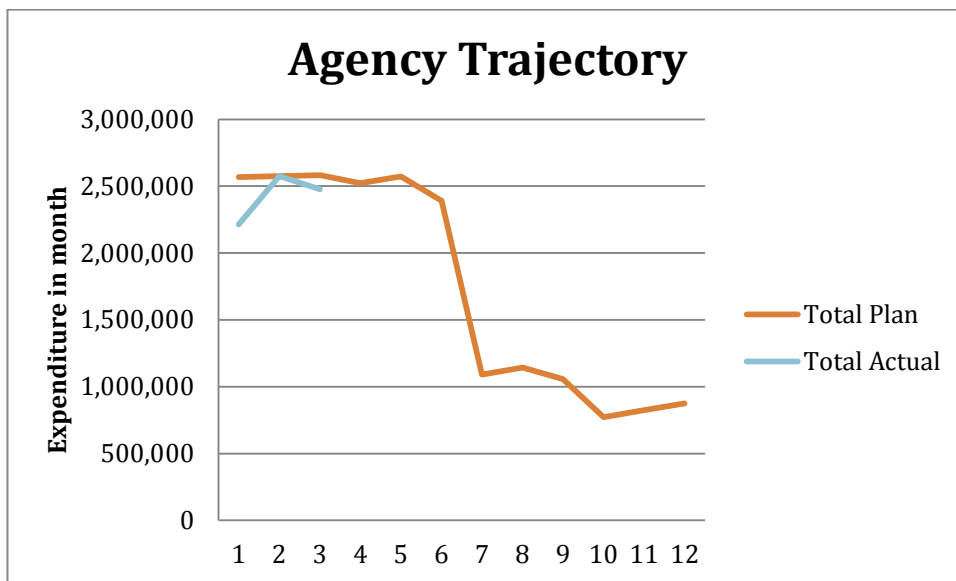
As at end June 16	Nursing	Medical	STT	Other	Total
Profile £	2,743	4,158	411	414	7,726
Actual £	2,948	3,692	321	305	7,266
Variance £	-205	466	90	109	460
Variance %	-7.47%	11.21%	21.90%	26.41%	5.96%

3.13. The internal plan assumes a reduction in monthly nursing agency expenditure will be achieved following the graduate nurse intake in August and overseas recruitment planned for October and January. The biggest risk to delivery within the Agency ceiling is in relation to Nursing and Medical Staffing. The reduction in agency assumes that there is a substantial increase in nursing through the overseas recruitment process. At present, there are low numbers of nurses that have passed all the requirements so there is a risk

that the Trust does not achieve its full trajectory of nursing. If this happens, the Trust will not achieve the agency ceiling. Whilst there are plans in place to reduce the reliance on Medical agency, there is still a substantial risk that the Trust does not achieve the trajectory.

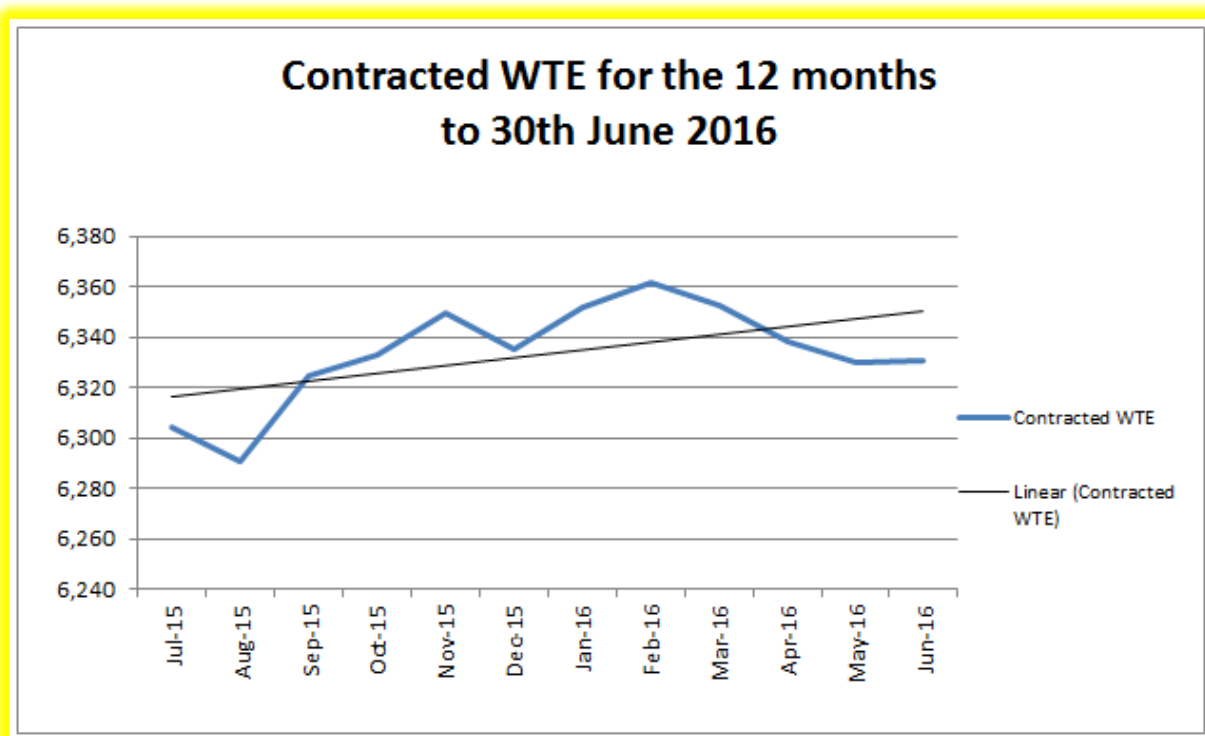
3.14. The Trust is also looking to invest part of the transformational funds in increasing the bed base to secure the income levels. This will put extra pressure on the nursing staff in particular and will potentially increase the reliance on agency. The Trust is looking to improve performance in other staff categories to mitigate this risk.

3.15. At this state therefore there is a material risk that we fail to achieve the agency target, but overall pay costs should remain at or below budget.



3.16. The graph above shows the trajectory of the agency expenditure. The current position is that the expenditure is below plan but there is an assumption that a number of medical posts will be recruited to before September, plus the contract with a new locum provider with reduced rates will be in place.

3.17. Contracted WTE numbers have increased in total terms over the last twelve months: 6,292 in June 2015 compared to 6,330 in June 2016. Contracted WTE numbers, though, have now fallen every month since February.



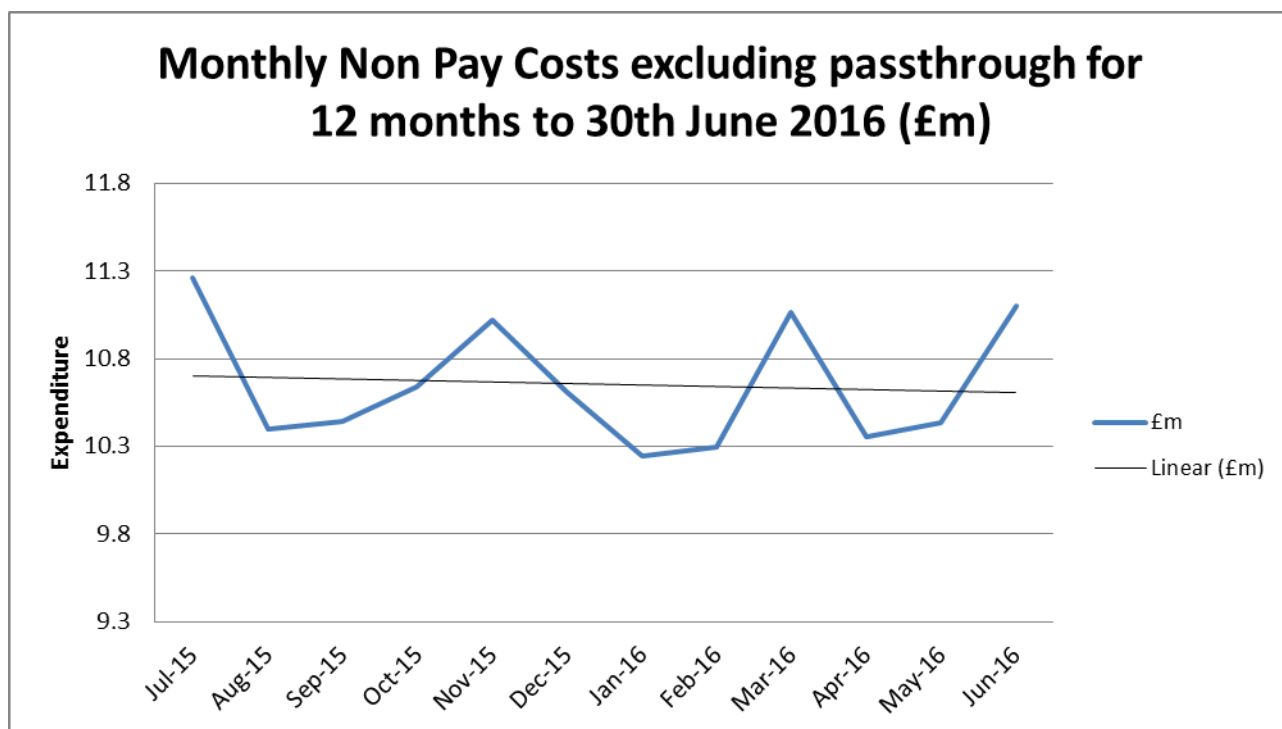
3.18. It is noted, though, that whilst contracted WTE numbers have increased by 31 between June 2015 and June 2016, much of this increase can be attributed to the growth in Non-Clinical staffing.

Category	Jun	Sep	Dec	Mar	June	Movement Jun - Jun
Consultants	307	310	309	310	304	-2
Medical Staff	498	494	488	478	482	-16
Other Support Staff	759	759	755	758	753	-6
Scientific, Therapeutic & Technical	904	908	915	924	912	8
Non Clinical	1,085	1,098	1,101	1,104	1,126	41
Nurses & Midwives	2,739	2,755	2,766	2,779	2,754	15
Total	6,292	6,324	6,335	6,352	6,330	38

Non Pay Expenditure Summary

3.19. Main point to note is as follows:-

- Non Pay is £895k below plan



3.20. The Non Pay under spend mainly relates to clinical supplies and services. These costs generally flex with activity and income.

Risk Mitigation (Contingency)

3.21. The Trust's financial framework for 2016/17 allows for an element of risk mitigation/contingency, in addition to a strategic change reserve, providing the plan is delivered, in particular the annual efficiency programme.

As reported at Month 1, £340k was released from the contingency to offset the effect, on income, of issues beyond the Trust's control i.e. fire at Grantham, Junior Doctors strikes and Norovirus.

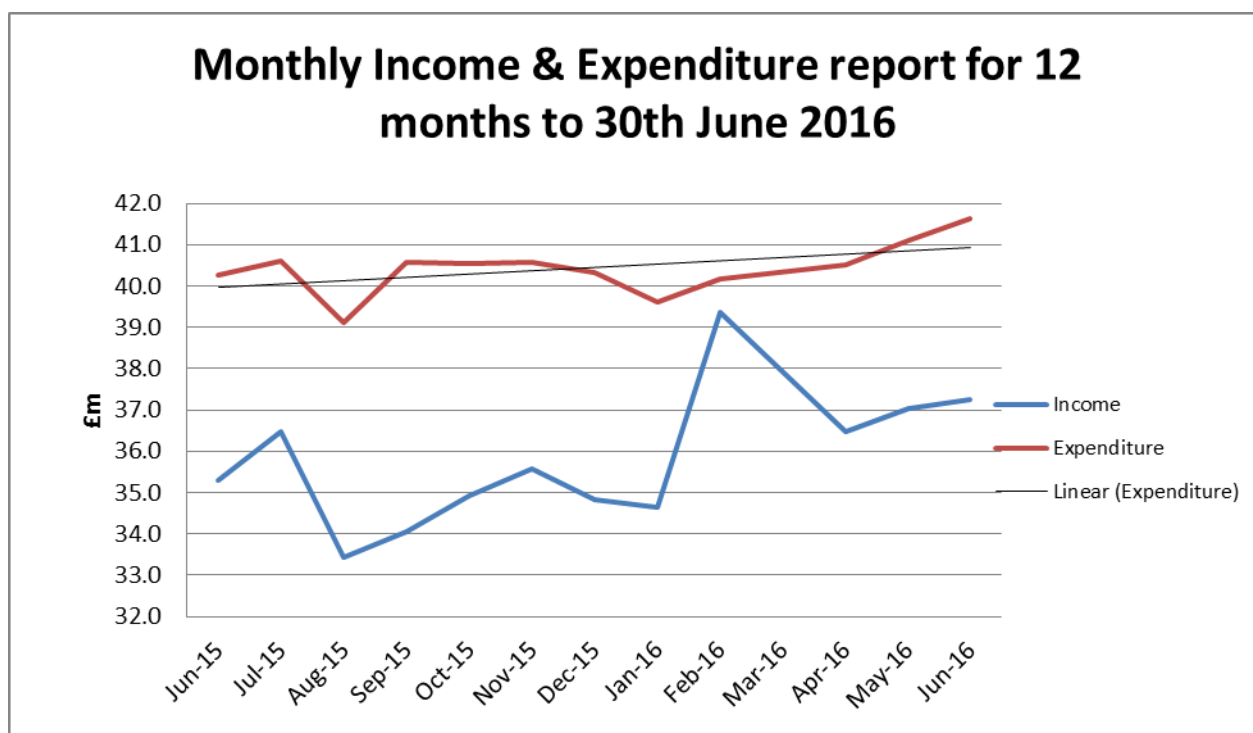
Reserve	Opening £000s	Allocated £000s	Funds available £000s
Risk Mitigation/Contingency	4,208	(340)	3,868

4. Forecast Income and Expenditure

4.1. The Trust is currently forecasting to achieve its planned deficit of £47.9m.

4.2. It is noted that the financial plan in 2016/17 includes Sustainability & Transformation Funding support of £16.1m and that this income has been profiled in equal twelfths within both the financial plan.

4.3. The monthly Income and Expenditure position for the twelve months to 30th June 2016 is as follows:



5. Sustainability and Transformation Funds (STF)

5.1. The financial plan for the year includes receiving £16.1m of STF funding, which has been phased equally over the 12 months of the year. The Trust has recently received details of how that funding is to be allocated, with the split as detailed below:

Standard	Percentage
Finance Performance	12.50%
A&E	12.50%
Cancer	5.00%
RTT	12.50%
Diagnostics	0.00%
Total	30.00%

5.2. The payment will be on a quarterly basis and is on a quarterly basis. Therefore, if the Trust misses a target one month, it can obtain all the funding if performance improves back in line with expectations by the end of the next quarter. The Trust has assessed our performance against each of the targets and has reported the following trajectory, which results in obtaining £15.6m of the £16.1m total funds. The target that is at risk is Cancer, where the projection is that we will only achieve the standard in two months within Q3 and so therefore will lose £470k.

5.3. The table below shows the full trajectory.

Access to STF calculation	.Jul-16	.Aug-16	.Sep-16	.Oct-16	.Nov-16	.Dec-16	.Jan-17	.Feb-17	.Mar-17	YTD	FOT	
	(mc 02)	(mc 03)	(mc 04)	(mc 05)	(mc 06)	(mc 07)	(mc 08)	(mc 09)	(mc 10)	(mc 11)	(mc 12)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Financial Performance												
Is the Provider Delivering the Control	70%											
- Actual YTD & Forecast Performance	YES	YES	YES	YES	YES	YES	YES	YES	Yes			
Calculated STF Due (FOT Calculation)			2,818			2,818			2,818		12,478	
Calculated STF Due (YTD Calculation)	0	0	0	0	0	0	0	0	0	4,025		
Access Standards												
A&E												
Is the Provider delivering above the standard or above the agreed trajectory where this is below the standard (subject to the agreed tolerances)	13%											
- In Month Performance	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes			
- Cumulative YTD Performance			No			Yes			Yes			
Calculated STF Due (FOT Calculation)			168			839			503		1,509	
Calculated STF Due (YTD Calculation)	0	0	0	0	0	0	0	0	0	0		
Cancer												
Is the Provider delivering above the standard or above the agreed trajectory where this is below the standard (subject to the agreed tolerances)	5%											
- In Month Performance	No	No	No	No	Yes	Yes	No	No	No			
- Quarterly Performance			No			No			No			
Calculated STF Due (FOT Calculation)			0			134			0		134	
Calculated STF Due (YTD Calculation)	0	0	0	0	0	0	0	0	0	0		
RTT												
Is the Provider delivering above the standard or above the agreed trajectory where this is below the standard (subject to the agreed tolerances)	13%											
- In Month Performance	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			
- Cumulative YTD Performance (based on number of patients rather than %)			Yes			Yes			Yes			
Calculated STF Due (FOT Calculation)			503			503			503		1,509	
Calculated STF Due (YTD Calculation)	0	0	0	0	0	0	0	0	0	0		
Diagnostics												
Is the Provider delivering above the standard or above the agreed trajectory where this is below the standard (subject to the agreed tolerances)	0%											
- In Month Performance	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			
- Cumulative YTD Performance (based on number of patients rather than %)			No			Yes			Yes			
Calculated STF Due (FOT Calculation)			0			0			0		0	
Calculated STF Due (YTD Calculation)	0	0	0	0	0	0	0	0	0	0		
Total Calculation												
Year To Date (before Finance Override)	0	0	0	0	0	0	0	0	0	4,025		
Year to Date (after Finance Override)	0	0	0	0	0	0	0	0	0	4,025		
Forecast Outturn (before Finance Override)											15,630	
Forecast Outturn (after Finance Override)											15,630	

6. Risks

6.1. There are risks outside of the forecast position as follows:-

- Delivery of the activity plan
The main risk is around the delivery of the contracted activity, whilst staying within the budget envelope. This will require the Trust to deliver the plan of elective work and keep a tight rein on the cost base. The risk is mitigated by the plans to invest part of the transformation reserve in increasing the bed base.
- Delivery of the STF trajectories as described above.
- Liquidity
It is anticipated within the 2016/17 financial plan that cash support in the form of a loan for £47.9m will be required. The Trust also has access to a working capital facility, and

has the ability to draw down cash support each month, in line with the planned monthly deficit (adjusted for the STP funding profile).

The process for applying for a loan in 2016/17 has not yet been communicated to Trusts.

The Trust financial and cash plan leaves little room for flexibility, therefore deterioration in the Trust's revenue position against plan will impact upon liquidity and ultimately upon the ability to pay suppliers within term.

This risk is mitigated through the monitoring of the plan and also by constant communication with NHSI around requirements.

- Unforeseen events

The Trust has limited contingency and balance sheet flexibility for unforeseen financial pressures and as such any risks above the contingency will impact on the bottom line position. In April, the Trust had the impact of the 2 two-day junior doctors' strikes, the fire at Grantham and an outbreak of Norovirus, which all impacted on the number of patients treated and therefore the income.

- Delivery of the Financial Efficiency Programme

The Trust plan assumes delivery of the £19m efficiency programme. Any risk around delivery of the programme will impact on the Trust's ability to deliver the annual control total deficit of £47.9m. This is being mitigated by increasing the plans for schemes to £25m. This will help mitigate the risk and will also help build up the plans for the 2017/18 efficiency requirements.

- CQUIN

90% achievement against all schemes is assumed but achievement levels have not yet been assessed.

- Increased Fines and Penalties

Deterioration in performance will result in additional fines and penalties. The local penalty in respect of first to follow up rates has been suspended for quarter 1, but if clinical discussions do not take place can be retrospectively enforced back to the first of April. The meetings have not yet been set up by Commissioners.

- Remedial Action Plans (Constitutional Standards) remain for those areas not covered by the STF which, if not resolved, could have financial consequences.

- Activity information is not available at month end in respect of excess bed days, maternity, non-PbR so month 1 delivery has been assumed to be indicative of month 2 activity. In respect of BADS/BADS+ and readmission plan has been assumed.

6.2 A more considered assessment of the financial value of risks will be provided on a monthly basis from month 4, together with a statement on management and financial mitigation.

7. Balance Sheet

7.1. The Statement of Financial Position is provided in Appendix 3.

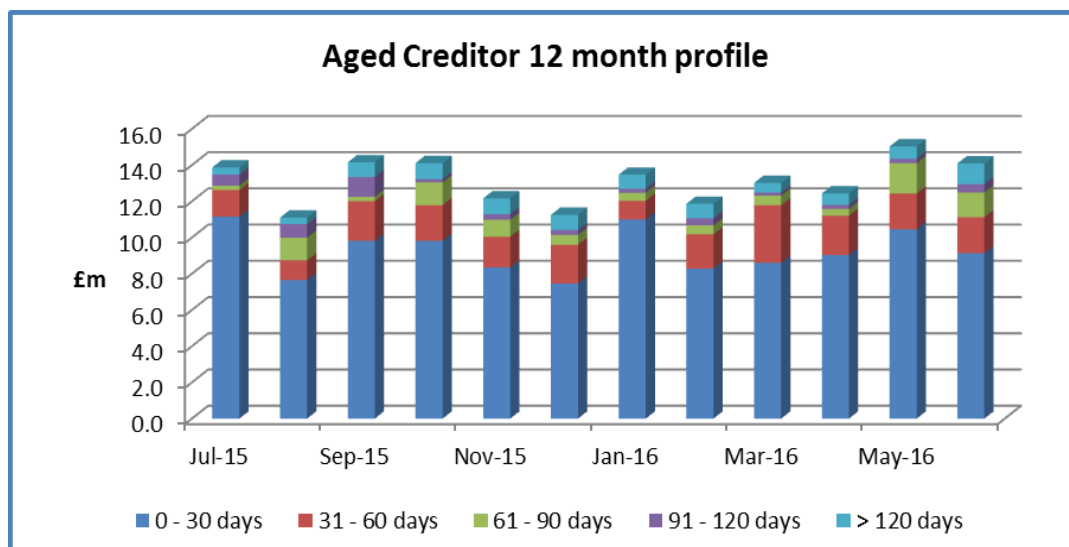
7.2. Creditors

As well as the key financial duties, a subsidiary duty is to ensure supplier invoices are paid within 30 days – the Better Payment Practice Code (BPPC).

The year to date and June 2016 performance are shown in the following table:

2016/ 17 Year to date	NHS		Non-NHS	
	By volume Number	By Value £000s	By volume Number	By Value £000s
Total bills paid in the year	525	8,833	32,357	42,969
Total bills paid within target	415	5,849	28,380	37,333
% of bills paid within target YTD	79.05%	66.22%	87.71%	86.88%
% of bills paid within May 2016	68.12%	52.67%	85.37%	86.71%

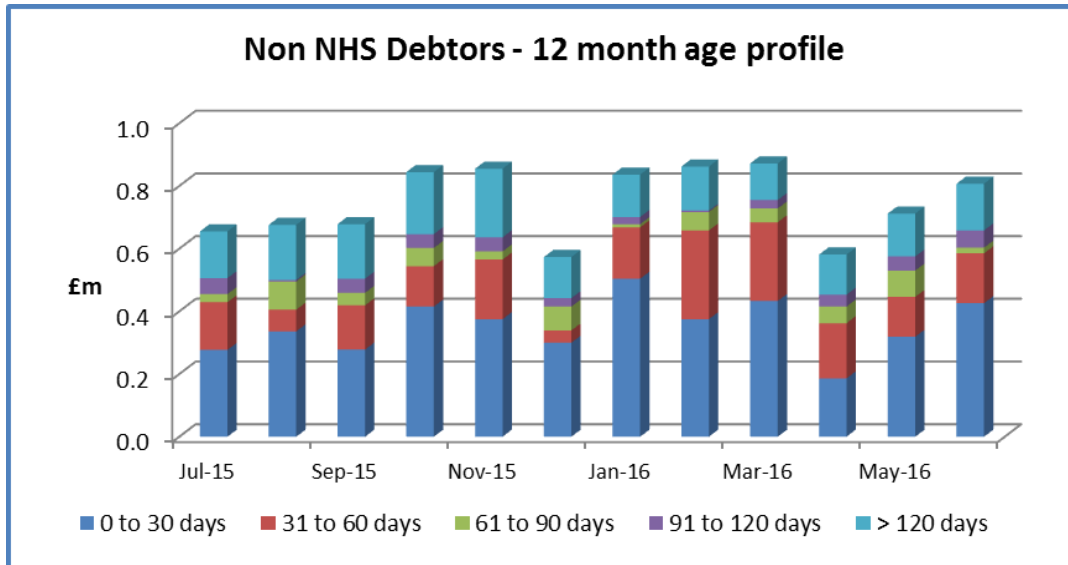
7.3. The aged creditor profile for the last 12 months is shown in the following table.



7.4. Creditors exceeding 90 days were £1.6m, of this £1.3m relates to just five suppliers; in each case the Trust is disputing the charge and / or credits are awaited.

7.5. Debtors

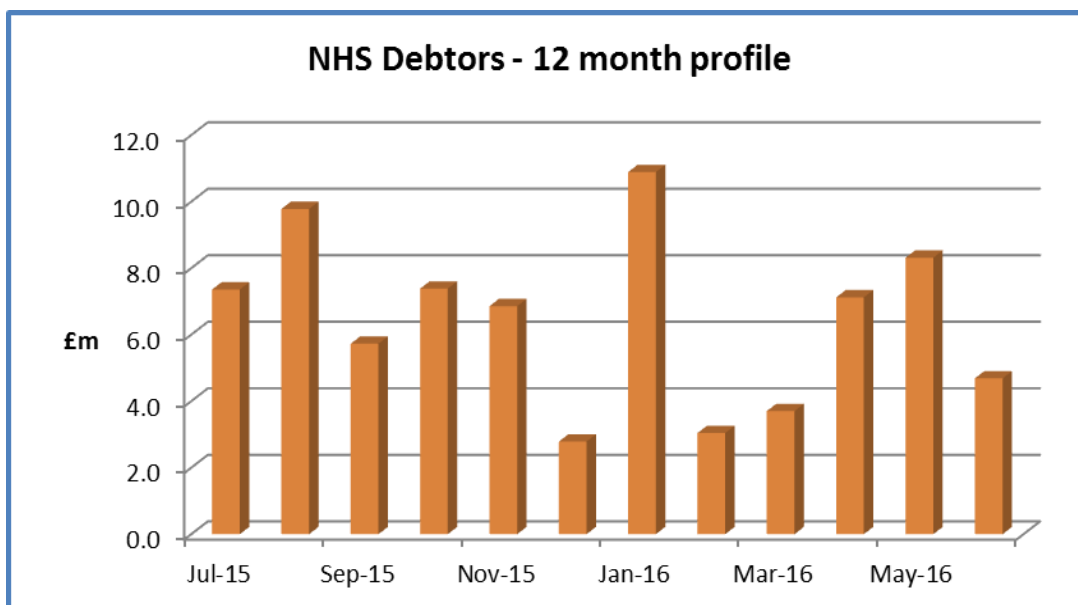
The level on Non-NHS debt has fluctuated across the year as shown in the following table.



7.6. The overall level of non-NHS debt at Month 3 was £0.8m; of this, excluding those on instalment plans or referred to the Trust debt collection agency, £0.1m is aged over 90 days.

7.7. The Trust reviews the aged debt each month and makes provision against invoiced debt which may not be recoverable. In addition a quarterly exercise is carried out to write off debt considered irrecoverable.

7.8. The level of NHS debt over the last 12 months is shown in the table below.



7.9. NHS Debt invoiced at the end of Month 3 is £4.7m. This is split between CCGs, Trusts and other customers as shown below.

	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	120 + days	Grand Total
CCGs - Lincolnshire	1,206	(19)	317	28	62	1,594
CCGs - Other	361	165	74	66	181	847
Trusts - Lincolnshire	281	106	61	59	252	759
Trusts - Other	182	241	96	44	170	733
Other NHS	472	642	123	90	(575)	752
Total	2,502	1,135	671	287	90	4,685

7.10. Of the debt 53% relates to invoices raised in June which are not yet due.

8. Cash Flow Forecast

8.1. The detail of the Trust's cash flow position is captured within a separate 'Cash Report', to be discussed as a separate agenda item. The Trust ended June 2016 with a balance of £5.1m after drawing down £5.6m in month against the revolving working capital facility.

8.2. The Trust has drawn £36.0m against the current RWCF limit of £52.0m.

9. Capital

9.1. Appendix 4 presents the 2016/17 approved capital programme with the spend incurred in month 3 by scheme.

9.2. The month 1 and 2 capital forecasts reported to the Board were in line with the assumed capital resources in the annual planning submission for 2016/17 of £19,551k. The capital plan had built in enough flexibility to manage the risk in respect timing of the sale of Welland and the consequences of the estate revaluation post submission of the annual plan. Due to clarification of these two issues the month 3 capital forecast has been revised down by £2,897k to mitigate their impacts.

9.3. Key deliverables are; the Backlog Maintenance and site upgrade programme of £6.1m, Medical Devices replacement £5.1m, investments in IT developments of £3.6m, the final year of the 3 year Linac replacement programme of £2.1m, with the balance attributable to minor works and service developments.

9.4. The Capital group is working to ensure delivery of the Capital programme. The spend to date of £1.5m is £3.6m behind the FIMs (original) plan as at June 2016.

9.5. The underspent is due to the planned delay of Neonates and Specialist Rehab whilst quotes are tested for value for money against the market place, both will deliver in this financial year, and slippage on a number of IT schemes in quarter 1 that will be brought back on plan in quarter 2.

10. Capital Resource and External Financing Limits

10.1. The Trust has received initial notification of the Capital Resource (CRL) and External Financing Limits (EFL) for 2016/17 through the Financial Monitoring Returns to NHSI. At this stage however the limits exclude the external financing anticipated within the financial plan.

10.2. The following two tables set out the current CRL and EFL along with anticipated future adjustments.

Performance against Capital Resource Limit (CRL) Target	Forecast £000s	External Financing Limit Target (EFL)	Forecast £000s
Initial CRL - notified M2	12,751	Initial EFL - notified M2	6
Future anticipated adjustments		Future anticipated adjustments	
Prior year capital cash underspends b'f	(200)	Prior year capital cash underspends b'f	(200)
PDC Capital Cash re 15/16 Cap to Rev Tfr	5,000	PDC Capital Cash re 15/16 Cap to Rev Tfr	5,000
		Interim revenue support loan	47,900
		Net increase in RWCF	1,451
		Salix Loan repayment	(119)
Anticipated CRL	17,551	Anticipated EFL	54,038
Forecast Capital expenditure	16,775		
Less Capital funded via Charitable Donations	(120)		
Less Net book value of disposed assets	(1)		
Charge against CRL	16,654		
Over / (Under) shoot against CRL target	(897)		

10.3. A revised estimate of depreciation charges has been undertaken in June. This has resulted in a reduction of £0.9m and is reflected within the forecast revenue position. An additional impact however is that the Trust has a reduced 'capital cash' resource available to finance the capital programme. An underspend of £0.9m is therefore anticipated.

10.4. In order to achieve the EFL target the Trust must ensure a cash balance of no less than £1.179m is held at 31 March 2017.

11. Conclusions

11.1. The Trust is currently forecasting to deliver its control deficit of £47.9m.

11.2. The key risks are in achieving the efficiency programme and the contracted activity plan for the year together with delivery of the expenditure budgets to achieve the activity.

12. Recommendations

- 12.1. To note the Month 3 financial performance, particularly the impact of the performance indicators on the STF.
- 12.2. To note the performance against the key financial duties.
- 12.3. To discuss the key risks in section 6 and agree what further action is required to mitigate the risks.

John Barber
Interim Director of Finance

Appendix 1

Income and Expenditure performance

Financial Performance - June 2016

Trading Position

Three months ending 30 June 2016

2015-16 Year end		2016-17 Annual FIMS Plan	2016-17 Annual Internal Plan	Year to Date		
				Internal Plan	Actual	Surplus/ (Deficit)
£k		£k	£k	£k	£k	
	Income					
386,840	Revenue from Patient Care Activities	410,259	384,250	95,453	95,094	(359)
36,450	Other Operating Revenue	40,358	64,206	16,052	15,658	(394)
138	Receipt of govt granted /donated	120	120	30	14	(16)
423,428	Total Income	450,737	448,576	111,535	110,765	(769)
	Expenditure					
(305,876)	Pay	(312,134)	(313,516)	(78,951)	(78,996)	(45)
(157,204)	Non Pay	(168,112)	(165,762)	(41,017)	(40,122)	895
(463,080)	Total Expenditure	(480,246)	(479,278)	(119,968)	(119,118)	850
	Earnings before					
(39,652)	interest,tax,depreciation and	(29,509)	(30,702)	(8,433)	(8,353)	80
(50)	Profit/Loss(-) on disposals	0	0	0	15	15
(11,448)	Depreciation	(12,870)	(12,034)	(3,008)	(2,824)	184
(8,557)	Impairment	0	0	0	0	0
(5,258)	PDC Dividend	(4,266)	(3,681)	(920)	(916)	4
70	Interest Receivable	42	42	9	17	8
(905)	Other interest payable	(1,627)	(1,858)	(416)	(417)	(1)
(65,800)	Surplus / (Deficit) for period	(48,230)	(48,233)	(12,769)	(12,478)	291
(15.5)%	Net Margin	(10.7)%	(10.8)%	(11.4)%	(11.3)%	0.2%
	Surplus / (Deficit) adjusted for					
	impairment & impact of donated /					
	govt granted assets	(47,900)	(47,903)	(12,687)	(12,393)	294

Appendix 2 Income and Activity

Contract and non-contract income from activity

Appendix 2

By Point of Delivery

	YTD £000s Plan	YTD £000s Actual	YTD £000s Var	YTD £ % Var	YTD Activity Plan	YTD Activity Actual	YTD Activity Var	YTD Activity % Var
Accident & Emergency	4,662.8	4,887.6	224.9	5%	38,832.1	40,314.0	1,481.9	4%
Daycases	8,801.4	8,261.7	- 539.7	-6%	15,916.0	15,698.0	- 218.0	-1%
Elective Spells	7,475.9	6,522.0	- 954.0	-13%	3,173.5	2,745.0	- 428.5	-14%
Non Elective Spells	28,963.5	28,870.0	- 93.5	0%	18,783.8	18,450.0	- 333.8	-2%
Elective Excess Bed Days	188.4	114.4	- 74.0	-39%				
Non Elective Excess Bed Days	1,818.1	1,486.9	- 331.2	-18%				
Outpatient Firsts	8,120.0	8,254.0	134.0	2%	56,794.1	57,296.8	502.7	1%
Outpatient Follow Ups	9,690.1	10,282.2	592.1	6%	106,661.5	111,365.5	4,704.0	4%
Outpatient Non Face to Face	111.5	108.1	- 3.4	-3%	6,018.5	5,213.0	- 805.5	-13%
Outpatient Virtual	0.0	-	- 0.0	-	0.0	-	0.0	-100%
Critical Care	3,587.8	3,590.2	2.4	0%	4,352.3	4,340.8	- 11.4	0%
Maternity	2,664.6	2,409.8	- 254.8	-10%	3,317.9	2,802.4	- 515.5	-16%
Non PbR	10,347.0	10,992.9	645.9	6%				
Passthrough	8,477.1	8,701.9	224.8	3%				
Penalty: 1st:FUP	-	65.4	- 65.4					
Penalty: BADS/BADS+ Penalty	-	10.7	- 10.7	0%				
30 day Readmissions	-	806.7	- 806.7	0%				
MRET	-	652.1	- 734.6	82.4	13%			
CQUIN	2,030.5	1,841.0	- 189.5	-9%				
Systems Resilience	-	-	-					
Additional Items	-	0.0	- 0.0	0%				
MRET Reinvestment	49.0	49.0	-	0%				
National Fines	-	-	66.6	66.6				
Contingency	-	340.3	340.3					
	<u>95,452.7</u>	<u>95,093.5</u>	<u>- 359.2</u>					0%

Penalties

	£000s
National	
Cancer	- 47.8
Infection Control	-
Mixed Sex	- 0.8
Cancelled operations	- 18.0
Duty of Candour	-
Never events	-
Publish formulary	-
VTE	-
Valid NHS number	-
Valid NHS number	-
Information Breach	-
Information DQIP agreement	-
RAP agreement	-
RAP breach	-
	<u>- 66.6</u>
Local	
Penalty: 1st:FUP	-
Penalty: BADS/BADS+ Penalty	- 10.7
	<u>- 10.7</u>
Total Penalties	<u>- 77.3</u>

Appendix 2a – Inpatients

Year to Date Headlines by POD

Surgical Specialties: General, Breast, Colorectal, Hepatobiliary & Pancreatic, Vascular, Neurosurgery, Plastics, Cardiothoracic, Paediatric Surgery and Anaesthetics

Medical Specialties: A&E inpatients, General Medicine, Gastroenterology, Endocrinology, Diabetic Medicine, Cardiology (including paed), TIA, Respiratory, Geriatrics

Paediatric Specialties: All paediatric specialties including Acute Paediatrics, Community Paediatrics, Well Babies and Neonatology

Women Specialties: Gynaecology, Obstetrics, Midwifery

PODGrpCode	Summary POD	Speciality Group	Activity			£000s		
			Plan	Actual	Var	Plan	Actual	£000 V
Inpatient Spells	DC Spells	Clinical Haematology	1,351.2	1,845.0	493.8	348.1	437.2	89.1
Inpatient Spells	DC Spells	Critical Care Medicine	0.7	9.0	8.3	0.5	6.1	5.6
Inpatient Spells	DC Spells	Dermatology	338.6	409.0	70.4	222.9	267.4	44.5
Inpatient Spells	DC Spells	ENT	378.8	321.0	(57.8)	379.9	297.2	(82.7)
Inpatient Spells	DC Spells	Interventional Radiology & Diagnostics	130.0	154.0	24.0	142.4	184.4	42.0
Inpatient Spells	DC Spells	Medical Specialties	2,947.5	2,563.0	(384.5)	1,515.0	1,303.2	(211.8)
Inpatient Spells	DC Spells	Nephrology	84.8	48.0	(36.8)	33.1	15.0	(18.1)
Inpatient Spells	DC Spells	Neurology	193.0	193.0	0.0	77.0	78.6	1.6
Inpatient Spells	DC Spells	Oncology	2,741.7	2,722.0	(19.7)	383.2	345.1	(38.1)
Inpatient Spells	DC Spells	Ophthalmology	1,485.5	1,417.0	(68.5)	1,095.1	1,041.4	(53.7)
Inpatient Spells	DC Spells	Oral, Orthodontics, Max Facs specialties	666.7	623.0	(43.7)	374.4	362.9	(11.5)
Inpatient Spells	DC Spells	Paediatric Specialties	23.7	34.0	10.3	18.0	28.4	10.4
Inpatient Spells	DC Spells	Pain Management	925.4	842.0	(83.4)	536.6	495.8	(40.8)
Inpatient Spells	DC Spells	Rheumatology	502.8	446.0	(56.8)	238.6	209.0	(29.6)
Inpatient Spells	DC Spells	Surgical Specialties	1,966.8	2,094.0	127.2	1,289.3	1,350.2	60.9
Inpatient Spells	DC Spells	Trauma & Orthopaedics	872.4	773.0	(99.4)	1,383.1	1,170.8	(212.3)
Inpatient Spells	DC Spells	Urology	752.7	658.0	(94.7)	403.9	329.1	(74.8)
Inpatient Spells	DC Spells	Women Specialties	553.8	547.0	(6.8)	360.3	339.8	(20.5)
	DC Spells Total		15,916.0	15,698.0	(218.0)	8,801.4	8,261.7	(539.7)
Inpatient Spells	EL Spells	Clinical Haematology	79.6	77.0	(2.6)	68.9	79.4	10.5
Inpatient Spells	EL Spells	Critical Care Medicine	2.3	3.0	0.7	11.6	14.8	3.1
Inpatient Spells	EL Spells	Dermatology	14.5	26.0	11.5	14.9	27.2	12.2
Inpatient Spells	EL Spells	ENT	223.1	182.0	(41.1)	318.8	240.0	(78.9)
Inpatient Spells	EL Spells	Interventional Radiology & Diagnostics	64.7	68.0	3.3	122.2	100.7	(21.5)
Inpatient Spells	EL Spells	Medical Specialties	494.0	335.0	(159.0)	567.8	401.3	(166.5)
Inpatient Spells	EL Spells	Nephrology	2.6	3.0	0.4	0.7	0.8	0.0
Inpatient Spells	EL Spells	Neurology	5.1	2.0	(3.1)	2.1	0.7	(1.4)
Inpatient Spells	EL Spells	Oncology	99.7	105.0	5.3	110.5	145.6	35.1
Inpatient Spells	EL Spells	Ophthalmology	31.6	18.0	(13.6)	29.3	17.1	(12.2)
Inpatient Spells	EL Spells	Oral, Orthodontics, Max Facs specialties	76.6	66.0	(10.6)	106.8	88.4	(18.4)
Inpatient Spells	EL Spells	Paediatric Specialties	23.5	18.0	(5.5)	29.0	17.5	(11.5)
Inpatient Spells	EL Spells	Pain Management	11.2	5.0	(6.2)	6.6	2.8	(3.8)
Inpatient Spells	EL Spells	Rehabilitation	3.3	6.0	2.7	5.5	13.8	8.3
Inpatient Spells	EL Spells	Rheumatology	9.7	7.0	(2.7)	4.8	3.2	(1.6)
Inpatient Spells	EL Spells	Surgical Specialties	579.8	529.0	(50.8)	1,464.5	1,326.7	(137.8)
Inpatient Spells	EL Spells	Trauma & Orthopaedics	759.7	645.0	(114.7)	3,470.8	2,990.9	(479.9)
Inpatient Spells	EL Spells	Urology	378.3	373.0	(5.3)	595.9	584.7	(11.2)
Inpatient Spells	EL Spells	Women Specialties	314.0	277.0	(37.0)	544.9	466.4	(78.5)
	EL Spells Total		3,173.5	2,745.0	(428.5)	7,475.9	6,522.0	(954.0)
Inpatient Spells	NEL Spells	Clinical Haematology	114.0	71.0	(43.0)	300.2	179.3	(120.8)
Inpatient Spells	NEL Spells	Critical Care Medicine	44.8	47.0	2.2	88.1	97.1	9.1
Inpatient Spells	NEL Spells	ENT	193.7	208.0	14.3	242.7	245.5	2.8
Inpatient Spells	NEL Spells	Interventional Radiology & Diagnostics	0.5	0.0	(0.5)	0.9	0.0	(0.9)
Inpatient Spells	NEL Spells	Medical Specialties	8,698.0	8,639.0	(59.0)	15,609.3	15,862.0	252.7
Inpatient Spells	NEL Spells	Nephrology	20.8	35.0	14.2	56.7	103.5	46.8
Inpatient Spells	NEL Spells	Neurology	(0.0)	0.0	0.0	(0.0)	0.0	0.0
Inpatient Spells	NEL Spells	Oncology	185.7	225.0	39.3	383.6	461.3	77.7
Inpatient Spells	NEL Spells	Ophthalmology	20.1	22.0	1.9	33.2	32.8	(0.4)
Inpatient Spells	NEL Spells	Oral, Orthodontics, Max Facs specialties	52.6	49.0	(3.6)	84.6	78.4	(6.2)
Inpatient Spells	NEL Spells	Paediatric Specialties	2,826.5	2,866.0	39.5	1,191.6	1,546.9	355.4
Inpatient Spells	NEL Spells	Rehabilitation	1.9	2.0	0.1	1.7	8.4	6.7
Inpatient Spells	NEL Spells	Surgical Specialties	2,235.0	2,006.0	(229.0)	3,885.3	3,643.7	(241.7)
Inpatient Spells	NEL Spells	Trauma & Orthopaedics	1,191.5	1,064.0	(127.5)	3,486.0	3,226.2	(259.7)
Inpatient Spells	NEL Spells	Urology	314.9	262.0	(52.9)	391.3	345.6	(45.7)
Inpatient Spells	NEL Spells	Women Specialties	2,883.7	2,954.0	70.3	3,208.5	3,039.2	(169.3)
	NEL Spells Total		18,783.8	18,450.0	(333.8)	28,963.5	28,870.0	(93.5)

Appendix 2b – Outpatients

Year to Date Headlines by POD

Surgical Specialties: General, Breast, Colorectal, Hepatobiliary & Pancreatic, Vascular, Neurosurgery, Plastics, Cardiothoracic, Paediatric Surgery and Anaesthetics

Medical Specialties: A&E inpatients, General Medicine, Gastroenterology, Endocrinology, Diabetic Medicine, Cardiology (including paed), TIA, Respiratory, Geriatrics

Paediatric Specialties: All paediatric specialities including Acute Paediatrics, Community Paediatrics, Well Babies and Neonatology

Women Specialties: Gynaecology, Obstetrics, Midwifery

Tolerance	Green	Amber	Red
Income	0 & >0	<0 to - 5k	<- - 5k

Analysis of Var by site £000

PODGrpCode	Summary POD	Speciality Group	Activity			£000s			Analysis of Var by site £000				
			Plan	Actual	Var	Plan	Actual	£000 V	GK	LC	PH	CL	Other
Outpatients	OP 1st	Clinical Haematology	497.4	498.4	1.0	132.9	136.3	3.5	(3.2)	3.8	2.8	0.0	0.0
Outpatients	OP 1st	Clinical Neurophysiology	1,056.2	1,063.6	7.4	203.1	204.3	1.1	0.0	1.1	0.0	0.0	0.0
Outpatients	OP 1st	Dermatology	2,444.2	2,634.7	190.5	278.9	309.9	30.9	(8.6)	17.9	19.5	(2.6)	4.8
Outpatients	OP 1st	ENT	3,796.7	3,702.8	(93.8)	410.4	397.5	(13.0)	(4.6)	18.7	(22.2)	0.0	(4.8)
Outpatients	OP 1st	Interventional Radiology & Diagnostics	101.4	3.0	(98.4)	0.0	0.9	0.9	0.0	0.9	0.0	0.0	0.0
Outpatients	OP 1st	Medical Specialties	12,960.9	12,318.7	(642.1)	2,000.1	1,889.9	(110.2)	(1.6)	(124.5)	29.3	(12.0)	(1.4)
Outpatients	OP 1st	Nephrology	207.5	183.7	(23.8)	56.6	50.1	(6.5)	(1.7)	(7.2)	2.4	0.0	(0.0)
Outpatients	OP 1st	Neurology	710.5	744.7	34.1	152.3	164.2	11.9	1.0	14.7	(6.6)	0.0	2.8
Outpatients	OP 1st	Oncology	679.4	785.1	105.7	136.4	159.2	22.8	0.0	20.0	2.8	0.0	0.0
Outpatients	OP 1st	Ophthalmology	6,174.7	6,483.1	308.4	677.7	706.7	29.1	3.0	24.2	6.4	12.7	(17.3)
Outpatients	OP 1st	Oral, Orthodontics, Max Facs specialities	2,167.4	2,128.8	(38.6)	253.2	249.7	(3.5)	0.6	3.1	(4.0)	(3.4)	0.2
Outpatients	OP 1st	Paediatric Specialties	2,035.1	2,994.2	959.0	413.9	594.0	180.1	15.5	64.6	100.5	0.0	(0.5)
Outpatients	OP 1st	Pain Management	1,255.7	979.4	(276.3)	197.1	154.3	(42.7)	3.8	(2.5)	(39.5)	(0.0)	(4.5)
Outpatients	OP 1st	Rehabilitation	107.4	38.9	(68.5)	16.3	5.9	(10.4)	(1.4)	(7.0)	(1.9)	(0.1)	(0.0)
Outpatients	OP 1st	Rheumatology	588.9	724.5	135.6	134.4	165.3	31.0	(4.9)	28.5	8.5	0.0	(1.2)
Outpatients	OP 1st	Surgical Specialties	4,879.3	6,330.5	1,451.2	863.3	983.3	120.0	55.2	36.1	44.4	(7.8)	(7.9)
Outpatients	OP 1st	Trauma & Orthopaedics	7,641.1	6,913.1	(727.9)	999.5	905.0	(94.5)	(16.1)	(39.1)	(12.4)	(12.1)	(14.8)
Outpatients	OP 1st	Urology	2,392.5	2,554.4	161.9	523.9	553.9	30.0	11.6	(11.0)	25.6	3.2	0.5
Outpatients	OP 1st	Women Specialities	7,098.0	6,215.3	(882.7)	670.0	623.5	(46.5)	5.9	(2.1)	(46.3)	1.5	(5.4)
OP 1st Total			56,794.1	57,296.8	502.7	8,120.0	8,254.0	134.0	54.7	40.3	109.0	(20.5)	(49.4)
Outpatients	OP FUP	Clinical Haematology	3,455.6	4,068.2	612.7	395.6	471.5	75.9	10.3	25.9	39.7	0.0	(0.0)
Outpatients	OP FUP	Critical Care Medicine	2.1	5.2	3.1	0.4	1.1	0.6	0.0	0.6	0.0	0.0	0.0
Outpatients	OP FUP	Dermatology	5,279.6	7,222.3	1,942.7	394.1	601.6	207.5	35.0	152.8	13.4	2.4	3.9
Outpatients	OP FUP	ENT	4,709.0	4,545.7	(163.2)	395.5	381.8	(13.8)	8.4	5.9	(17.4)	0.0	(10.7)
Outpatients	OP FUP	Interventional Radiology & Diagnostics	16.3	0.0	(16.3)	1.9	0.0	(1.9)	0.0	(1.9)	0.0	0.0	0.0
Outpatients	OP FUP	Medical Specialties	14,157.3	15,407.8	1,250.5	1,676.4	1,805.9	129.5	21.6	36.2	72.8	(8.4)	7.3
Outpatients	OP FUP	Nephrology	1,158.9	1,254.5	95.6	159.2	165.6	6.4	1.9	6.4	(2.0)	0.0	(0.0)
Outpatients	OP FUP	Neurology	1,301.8	1,652.0	350.2	151.4	205.5	54.1	9.8	48.8	(5.0)	0.0	0.5
Outpatients	OP FUP	Nuclear Medicine	187.2	125.5	(61.7)	23.4	15.7	(7.7)	0.0	(1.4)	(6.3)	0.0	(0.0)
Outpatients	OP FUP	Oncology	7,209.3	7,407.8	198.4	632.8	650.7	17.9	8.0	8.8	1.1	0.0	0.0
Outpatients	OP FUP	Ophthalmology	15,633.3	17,041.6	1,408.3	1,202.0	1,385.3	183.3	8.8	63.6	105.4	(6.1)	11.5
Outpatients	OP FUP	Oral, Orthodontics, Max Facs specialities	5,631.0	5,241.4	(389.7)	549.6	516.8	(32.8)	1.9	7.1	(28.3)	(9.0)	(4.6)
Outpatients	OP FUP	Paediatric Specialties	4,196.0	4,851.9	655.8	577.4	664.2	86.9	38.9	33.2	16.7	0.0	(1.9)
Outpatients	OP FUP	Pain Management	2,660.8	3,205.0	544.1	339.8	413.0	73.2	(3.7)	18.4	(7.9)	57.0	9.5
Outpatients	OP FUP	Rehabilitation	371.0	199.2	(171.8)	64.4	34.6	(29.8)	4.9	(34.4)	(0.5)	0.1	(0.0)
Outpatients	OP FUP	Rheumatology	2,744.3	3,095.2	350.8	256.3	294.7	38.4	(7.1)	17.3	18.0	0.0	10.2
Outpatients	OP FUP	Surgical Specialties	11,284.6	10,103.1	(1,181.5)	851.8	813.3	(38.5)	5.2	(22.1)	2.0	(11.2)	(12.3)
Outpatients	OP FUP	Trauma & Orthopaedics	11,451.6	11,465.8	14.1	894.2	895.5	1.3	(7.9)	17.1	8.7	(13.4)	(3.2)
Outpatients	OP FUP	Urology	4,512.3	4,354.4	(157.9)	700.6	658.6	(42.0)	(10.8)	9.2	(25.6)	(10.0)	(4.8)
Outpatients	OP FUP	Women Specialities	10,699.3	10,119.0	(580.4)	357.8	306.9	(50.9)	(1.4)	(21.7)	(13.4)	(2.5)	(11.9)
OP FUP Total			106,661.5	111,365.5	4,704.0	9,624.6	10,282.2	657.5	123.7	370.2	171.4	(1.3)	(6.5)

Appendix 3

Financial Performance - Jun 2016										
Statement of Financial Position										
	March 2016		Jun 2016			March 2017 Forecast				
	Financial Plan submission April 16	Final Accounts	Plan	Actual	Variance	Plan	Plan Movement	Actual	Variance to Plan	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
NON-CURRENT ASSETS:										
Property, Plant and Equipment	239,285	215,768	243,318	214,338	(28,980)	246,865	7,580	221,287	(25,578)	+
Intangible Assets	5,124	5,607	4,840	5,768	928	3,994	(1,130)	4,828	834	
Trade and Other Receivables	1,250	1,477	1,250	1,395	145	1,250	0	1,477	227	+
Total Non-Current Assets	245,659	222,852	249,408	221,500	(27,908)	252,109	6,450	227,592	(24,517)	+
CURRENT ASSETS:										
Inventories	7,738	7,130	7,738	7,115	(623)	7,738	0	7,430	(308)	+
Trade and Other Receivables	21,914	21,127	27,877	26,631	(1,246)	21,849	(65)	20,719	(1,130)	+
Cash and cash equivalents	1,000	1,166	1,041	5,136	4,095	1,013	13	1,179	166	+
Subtotal	30,652	29,423	36,656	38,882	2,226	30,600	(52)	29,328	(1,272)	+
Non-Current Assets Held for Sale	0	1,075	0	1,075	1,075	0	0	1,075	1,075	+
Total Current Assets	30,652	30,498	36,656	39,957	3,301	30,600	(52)	30,403	(197)	+
Total Assets	276,311	253,350	286,064	261,457	(24,607)	282,709	6,398	257,995	(24,714)	+
CURRENT LIABILITIES:										
Trade & Other Payables	(43,099)	(42,020)	(44,733)	(44,786)	(53)	(43,007)	92	(41,198)	1,809	-
Other Liabilities	(503)	(503)	(503)	(503)	(0)	(503)	0	(503)	0	-
Provisions for Liabilities and Charges	(1,218)	(1,364)	(1,208)	(1,383)	(175)	(834)	384	(1,383)	(549)	-
Borrowings	(118)	(299)	(119)	(118)	1	(119)	(1)	(119)	0	-
Liabilities arising from PFIs / LIFT / Finance Leases	(182)	0	(137)	(137)	0	0	182	0	0	-
Total Current Liabilities	(45,120)	(44,186)	(46,700)	(46,928)	(228)	(44,463)	657	(43,203)	1,260	-
Net Current Assets /(Liabilities)	(14,468)	(13,688)	(10,044)	(6,971)	3,073	(13,863)	605	(12,800)	1,063	+/-
Total Assets less Current Liabilities	231,191	209,164	239,364	214,530	(24,834)	238,246	7,055	214,792	(23,454)	+/-
NON-CURRENT LIABILITIES										
Other Liabilities	(14,591)	(14,591)	(14,465)	(14,465)	(0)	(14,087)	504	(14,087)	0	-
Provisions for Liabilities and Charges	(2,485)	(2,484)	(2,588)	(2,812)	(224)	(2,398)	87	(2,615)	(217)	-
Borrowings	(178)	(178)	(177)	(178)	(1)	(58)	120	(58)	0	-
Working capital support facility	(18,382)	(18,382)	(35,432)	(36,023)	(591)	(19,833)	(1,451)	(19,833)	0	-
DH Revenue Support Loan	(35,618)	(35,618)	(35,618)	(35,618)	0	(83,518)	(47,900)	(83,518)	0	-
Total Non-Current Liabilities	(71,254)	(71,253)	(88,280)	(89,096)	(816)	(119,894)	(48,640)	(120,111)	(217)	-
Total Assets Employed	159,937	137,911	151,084	125,434	(25,650)	118,352	(41,585)	94,681	(23,671)	+
FINANCED BY: TAXPAYERS EQUITY										
Public dividend capital	251,746	251,746	254,016	251,746	(2,270)	256,746	5,000	256,746	0	+
Retained Earnings	(148,225)	(157,029)	(160,645)	(169,268)	(8,623)	(195,063)	(46,838)	(204,307)	(9,244)	+/-
Revaluation reserve	56,226	43,004	57,523	42,766	(14,757)	56,479	253	42,052	(14,427)	+
Other reserves	190	190	190	190	0	190	0	190	0	+/-
Total Taxpayers Equity	159,937	137,911	151,084	125,434	(25,650)	118,352	(41,585)	94,681	(23,671)	+

Appendix 4

Capital Spend by Scheme to date and forecast 2016/17					
Category	Scheme	Annual Plan £000s	Reported Position June 2016 £000s	Forecast Actual £000s	Forecast and phasing confirmed by
Medical Equipment	Anaesthetic machines Phase 1	429	0	429	Chris Hacking
Medical Equipment	Theatre endoscopic video systems - replace non HD systems	112	0	112	Chris Hacking
Medical Equipment	Theatre orthopaedic power tools delete	185	0	185	Chris Hacking
Medical Equipment	Theatre operating tables LCH and PHB	150	159	150	Chris Hacking
Medical Equipment	Theatre electrosurgical generators	100	0	100	Chris Hacking
Medical Equipment	Intensive Care ventilators	240	0	240	Chris Hacking
Medical Equipment	Coronary Care monitoring PHB	170	0	170	Chris Hacking
Medical Equipment	Diagnostic ECG machines	50	55	50	Chris Hacking
Medical Equipment	Manual defibrillators	0	155	0	Chris Hacking
Medical Equipment	Neonatal incubators	108	0	108	Chris Hacking
Medical Equipment	Antenatal fetal monitor	30	0	30	Chris Hacking
Medical Equipment	Intrapartum fetal monitor	26	0	26	Chris Hacking
Medical Equipment	Endoscopy Scopes + Stacks + electrosurgical generators	651	0	651	Chris Hacking
Medical Equipment	Nasendoscopes	11	0	11	Chris Hacking
Medical Equipment	Patient Trolleys	76	0	76	Chris Hacking
Medical Equipment	Brachytherapy replacement machine	204	0	204	L Vickers
Medical Equipment	Fibroscope - in Gastroenterology	90	0	90	L Vickers
Medical Equipment	Electronic maternity beds	12	0	12	Chris Hacking
Medical Equipment	MRI Pumps	30	0	30	A Brammer
Medical Equipment	General X-ray Rooms/ Mobile Eqt	1,440	0	0	John Barber
Medical Equipment	Image Intensifiers	240	204	240	A Brammer
Medical Equipment	Ultrasound	160	0	160	A Brammer
Medical Equipment	DEXA	100	0	100	A Brammer
Medical Equipment	Dental X-ray	120	0	120	A Brammer
Medical Equipment	Critical care vents	50	0	50	Chris Hacking
Medical Equipment	Lung Function	35	41	35	Chris Hacking
Medical Equipment	DR Mobiles	215	0	215	Chris Hacking
Medical Equipment	Video Bronchoscope	28	0	28	Chris Hacking
Medical Equipment	Hoist	0	6	6	Chris Hacking
Medical Equipment	Cardiac Ultrasound Paediatric Probes	0	10	0	Chris Hacking
Medical Equipment	Procedre Ultrasound EAU	0	26	0	Chris Hacking
Medical Equipment	Arthroscopy stack	0	30	0	Chris Hacking
Medical Equipment Subtotal		5,062	688	3,628	
IT development	E-Cobs	508	85	508	A Roebuck
IT development	Ormis theatre system renewal	559	245	559	B Shaw
IT development	Maternity IT system	830	0	830	S Bennion/ Paul Hinchliffe
IT development	Upgrade to Medway	100	0	100	M Humber
IT Development Subtotal		1,997	330	1,997	
IT Service Development & Modernisation	Datix - 3545 PC Laptop replacements	800	1	800	M Humber
IT Service Development & Modernisation	Upgrade to Lincoln Exchange EOL	300	36	300	M Humber
IT Service Development & Modernisation	SAN Storage system	50	0	50	M Humber
IT Service Development & Modernisation	Server Replacement	50	3	50	M Humber
IT Service Development & Modernisation	Datix 361 -Water Risk/Pilgrim Machine Room	200	0	200	M Humber
IT Service Development & Modernisation	SAN resilience linked to recent failure	200	0	200	M Humber
IT Service Development and Modernisation Subtotal		1,600	40	1,600	
Estates Backlog Maintenance	Aseptic Isolators	262	0	262	C Costello
Estates Backlog Maintenance	Specialised Rehabilitation	933	2	933	A Cooper
Estates Backlog Maintenance	Neonates	1,900	8	1,900	Chris Farrah
Estates Backlog Maintenance	Lincoln Backlog Maintenance	609	1	609	Chris Farrah
Estates Backlog Maintenance	Pilgrim Backlog Maintenance	609	0	609	Chris Farrah
Estates Backlog Maintenance	Grantham Backlog Maintenance	609	0	609	Chris Farrah
Estates Backlog Maintenance	Schemes in Development Backlog Maintenance	1,204	388	1,204	Chris Farrah
Backlog Maintenance Subtotal		6,126	399	6,126	
Service Development & Modernisation	Radiotherapy Linac phase 3	2,015	80	2,015	L Vickers
Service Development & Modernisation	JAG accreditation	500	0	500	N Woodcock
Service Development & Modernisation	Coding Move	30	7	30	S Craig
Service Development & Modernisation	Clinical Outcomes	53	2	53	S Evans
Service Development & Modernisation	Clinic 9	386	4	386	V Townshend
Service Development & Modernisation	Dimex Machines - PACS	41	0	41	K Turner
Service Development & Modernisation	Ophthalmology	14	0	14	P Hogg
Service Development & Modernisation Subtotal		3,039	92	3,039	
Contingency and Developments in progress	Contingency, Developments in progress and prior year adjustments	1,727	-7	264	John Barber
Contingency and Developments In Progress Subtotal		1,727	-7	264	
2016/17 Capital Programme - Total		19,551	1,542	16,654	