

United Lincolnshire Hospitals

NHS Trust

To:	Trust Board
From:	Jason Burn – Interim Director of Finance
Date:	1 March 2016
Subject:	2015/16 Financial Position to Month 10

1. Introduction

1.1. The purpose of this report is to provide the Finance, Performance and Investment Committee 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 10 results, key risks and the main financial statements.

2. Key Financial Duties

Financial Duty	Annual Plan £'Ms	YTD Plan £'Ms	YTD Actual £'Ms	Forecast Outturn £'Ms	RAG
Delivering the Planned Deficit	(40.3)	(34.1)	(55.1)	(55.3)	R
Achieving the EFL	65.2	-	-	62.7	G
Achieving the Capital Resource Limit	34.4	27.9	11.9	21.1	G

Key Issues

- The Trust will not deliver its' control deficit of £40.3m.
- As at Month 9, the Trust was forecasting a £57.8m deficit, but following discussions the Trust has now revised its forecast deficit at Month 10 to £55.3m.
- The deficit in cash terms is being managed through a term loan of £35.6m and by utilising the agreed Interim Working Capital Facility. The EFL restricts the total cash support which can be accessed.
- The TDA have confirmed capital to revenue transfers of £5.0m. The initial tranche of £4m was actioned in January with a further £1.0m in February. The quarter 4 profile of capital expenditure will require careful management.
- The main factors driving the deficit are the unfunded escalation beds, the premium cost of agency staff, slippage on the cost improvement programme and CCG fines and penalties.

- The Lincolnshire Recovery Board is taking action to reduce the deficit on a system wide basis.
- The main risks to the position are winter pressures and failure to deliver the Financial Recovery Programme.
- The Trust is not meeting the agency cap requirements.

3. Year to Date Financial Position and Month 10 Results

3.1. The Month 10 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.

	January 2016			April - January 2016			Forecast Outturn		
	Plan	Actual	Surplus (Deficit)	Plan	Actual	Surplus (Deficit)	Plan	Forecast	Surplus (Deficit)
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Income	35.3	34.6	(0.6)	347.2	345.1	(2.1)	416.2	425.1	8.9
Expenditure	(36.7)	(38.1)	(1.5)	(365.7)	(385.6)	(19.9)	(437.5)	(462.7)	(25.2)
EBITA	(1.4)	(3.5)	(2.1)	(18.5)	(40.5)	(22.0)	(21.3)	(37.6)	(16.3)
Net Interest	(0.0)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.1)	(0.6)	(0.5)
Depreciation	(1.0)	(1.0)	0.1	(9.9)	(9.5)	0.4	(12.1)	(11.6)	0.6
PDC Dividend Payable	(0.6)	(0.4)	0.2	(6.0)	(4.7)	1.2	(7.1)	(5.7)	1.5
Net Deficit	(3.1)	(5.0)	(1.9)	(34.4)	(55.0)	(20.6)	(40.6)	(55.4)	(14.8)
Net Margin %		(14.4)%			(15.9)%			(13.0)%	

3.2. The Trust is reporting:

- A deficit at the end of Month 10 (January 2016) of £55.0m, which is £20.6m adverse to the planned year to date deficit of £34.4m.
- The in-month position is a £5.0m deficit, £1.9m adverse to the plan.

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

- Opening of unfunded escalation beds above capacity assumptions.
- Premium costs of agency staff – nursing and locum medical staff above budgeted levels.
- Slippage on the CIP programme.
- CCG Fines & Penalties (plan assumed reinvestment).
- Loss of elective capacity due to winter pressures.

Income Summary

3.4. 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

	£000s						Activity					
	Full year		YTD		YTD Var	YTD % Var	Full year		YTD		YTD Var	YTD % Var
Plan	YTD	Plan	Actual	Plan			Plan	Actual	YTD	Actual		
AandE	17,423	14,567	14,955	388	2.7%	150,844	126,115	127,787	1,672	1.3%		
Inpatients	180,601	150,990	147,932	- 3,058	-2.0%	149,846	125,276	122,199	- 3,076	-2.5%		
Outpatients	67,793	56,675	58,712	2,037	3.6%	643,968	538,357	551,387	13,030	2.4%		
Passthrough	28,982	24,156	27,538	5,963								
Other	67,800	56,009	55,298	- 3,293	-5.9%							
Activity income before adjustments	362,598	302,397	304,435	2,038	0.7%	944,657	789,748	801,373	11,625	1.5%		
30 day readmissions	- 3,240	- 2,709	- 2,709	-								
MRET	- 2,664	- 2,228	- 1,980	248								
CQUIN	7,906	6,588	6,025	- 563								
Specialised Marginal Rate	- 254	- 212	- 406	194								
System Resilience Funding	4,547	2,849	2,849	-								
Fines & Penalties (inc local)	-	-	- 2,719	- 2,719								
MRET Reinvestment	462	333	333	-								
Other	175	146	- 313	- 459								
	369,530	307,165	305,516	- 1,649								

Note: Breakdown shown in Appendix 2

3.5. The key points to note are as follows:

- The year to date NHS patient care income was £1.6m below target. This is mainly as a result of the need to reduce elective activity over the winter period and as a result of reduced capacity due to norovirus.
- Activity over performance in A&E 2.7% and outpatients (follow-ups 8.3%).
- Under performance on inpatients (particularly elective spells -7.6%) and outpatient first attendances -2.1%.
- The Trust has been informed by Commissioners that the first £950k of fines will be retained as a pre-commitment, a position the Trust has disputed.

Fines and Penalties

3.6. Appendix 2 shows details of the £2.7m fines assumed in the year to date position.

MRET

3.7. Marginal Rate Emergency Threshold deductions of £2.0m have been incurred as a result of increased emergency admissions over the baseline threshold of which £333k has been reinvested by Specialised Commissioning.

CQUIN

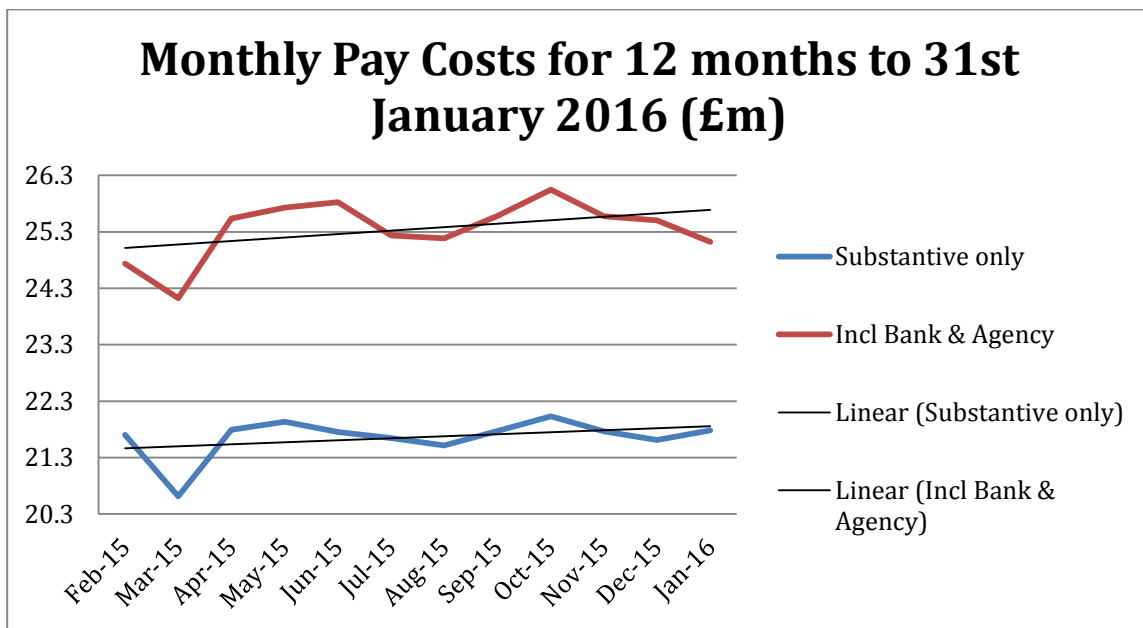
3.8. Quarter 2 has not yet been agreed with Commissioners however the Trust has assumed 90% achievement against schemes.

3.9. The Trust was actively progressing an in year contract settlement with CCGs to cover projected activity, CQUIN and all fines and penalties. Discussions were expected to agree a settlement to cover the income risk of £4.3m in relation to the FRP and provide certainty on the Trusts income for this year. However, a settlement has thus far not been agreed.

Pay Expenditure Summary

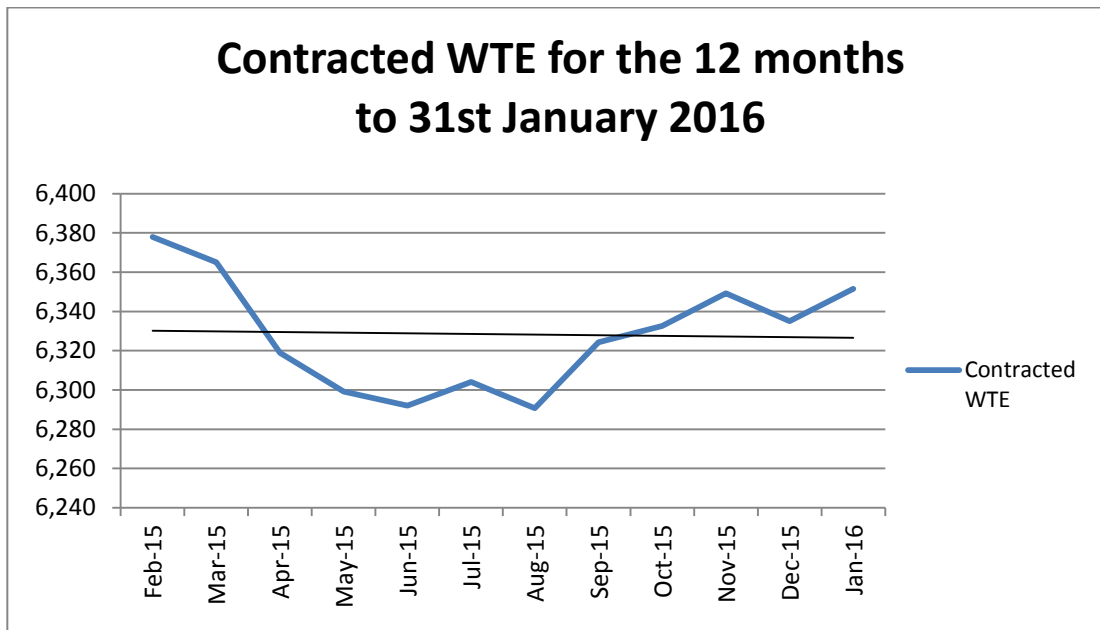
3.10. Main points to note are as follows:-

- Pay is £10.1m worse than plan.
- Nursing & Midwifery over spend of £5.6m, of which escalation beds is estimated to be £2.8m.
- Medical staffing over spend of £5.5m, this includes premium rate agency and extra duty expenditure of £19.0m.
- The improvement in Bank and Agency costs seen in January reflects the removal of £600k of prior month agency estimates rather than a reduction in expenditure in the current month.



- Overtime expenditure has been on a reducing trend since April, and has fallen below £260k in each of the last two months.

3.13. Contracted WTE numbers have reduced in total terms over the last twelve months, 6,378 in February 2015 compared to 6,351 in January 2016.



3.14. However, between April 2015 and January 2016, contracted WTE numbers have increased by 32: rising from 6,319 wte in April to 6,351 in January. Indeed, with the exception of December when numbers fell slightly, contracted WTE numbers have been increasing since August.

3.15. It is noted, though, that whilst contracted WTE numbers have increased by 32 between April 2015 and January 2016, much of this increase can be attributed to the growth in Non Clinical staffing. As the following table shows, whilst consultant staffing numbers and nurse staffing have both increased by 11, this has been offset by a loss of 22 within Medical Staffing numbers:

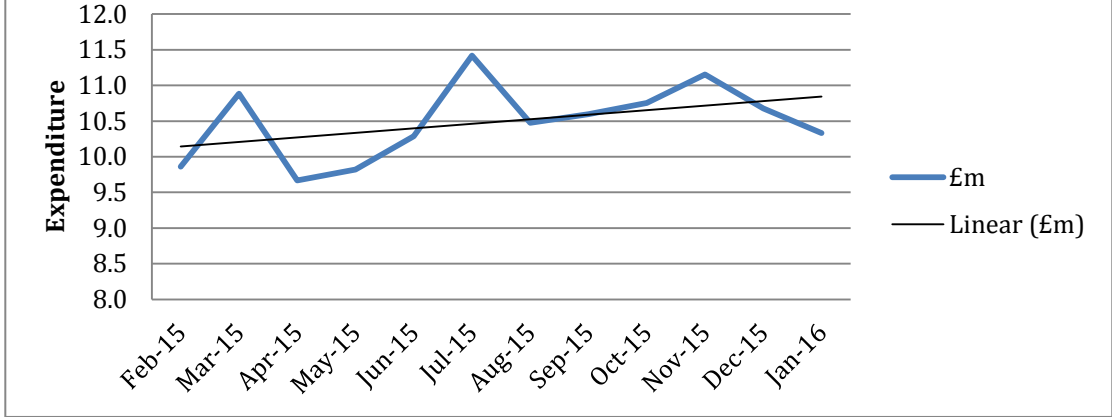
Category	Apr	Jul	Oct	Jan	Movement Apr - Jan
Consultants	301	310	309	312	11
Medical Staff	509	503	496	487	-22
Other Support Staff	756	761	753	755	-1
Scientific, Therapeutic & Technical	912	906	903	918	6
Non Clinical	1,082	1,087	1,106	1,110	28
Nurses & Midwives	2,758	2,739	2,765	2,770	11
Total	6,319	6,304	6,333	6,351	32

Non Pay Expenditure Summary

3.16. Main point to note is as follows:-

- Non Pay is £8.8m worse than plan, of which over performance on pass through expenditure equates to £2.8m.

Monthly Non Pay Costs excluding passthrough for 12 months to 31st January 2016 (£m)



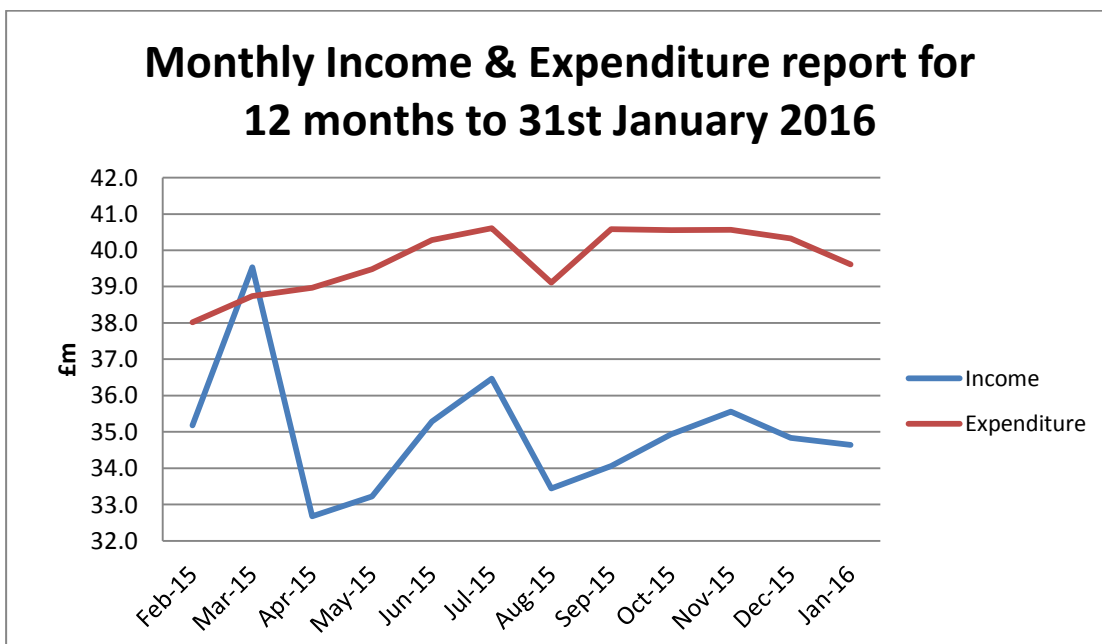
3.17.A more detailed financial analysis of Business Unit and Corporate performance is provided through the CEC financial report.

4. Forecast Income and Expenditure

4.1. Control totals have been agreed with each Business Unit and Corporate Directorate.

4.2. The Trust will be managed on the basis of the agreed control totals until the end of March, these will also form part of the integrated performance reviews.

Monthly Income & Expenditure report for 12 months to 31st January 2016



5. Risks

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

- Winter pressures resulting in premium costs and the loss of elective income
The Trust has formalised the requirements and is escalating this through the System Resilience Group (SRG). If funding is not agreed or planned capacity protected this will result in a deterioration of the forecast position.
- Liquidity
The Trust has cash support in the form of a loan for the stretch target of £35.6m deficit. The balance to the forecast deficit of £55.4m will be covered using the Interim Working Capital Facility. Any further deterioration in the forecast will directly impact upon the ability to pay suppliers within term.
- Unforeseen events
The Trust has no contingency or balance sheet flexibility for unforeseen financial pressures and as such any risks above the contingency will impact on the bottom line position. The Norovirus outbreak is an example.
- Delivery of the FRP
The forecast deficit of £59.3m assumed delivery of £8.4m which included £5.2m of additional income. The forecast has been revised to now only reflect delivery of £2.7m of additional income.
- CQUIN
90% achievement against all schemes is assumed but achievement levels have not yet been agreed for the first half of the year.
- Increased Fines and Penalties
Deterioration in performance will result in additional fines and penalties. The CCGs have also indicated an intention to impose Remedial Action Plan (RAP) fines and introduce ambulance handover penalties.

The Trust is assuming that where the RTT target is achieved overall the specialty level fine will not be implemented.
- A Contract Performance Notice (Neonatal) and Remedial Action Plans (Constitutional Standards) have been issued which, if not resolved, could have financial consequences.

6. Balance Sheet

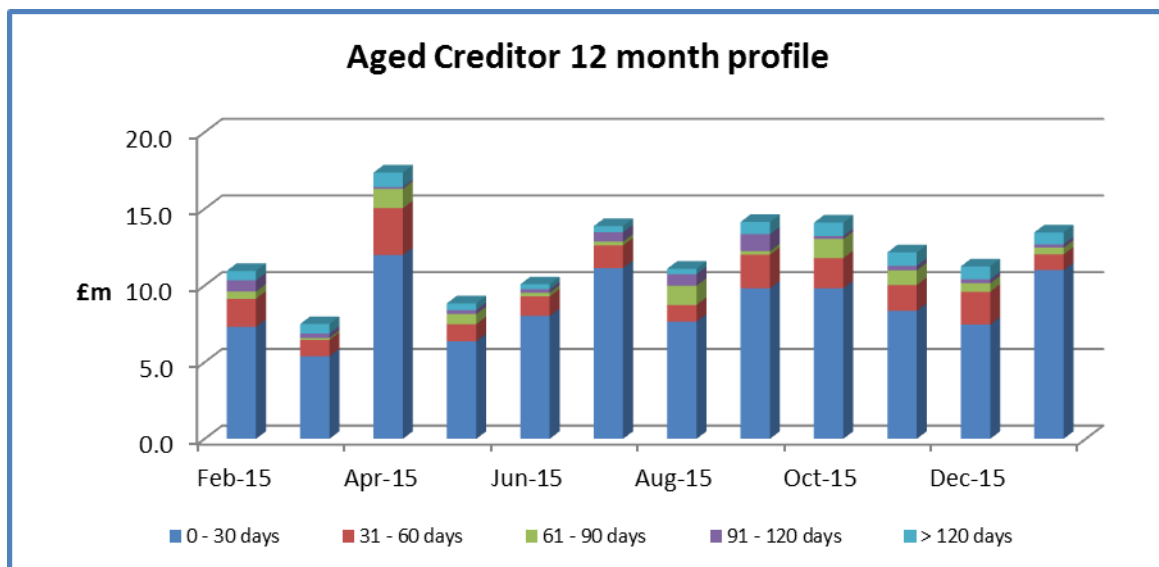
6.1. The Statement of Financial Position is provided in Appendix 4.

6.2. Creditors

As well as the key financial duties, a subsidiary duty is to ensure suppliers invoices are paid within 30 days – the Better Payment Practice Code (BPPC). The year to date performance is shown in the following table:

Better Payment Practice Code	By volume Number	By Value £000s
Current month year to date		
Total bills paid in the year	104,684	168,820
Total bills paid within target	88,099	137,981
% of bills paid within target	84%	82%

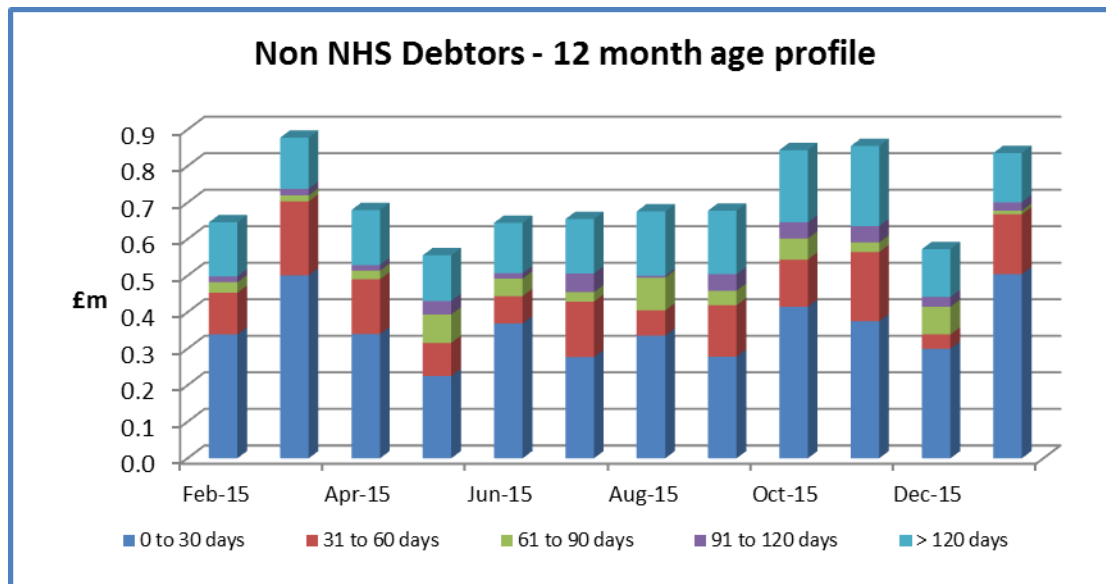
6.3. The aged creditor profile for the last 12 months is shown in the following table.



6.4. Creditors exceeding 90 days were £1.0m, of this £0.8m relates to just 5 suppliers. The majority of this is where payments are being held due to work not being completed or where there are legitimate queries on invoices or supply.

6.5. Debtors

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

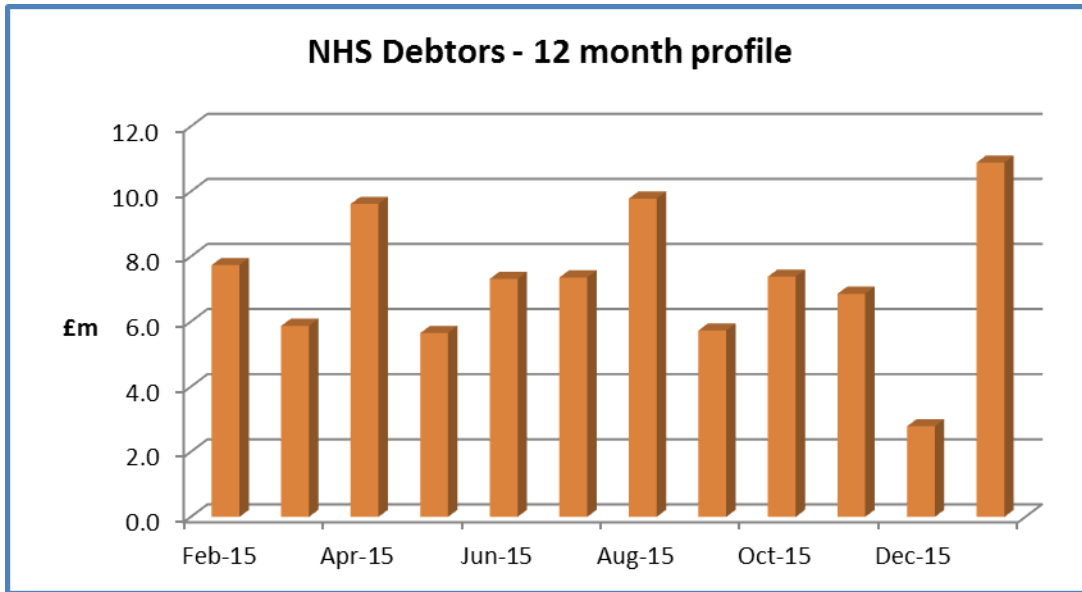


6.7. The overall level of non-NHS debt at Month 10 was £0.8m; of this, excluding those on instalment plans or referred to the Trust debt collection agency £0.08m is aged over 90 days.

6.8. The level of overseas visitors' debt is currently £25,000. A business case has been approved which will enable the Trust to employ a dedicated overseas visitor manager to oversee implementation, deliver training and co-ordinate links between patient facing clinical units, information and finance.

6.9. The Trust reviews the aged debt each month and makes provision against invoiced debt which may not be recoverable. The provision at month 10 was £0.19m. In addition a quarterly exercise is carried out to write off debt considered irrecoverable. Debts written off in the first two quarters amounted to £18.8k and had been provided for 100% in the Trust's bad debt provision and therefore when actioned have no additional adverse impact on the financial position.

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



6.11. NHS Debt invoiced at the end of Month 10 is £10.9m. This is split between CCGs, Trusts and other customers as shown below.

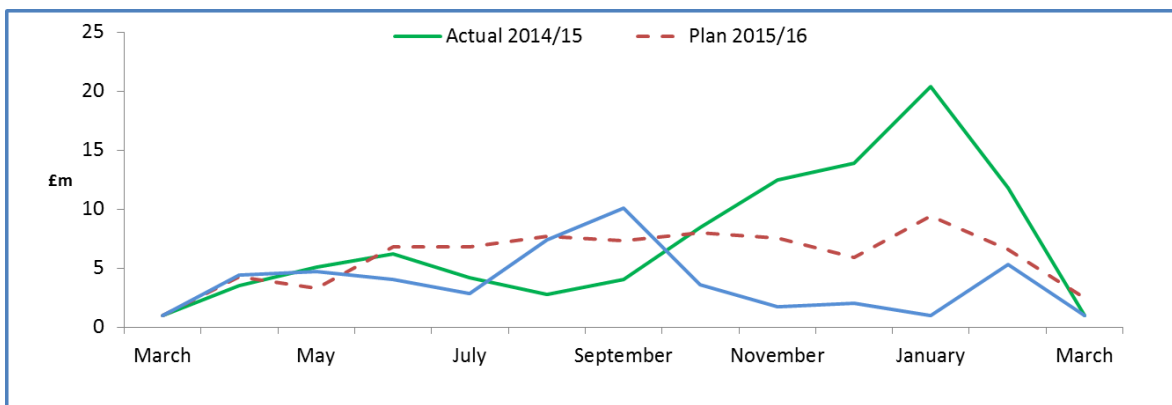
	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	120 + days	Grand Total
CCGs - Lincolnshire	1,434	29	473	(50)	(1,021)	865
CCGs - Other	206	92	26	100	183	607
Trusts - Lincolnshire	583	156	18	89	42	888
Trusts - Other	489	115	23	91	51	769
Other NHS	7,464	113	(15)	(8)	203	7,757
Total	10,176	505	525	222	(542)	10,886

6.12. Lincolnshire CCGs have delayed taking credits to assist the Trust with cash liquidity. These will however be cleared before 31st March 2016.

7. Cash Flow Forecast

7.1. The Trust's cash flow is provided in Appendix 5.

7.2. The forecast cash position for the remainder of 2015/16 is shown graphically below alongside the initial plan and 2014/15 comparator.



7.3. The Trust accessed the agreed term loan of £35.6m in November 2015; this was used to partially repay drawings against the Interim Revenue Working Capital Facility (IRWCF). Executive Directors are working to address the conditions attached to the loan.

7.4. A further £8.4m was drawn against the IRWCF in January 2016; net drawings against the IRWCF at 31 January 2016 were £18.4m.

7.5. The External Financing Limit (EFL) set by the Department of Health places a restriction of £54.0m on the combined loan and IRWCF drawdown permitted in 2015/16. The Trust can therefore only access an additional £24,000 of the facility in the current financial year.

7.6. To provide cash support to the Capital Programme in 2015/16 the Trust was allocated £14.0m PDC. This has recently been reduced to £9.0m to facilitate a central Dept of Health transfer from capital to revenue. This will be drawn in March 2016.

7.7. Trust cash liquidity remains a concern particularly during March and early April. Careful management of working capital balances will be necessary.

7.8. A working capital strategy has been produced and will be considered through FPIC.

8. Capital

8.1. Appendix 6 shows the monthly capital programme by scheme.

8.2. The year-end forecast is now £21.141m in line with the revised CRL. Key deliverables are; the Backlog Maintenance Programme of £14.0m, year 2 of the 3 year Linac replacement programme of £2.7m, IT investments collectively of £2.1m, with the balance attributable to medical equipment replacement, minor works and developments.

8.3. The Capital group is working to ensure delivery of the CRL.

9. Capital Resource and External Financing Limits

9.1. The following two tables set out the current and forecast Capital Resource and External Financing Limits within which the Trust must operate for 2015/16.

Performance against Capital Resource Limit (CRL) Target	Forecast £000s	External Financing Limit Target (EFL)	Forecast £000s
Initial CRL - notified M4	17,059	Initial EFL - notified M3	(1,589)
Backlog maintenance pre agreed PDC	9,000	Backlog maintenance pre agreed PDC	9,000
Capital to Revenue Transfer	(5,000)	Backlog maintenance agreed carry forward	5,000
		Adjustment to reflect revised min cash balance	1,435
		Interim revenue working capital facility	18,358
		Interim revenue support loan	35,618
		Capital to Revenue Transfer	(5,000)
Current Notified CRL	21,059	Current Notified EFL	62,822
Anticipated CRL adjustments		Anticipated EFL adjustments	
		Salix Loan repayment	(118)
		Interim revenue working capital facility - net repayment	24
Anticipated CRL Target	21,059	Anticipated EFL	62,728
Forecast Capital expenditure	21,261		
Less Capital funded via Charitable Donations	(120)		
Less Net book value of disposed assets	(82)		
Charge against CRL	21,059		
Over / (Under) shoot against CRL target	0		

9.2. A capital to revenue transfer has been agreed with the Department of Health. This is reflected in a £5.0m reduction in the Trust CRL and EFL. This will be returned to the Trust in 2016/17.

9.3. In order to achieve the EFL target the Trust must ensure a cash balance of no less than £1.0m is held at 31 March 2016.

10. Conclusions

10.1. The Trust will not deliver its control deficit of £40.3m.

10.2. The forecast deficit is estimated at £55.4m including the £5.0m capital to revenue transfer but subject to the delivery of a FRP of £5.9m.

10.3. The key risks are Winter Pressures and failure to deliver the FRP.

11. Recommendations

11.1. To note the performance against the key financial duties and key issues (Para 2) and discuss whether further remedial action is required.

11.2. To discuss the key risks in (Para 5) and agree what further action is required to mitigate the risks.

Jason Burn
Interim Director of Finance

Appendix 1

Income and Expenditure performance

Financial Performance - January 2016

Trading Position

10 months ending 31 January 2016

2014-15 Year end		2015-16 Annual FIMS Plan	2015-16 Annual Internal Plan	Year to Date			Forecast Outturn		
				Internal Plan	Actual	Surplus/ (Deficit)	Plan	Actual	Surplus/ (Deficit)
£k		£k	£k	£k	£k	£k	£k	£k	£k
	Income								
395,007	Revenue from Patient Care Activities	377,747	377,747	318,846	315,766	(3,080)	377,747	390,416	12,669
37,895	Other Operating Revenue	38,379	38,379	28,280	29,278	998	38,379	34,532	(3,847)
348	Receipt of govt granted /donated	120	120	100	80	(20)	120	121	1
433,250	Total Income	416,246	416,246	347,226	345,124	(2,102)	416,246	425,069	8,823
	Expenditure								
(290,059)	Pay	(299,837)	(299,837)	(244,716)	(254,841)	(10,125)	(299,837)	(305,870)	(6,033)
(141,487)	Non Pay	(137,699)	(137,699)	(120,988)	(130,791)	(9,803)	(137,699)	(156,865)	(19,166)
(431,546)	Total Expenditure	(437,536)	(437,536)	(365,704)	(385,632)	(19,928)	(437,536)	(462,735)	(25,199)
	Earnings before interest,tax,depreciation and								
1,704	Profit/Loss(-) on disposals	(21,290)	(21,290)	(18,478)	(40,508)	(22,030)	(21,290)	(37,666)	(16,376)
11	Depreciation	(12,123)	(12,123)	(9,882)	(9,520)	362	(12,123)	(11,561)	562
(10,508)	Impairment				437	437		237	237
2	PDC Dividend	(7,148)	(7,148)	(5,957)	(4,722)	1,235	(7,148)	(5,692)	1,456
(6,448)	Interest Receivable	3	3	7	57	51	3	73	70
45	Other interest payable	(89)	(89)	(65)	(710)	(645)	(89)	(915)	(826)
(84)	Surplus / (Deficit) for period	(40,647)	(40,647)	(34,375)	(54,961)	(20,587)	(40,647)	(55,521)	(14,874)
(15,278)	Net Margin	(9.8)%	(9.8)%	(9.9)%	(15.9)%	(6.0)%	(9.8)%	(13.1)%	(3.3)%
	Surplus / (Deficit) adjusted for impairment & impact of donated / govt granted assets								
(15,161)		(40,284)	(40,284)	(34,090)	(55,107)	(21,017)	(40,301)	(55,429)	(15,128)

Appendix 2 Income and Activity by point of delivery and CCG

Contract & NCA Income
Income by Point of Delivery

Appendix 2

	£000s						Activity					
	Full year		YTD		YTD % Var	Full year YTD % Var	YTD		YTD %			
	Plan	YTD	Plan	Actual			Actual	YTD	Var	Var		
AandE	17,423	14,567	14,955	388	2.7%	150,844	126,115	127,787	1,672	1.3%		
Critical Care	15,164	12,677	11,866	- 811	-6.4%	18,067	15,104	14,467	- 637	-4.2%		
Daycase	33,588	28,080	28,361	281	1.0%	62,505	52,254	52,200	- 54	-0.1%		
Elective spells	29,163	24,380	22,238	- 2,142	-8.8%	12,713	10,628	9,417	- 1,212	-11.4%		
Maternity	11,743	9,817	9,069	- 749	-7.6%	13,618	11,384	11,163	- 222	-1.9%		
NF2F	441	368	348	- 20	-5.5%	24,268	20,288	18,546	- 1,743	-8.6%		
Non PbR	40,452	33,147	34,015	868	2.6%							
Non-Elective spells	117,850	98,530	97,333	- 1,197	-1.2%	74,628	62,394	60,583	- 1,811	-2.9%		
Outpatient firsts	30,796	25,745	25,201	- 544	-2.1%	221,897	185,506	179,927	- 5,579	-3.0%		
Outpatient follow ups	36,997	30,930	33,511	2,581	8.3%	422,071	352,851	371,460	18,608	5.3%		
Passthrough	28,982	24,156	27,538	3,382	14.0%							
	<u>362,598</u>	<u>302,397</u>	<u>304,435</u>	<u>2,038</u>	<u>0.7%</u>							
30 day readmissions	- 3,240	- 2,709	- 2,709	-	0.0%							
MRET	- 2,664	- 2,228	- 1,980	248	-11.1%							
CQUIN	7,906	6,588	6,025	- 563	-8.5%							
Specialised Marginal Rate	- 254	- 212	- 406	- 194	91.7%							
System Resilience Funding	4,547	2,849	2,849	-	0.0%							
Fines & Penalties	-	-	- 2,365	- 2,365								
Other penalties	-	-	354	354								
MRET reinvestment	462	333	333	-	0.0%							
WIP	-	-	281	281								
Prior year	-	-	178	178								
Other	-	-	-	-								
Breast age extension	175	146	146	-	0.0%							
	<u>369,530</u>	<u>307,165</u>	<u>305,516</u>	<u>- 1,649</u>	<u>-0.5%</u>							

Note: Inpatient income includes excess bed day income, activity shown as spells

Income by Commissioner

	£000s					
	Full year		YTD		YTD % Var	Full year YTD % Var
	Plan	YTD	Plan	Actual		
Lincolnshire CCGs	291,169	242,483	241,875	- 607	-0.3%	
Lincolnshire Associates	10,074	8,421	7,825	- 596	-7.1%	
Lincolnshire Contract	301,243	250,904	249,700	- 1,204	-0.5%	
Lincolnshire AQP	3,829	3,201	3,217	17	0.5%	
Lincolnshire Total	<u>305,072</u>	<u>254,105</u>	<u>252,918</u>	<u>- 1,187</u>	<u>-0.5%</u>	
NHS England	45,102	37,600	38,260	660	1.8%	
NHS England Associates	10,688	8,932	8,718	- 214	-2.4%	
NHSE Contract	55,790	46,531	46,977	446	1.0%	
Non Contract Activity	3,736	2,419	2,945	526	21.7%	
Provider Charges	97	81	98	17	20.9%	
Cancer Drugs Fund	4,659	3,883	4,754	871	22.4%	
Public Health England	175	146	189	43	29.6%	
Fines & Penalties	-	-	- 2,365	- 2,365		
Other	-	-	-	-		
	<u>8,668</u>	<u>6,529</u>	<u>5,621</u>	<u>- 908</u>	<u>-13.9%</u>	
	<u>369,530</u>	<u>307,165</u>	<u>305,516</u>	<u>- 1,649</u>	<u>-0.5%</u>	

Fines & Penalties

	£000s
RTT Incomplete	380
RTT 52 week wait	55
Diagnostics 6 week wait	17
A&E waits	1,140
A&E 12hr trolley waits	-
Ambulance Handover	-
Cancer waits	404
Mixed sex	13
Cancelled ops	120
MRSA, C Diff	10
Remedial action plans	-
VTE	226
Sanctions reinvested	-
Total	<u>2,365</u>

Ambulance handover fines have not been accrued as the Trust have requested an audit of data from the new system

Appendix 3

Financial Recovery Plan 2015/16					
Business Unit	Nursing staff	Medical staff	Income	Tactical	Total
	£000s	£000s	£000s	£000s	£000s
BOSTONIAN	22	55	0	6	84
CHIEF EXECUTIVE	0	0	0	15	15
CLINICAL SUPPORT SERVICES	7	45	0	281	333
CORPORATE FINANCE	9	12	5,194	1	5,216
DIRECTOR OF ESTATES & FACIL	0	0	0	135	135
DIRECTOR OF FIN & CORP AFFAIR	0	0	0	25	25
DIRECTOR OF HR & ORG DEV	0	0	0	23	23
DIRECTOR OF NURSING	0	0	0	14	14
DIRECTOR OF OPERATIONS	0	0	0	8	8
DIRECTOR OF PERF IMPROVEMENT	0	0	0	40	40
GRANTHAM	61	153	0	41	255
INTEGRATED MEDICINE BOSTON	332	233	0	53	617
INTEGRATED MEDICINE LINCOLN	264	262	0	135	661
MEDICAL DIRECTOR	0	0	0	44	44
NON OPERATING ITEMS	0	0	0	24	24
OPERATIONAL PERFORMANCE	0	0	0	12	12
SITE MANAGEMENT BOSTON	1	0	0	4	5
SITE MANAGEMENT LINCOLN	1	0	0	3	4
SURGICAL SERVICES BOSTON	67	59	0	46	172
SURGICAL SERVICES LINCOLN	135	188	0	63	386
TACC BOSTON	4	0	0	32	35
TACC LINCOLN	37	41	0	49	127
WOMEN & CHILDRENS PAN TRUST	33	71	0	66	170
Total	973	1,120	5,194	1,121	8,408

Appendix 4

Financial Performance - January 2015

Statement of Financial Position

	March 2015		January 2015			March 2016 Forecast				
	Financial Plan submission April 15 £000s	Final Accounts £000s	Plan £000s	Actual £000s	Variance £000s	Plan £000s	Plan Movement £000s	Actual £000s	Variance to Plan £000s	
NON-CURRENT ASSETS:										
Property, Plant and Equipment	229,154	229,154	248,204	232,053	(16,151)	252,375	23,221	239,225	(13,150)	+
Intangible Assets	5,777	5,777	4,806	5,326	520	4,614	(1,163)	5,124	510	
Trade and Other Receivables	1,345	1,345	1,674	1,282	(392)	1,674	329	1,250	(424)	+
Total Non-Current Assets	236,276	236,276	254,684	238,661	(16,023)	258,663	22,387	245,599	(13,064)	+
CURRENT ASSETS:										
Inventories	7,738	7,738	7,738	7,419	(319)	7,738	0	7,738	0	+
Trade and Other Receivables	21,615	21,615	23,556	25,264	1,708	22,527	912	21,914	(613)	+
Other Assets	0	0	0	0	0	0	0	0	0	+
Cash and cash equivalents	1,010	1,010	9,394	1,601	(7,793)	2,435	1,425	1,000	(1,435)	+
Subtotal	30,363	30,363	40,688	34,284	(6,404)	32,700	2,337	30,652	(2,048)	+
Non-Current Assets Held for Sale	0	0	0	0	0	0	0	0	0	+
Total Assets	266,639	266,639	295,372	272,945	(22,427)	291,363	24,724	276,251	(15,112)	+
CURRENT LIABILITIES:										
Trade & Other Payables	(37,143)	(37,143)	(45,959)	(46,491)	(532)	(37,802)	(659)	(41,582)	(3,780)	-
Other Liabilities	(503)	(503)	(503)	(503)	(0)	(503)	0	(503)	0	-
Borrowings : Salix Loan	(118)	(118)	(119)	(59)	60	(119)	(1)	(118)	1	-
DH Capital Loan Principal Repayments	0	0	(767)	0	767	(767)	(767)	0	767	-
Borrowings : Working Capital Support Facility	0	0	0	(18,358)	(18,358)	0	0	(18,382)	(18,382)	-
Liabilities arising from PFIs / LIFT / Finance Leases	(164)	(164)	(182)	(178)	4	(182)	(18)	(182)	0	-
Provisions for Liabilities and Charges	(2,223)	(2,223)	(1,223)	(1,268)	(45)	(888)	1,335	(1,234)	(346)	-
Total Current Liabilities	(40,151)	(40,151)	(48,753)	(66,857)	(18,104)	(40,261)	(110)	(62,001)	(21,740)	-
Net Current Assets /(Liabilities)	(9,788)	(9,788)	(8,065)	(32,574)	(24,509)	(7,561)	2,227	(31,349)	(23,788)	+/-
Total Assets less Current Liabilities	226,488	226,488	246,619	206,088	(40,531)	251,102	24,614	214,250	(36,852)	+/-
NON-CURRENT LIABILITIES										
Liabilities arising from PFIs / LIFT / Finance Leases	(181)	(181)	(29)	(31)	(2)	0	181	0	0	-
DH Revenue Loan Principal Repayments	0	0	(7,233)	(35,618)	(28,385)	0	0	(35,618)	(35,618)	-
DH Capital Loan Principal Repayments	0	0	0	0	0	(6,850)	(6,850)	0	6,850	-
Borrowings : Salix Loan	(296)	(296)	(236)	(296)	(60)	(177)	119	(178)	(1)	-
Provisions for Liabilities and Charges	(2,582)	(2,582)	(2,543)	(2,532)	11	(2,496)	86	(2,485)	11	-
Other Liabilities	(15,094)	(15,094)	(14,674)	(14,675)	(1)	(14,590)	504	(14,591)	(1)	-
Total Non-Current Liabilities	(18,153)	(18,153)	(24,715)	(53,152)	(28,437)	(24,113)	(5,960)	(52,872)	(28,759)	-
Total Assets Employed	208,335	208,335	221,904	152,936	(68,968)	226,989	18,654	161,378	(65,611)	+
FINANCED BY: TAXPAYERS EQUITY										
Public dividend capital	242,724	242,724	290,666	242,724	(47,942)	302,024	59,300	251,724	(50,300)	+
Retained Earnings	(92,640)	(92,640)	(125,433)	(146,437)	(21,004)	(131,390)	(38,750)	(146,762)	(15,372)	+/-
Revaluation reserve	58,061	58,061	56,481	56,458	(23)	56,165	(1,896)	56,226	61	+
Other reserves	190	190	190	190	0	190	0	190	0	+/-
Total Taxpayers Equity	208,335	208,335	221,904	152,936	(68,968)	226,989	18,654	161,378	(65,611)	+

Appendix 5

Cashflow to 31 March 2016												
	30/04/2015	31/05/2015	30/06/2015	31/07/2015	31/08/2015	30/09/2015	31/10/2015	30/11/2015	31/12/2015	31/01/2016	28/02/2016	31/03/2016
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast
Date	April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015	January 2016	February 2016	March 2016
Income												
NHS Contracts	28,082	31,271	30,237	31,398	29,902	30,988	31,155	31,894	32,440	30,180	30,374	35,853
Loans	0	0	0	0	0	0	0	0	0	0	0	0
RTA Income	1	136	102	111	110	134	115	170	158	94	120	229
VAT Return	372	3	3	0	657	167	368	119	438	0	400	249
Other Income	4,482	6,921	2,449	4,493	3,805	6,076	2,737	3,907	4,692	2,040	7,905	4,329
Working Capital Support	3,000	8,942	6,000	2,930	8,800	6,928	0	4,215	4,761	8,400	(1)	24
Capital PDC	-	-	-	-	-	-	-	-	-	-	-	9,000
TOTAL INCOME	35,936	47,273	38,791	38,933	43,273	44,294	34,375	40,304	42,490	40,714	38,798	49,684
Expenditure												
Monthly Salaries	13,717	13,562	13,504	13,543	13,526	13,604	13,646	13,463	13,463	13,402	13,760	13,372
PAYE and NIC	5,340	5,655	5,461	5,330	5,441	5,195	5,340	5,448	5,235	5,265	5,440	5,832
Pensions	3,624	3,788	3,694	3,711	3,678	3,662	3,710	3,712	3,668	3,680	3,700	3,778
NNDR (Rates)	182	182	182	182	184	184	184	184	184	184	0	34
PDC	0	0	0	0	0	3,505	0	0	0	0	0	2,118
NHSLA	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,767	0	0
Agency	2,544	2,819	2,808	2,375	2,740	2,107	3,156	2,461	3,284	2,779	2,192	2,258
Consultancy	20	29	(5)	21	10	30	88	48	165	48	42	(207)
Capital Expenditure	1,211	1,388	1,059	997	1,551	190	1,101	760	1,790	3,560	3,297	8,064
Other Non Pay Expenditure	4,941	17,029	10,935	12,193	9,848	11,351	11,825	14,326	12,632	10,461	10,963	14,213
Loan Repayments	0	0	0	0	59	0	0	0	0	0	0	223
TOTAL EXPENDITURE	33,345	46,216	39,405	40,119	38,802	41,594	40,816	42,169	42,186	41,146	39,394	49,684
Opening Cash Balance	1,010	3,602	4,658	4,044	2,858	7,329	10,030	3,588	1,724	2,028	1,596	1,000
Net Cash Inflow/(Outflow)	2,591	1,056	(614)	(1,186)	4,471	2,700	(6,441)	(1,865)	304	(432)	(596)	(0)
Closing Cash Book (Ledger)	3,602	4,658	4,044	2,858	7,329	10,030	3,588	1,724	2,028	1,596	1,000	1,000

Appendix 6

Capital Spend by Scheme to date and forecast 2015/16

Category	Scheme	YTD Actual (as at month 10) £000	Forecast Actual £000's
Replacement Medical Equipment	Hoist Bostonian	7	7
Replacement Medical Equipment	Medical air delivery room	5	40
Replacement Medical Equipment	Power tools	0	328
Replacement Medical Equipment	Image Intensifier	0	60
Replacement Medical Equipment	Birthing Beds	47	47
Replacement Medical Equipment	Manual defibrillators *8 (to include 8 revenue FOC)	73	73
Replacement Medical Equipment	Antenatal ultrasound	108	108
Replacement Medical Equipment	Ward 1 telemetry	29	29
Replacement Medical Equipment	Antenatal ultrasound (Hemswell)	0	0
Replacement Medical Equipment	anaesthetic monitoring	51	51
Replacement Medical Equipment	Emergency Ventilator	12	18
Replacement Medical Equipment	Critical Vents GDH	0	0
Replacement Medical Equipment	Reverse Osmosis Machine	0	0
Replacement Medical Equipment	Hoist Burton Ward	8	8
Replacement Medical Equipment	Cardiac Ultrasound Clinic 3 (Echo Machine)	69	69
Replacement Medical Equipment	Dental Chair	12	14
Replacement Medical Equipment	Nasoendoscopes	37	37
Replacement Medical Equipment	transfer Monitors	30	30
Replacement Medical Equipment	Lung Function	0	0
Replacement Medical Equipment	Endoscopy light source/processor	14	14
Replacement Medical Equipment	Topcon camera	18	18
Replacement Medical Equipment	Hover Jack	0	0
Replacement Medical Equipment	B Scanner	0	27
Replacement Medical Equipment	Theatre Table Breast surgery	0	23
Replacement Medical Equipment	A&E Trolleys	0	20
Replacement Medical Equipment	Endoscopy Stacks	0	91
Replacement Medical Equipment	Mobile X Ray 2 Louth & Grantham	0	0
Replacement Medical Equipment	Video Bronchoscope	0	0
Replacement Medical Equipment	Radiofrequency tracking	0	250
Replacement Medical Equipment	Subtotal	520	1,362
IT development	SAN Storage Expansion	76	100
IT development	Server Replacement	0	0
IT development	LAN - switch replacement	175	219
IT development	Independent - Network Link between the Trusts Datacentres	0	29
IT development	Client Devices - Regular Funding for PC/Laptop Replacement and Tablets Devices or VDI\Remote Desktop	119	122
IT development	Upgrade Lincoln Exchange system, because of EOL notice.	198	254
IT Service Development	Subtotal	568	724
IT Service Development & Modernisation	E-Cobs / Observations and charting	119	1317
IT Service Development & Modernisation	Theatres & renew of Ormis	0	20
IT Service Development & Modernisation	PACS	10	30
IT Service Development & Modernisation	Digital dictation	0	0
IT Service Development & Modernisation	Electronic Document Management System (EDMS)	0	25
IT Service Development & Modernisation	Subtotal	129	1,392
Estates	Backlog maintenance inclusive of internal and TDA monies (TDA - 14/15 c/f and 15/16)	7955	14000
Estates - Backlog maintenance	Subtotal	7,955	14,000
Cost Improvement Plan Enablers	Clinic 9 (including Dental lab)	8	8
Cost Improvement Plan Enablers	Pharmacy security	35	110
Cost Improvement Plan Enablers	Mobile Discharge	10	16
Cost Improvement Enablers	Subtotal	53	134
Service Development & Modernisation	Build new bunker and replacement of Linacs - part	0	107
Service Development & Modernisation	Build new bunker and replacement of Linacs	2437	2585
Service Development & Modernisation - Linacs	Subtotal	2,437	2,692
Service Development & Modernisation	Ward and clinical department upgrades - Boston OPs	0	5
Service Development & Modernisation	Ward and clinical department upgrades - Lincoln OPs	43	50
Service Development & Modernisation	A&E Cubicles	26	26
Service Development & Modernisation	Neonates ward Upgrade	0	0
Service Development & Modernisation - Ward & Clinical dept.	Subtotal	69	81
Service Development & Modernisation	A&E Reception at Grantham	4	18
Service Development & Modernisation	A&E Reception at Grantham - DOORS	0	46
Service Development & Modernisation	Specialist Rehabilitation	2	60
Service Development & Modernisation	Electronic Clinical Outcomes	60	118
Service Development & Modernisation	Diabetic eye screening van	0	0
Service Development & Modernisation	Endoscopy slippage from 2014/15	92	174
Service Development & Modernisation	Aseptic Isolators	0	0
Service Development & Modernisation	Respiratory Procedure Room	0	20
Service Development & Modernisation	Grantham Freezer for the Kitchen	0	25
Service Development & Modernisation	EPOS Till system	0	27
Service Development & Modernisation	CRAB	0	59
Service Development & Modernisation	JAG Scope	0	62
Service Development & Modernisation	Estates Cross Charge from Revenue	0	67
Service Development & Modernisation	Prior year minor slippage	80	80
Service Development & Modernisation - Schemes under £500k	Subtotal	238	756
2015/16 Capital Programme Total (Charge against CRL)	Total	11,970	21,141