

United Lincolnshire Hospitals

NHS Trust

To:	Trust Board
From:	Jason Burn, Interim Director of Finance & Corporate Affairs
Date:	7 June 2016

Title:	2016/17 Financial Position to Month 1									
Author/Responsible Director:	Neil Morton, Interim Deputy Director of Finance / Jason Burn, Interim Director of Finance & Corporate Affairs									
Purpose of the Report:	To provide the Board with an update on the Trust's financial position as at the end of April 2016									
The Report is provided to the Board for:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; padding: 5px; width: 50%;">Information</td> <td style="border: 1px solid black; text-align: center; width: 10%;"><input checked="" type="checkbox"/></td> <td style="border: 1px solid black; padding: 5px; width: 50%;">Assurance</td> <td style="border: 1px solid black; text-align: center; width: 10%;"><input checked="" type="checkbox"/></td> </tr> <tr> <td style="border: 1px solid black; padding: 5px;">Discussion</td> <td style="border: 1px solid black; text-align: center;"><input checked="" type="checkbox"/></td> <td style="border: 1px solid black; padding: 5px;">Decision</td> <td style="border: 1px solid black; text-align: center;"><input type="checkbox"/></td> </tr> </table>		Information	<input checked="" type="checkbox"/>	Assurance	<input checked="" type="checkbox"/>	Discussion	<input checked="" type="checkbox"/>	Decision	<input type="checkbox"/>
Information	<input checked="" type="checkbox"/>	Assurance	<input checked="" type="checkbox"/>							
Discussion	<input checked="" type="checkbox"/>	Decision	<input type="checkbox"/>							
Summary/Key Points:	<ul style="list-style-type: none"> The Trust has an agreed control total deficit of £47.9m for 2016/17. The Month 1 position was a deficit of £4.0m following the release of contingency to offset the estimated effect, on net income, of issues beyond the Trust's control e.g. the junior doctor's strikes. 									
Recommendations:	<p>The Board is asked to:</p> <ul style="list-style-type: none"> Note the Month 1 financial position and performance against the key financial duties. Note that the Month 1 position includes the release of £340k from contingency to offset the estimated effect of issues beyond the Trust's control. 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 the 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 1 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)	(4.1)	(4.0)	(47.9)	G
Achieving the EFL	54.0	0.0	0.0	54.0	G
Achieving the Capital Resource Limit	17.6	1.4	0.2	17.6	G

Key Issues

- The Trust plan for 2016/17 is a control total deficit of £47.9m.
- The Month 1 position was a deficit of £4.0m having released £340k from contingency to offset the estimated effect, on income, of issues beyond the Trust's control. These include:
 - Junior doctors strikes £202k
 - Fire at Grantham £68k
 - Norovirus £70k

3. Year to Date Financial Position and Month 1 Results

3.1. The Month 1 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.

	April 2016		
	Plan	Actual	Surplus (Deficit)
	£m	£m	£m
Income	37.3	36.5	(0.8)
Expenditure	(39.9)	(39.1)	0.8
EBITA	(2.6)	(2.6)	0.0
Net Interest	(0.1)	(0.1)	(0.0)
Depreciation	(1.0)	(0.9)	0.1
PDC Dividend Payable	(0.4)	(0.4)	0.0
Net Deficit	(4.1)	(4.0)	0.1
Net Deficit adjusted for impairment & impact of donated / govt granted assets	(4.1)	(4.0)	0.1

3.2. The Trust is reporting:

- A deficit at the end of Month 1 (April 2016) of £4.0m, which is £0.1m favorable to the planned year to date deficit of £4.1m.

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

- NHS Patient Care Income initially £1,020k below target, mainly as a result of underperformance on inpatient activity, but then offset by the release of £340k from contingency to bring to £680k below target.
- Other Operating Revenue and Government granted/donated Income £138k below target.
- Expenditure £826k below plan reflecting reduced activity, in part resulting from the Junior Doctors strike, Norovirus outbreak and Grantham fire.

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

	YTD £000s	YTD £000s	YTD £000s	YTD £	YTD Activity	YTD Activity	YTD	YTD Activity
	Plan	Actual	Var	% Var	Plan	Actual	Activity Var	% Var
AandE	1,537.2	1,528.2	- 9.0	-1%	12,802	12,692	- 110	-1%
Inpatients	15,892.2	15,220.6	- 671.6	-4%	12,638	12,018	- 620	-5%
Outpatients	5,973.8	5,991.6	17.8	0%	56,473	57,001	528	1%
Critical Care	1,182.8	1,182.8	-	0%	1,435	1,435	-	0%
Maternity	888.2	888.2	-	0%	1,106	1,106	-	0%
Non PbR	3,446.5	3,446.5	-	0%				
Passthrough	2,825.7	2,429.7	- 396.0	-14%				
Income from activity before adjustments	31,746.4	30,687.6	- 1,058.8	-3%				
Penalty	- 25.4	- 3.6	21.8	-86%				
30 day Readmissions	- 271.9	- 271.9	-	0%				
MRET	- 219.4	- 153.1	66.3	-30%				
CQUIN	676.8	604.6	- 72.2	-11%				
Systems Resilience	-	-	-					
Additional Items	-	-	-					
MRET Reinvestment	17.5	17.5	-	0%				
National Fines	-	22.2	22.2					
Prior year	-	340.3	340.3					
	31,924.0	31,243.6	- 680.4	-2%				

3.5. The key points to note are as follows:

- The year to date NHS patient care income was £680k below target. This is mainly as a result of reduced inpatient activity of £670k and pass through underperformance of £396k offset by the release of £340k from contingency.
- Activity over performance is mainly in relation to follow-ups. 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.
- Under performance on inpatient activity comprises elective spells -17%, day cases -3%, non-elective spells -4% and outpatient first attendances -7%.
- The Trust has accrued £22.2k of national fines and £3.6k of 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.

Fines and Penalties

3.6. 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

3.7. Marginal Rate Emergency Threshold deductions of -£153k have been accrued as a result of increased emergency admissions over the baseline threshold, of which £17k has been reinvested by Specialised Commissioning.

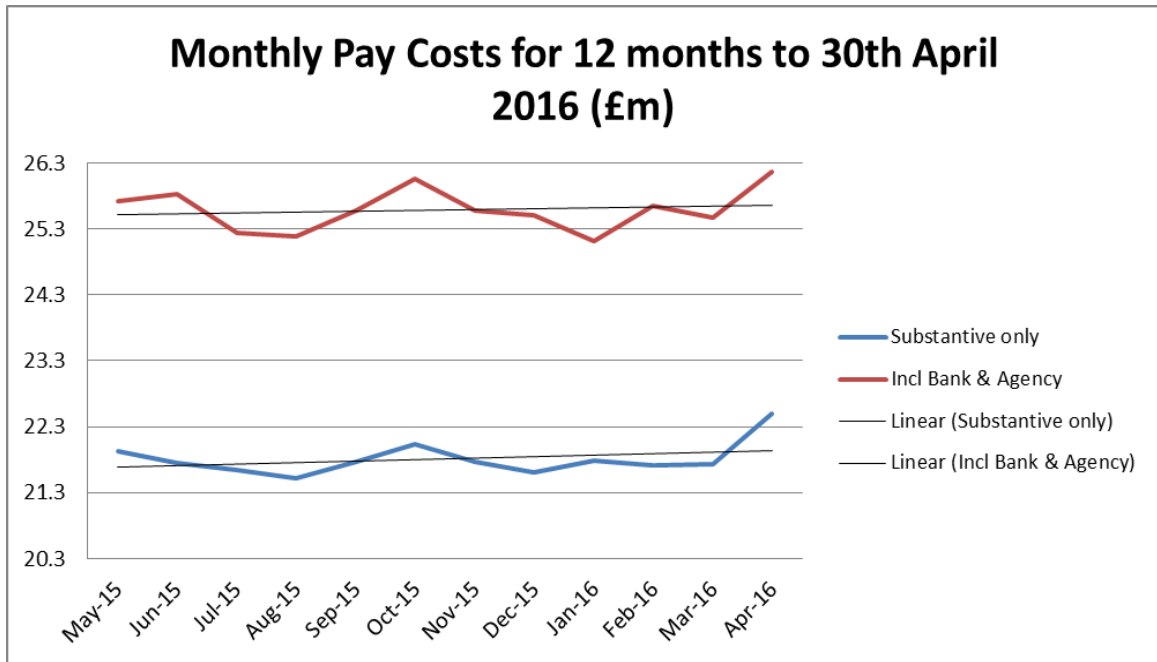
CQUIN

3.8. CQUIN is measured on a quarterly basis, however at this stage the Trust has assumed 90% achievement against schemes.

Pay Expenditure Summary

3.9. Main points to note are as follows:-

- Pay expenditure in April was £149k below plan.
- Whilst pay expenditure increased by £0.7m in April compared to pay expenditure in March, the increase was mainly due to the 2016/17 pay award and National Insurance changes which are in turn reflected within the budget.
- The April pay position includes an under spend of £108k in relation to Non Clinical staffing, including £88k within Corporate Directorates. This is mainly due to vacancies held within the first month, for which recruitment is underway.
- The pay position also includes an under spend of £78k in relation to Medical staffing, of which the majority is within non-consultant grades. In April, the Trust had less call on locum cover as the substantive staff took less annual leave in the month.
- Whilst expenditure on Nursing & Midwifery staffing exceeded budgets by £51k, 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 £183k. The Nursing & Midwifery staffing costs are therefore below plan and the funding for escalation and A&E staff will be released, in budget terms, from month 2 to enable a better comparison.

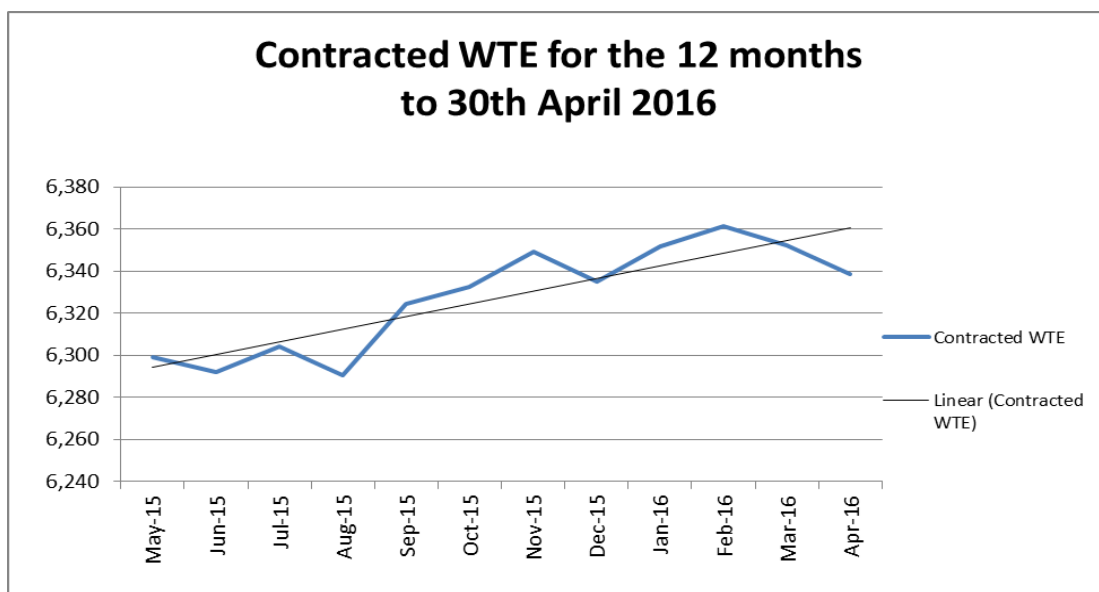


3.10. In 2016/17, the Trust is being measured on agency expenditure against a ceiling of £21m. The Trust has a planned trajectory for the expenditure and plans are in place to meet those trajectories. Year to date performance against this trajectory is shown in the table below.

As at end April 16	Qualified Nursing £000	Medical £000	STT £000	Other £000	Total £000
Profile £	908	1,386	137	138	2,569
Actual £	833	1,169	109	103	2,213
Variance £	75	217	28	35	356
Variance %	8.24%	15.69%	20.77%	25.39%	13.85%

3.11. 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 Medical Staffing. Whilst there are plans in place to reduce the reliance on Medical agency, the Trust is looking to improve performance in other staff categories to mitigate this risk.

3.12. Contracted WTE numbers have not changed much in total terms over the last twelve months: 6,318 in April 2015 compared to 6,338 in April 2016.



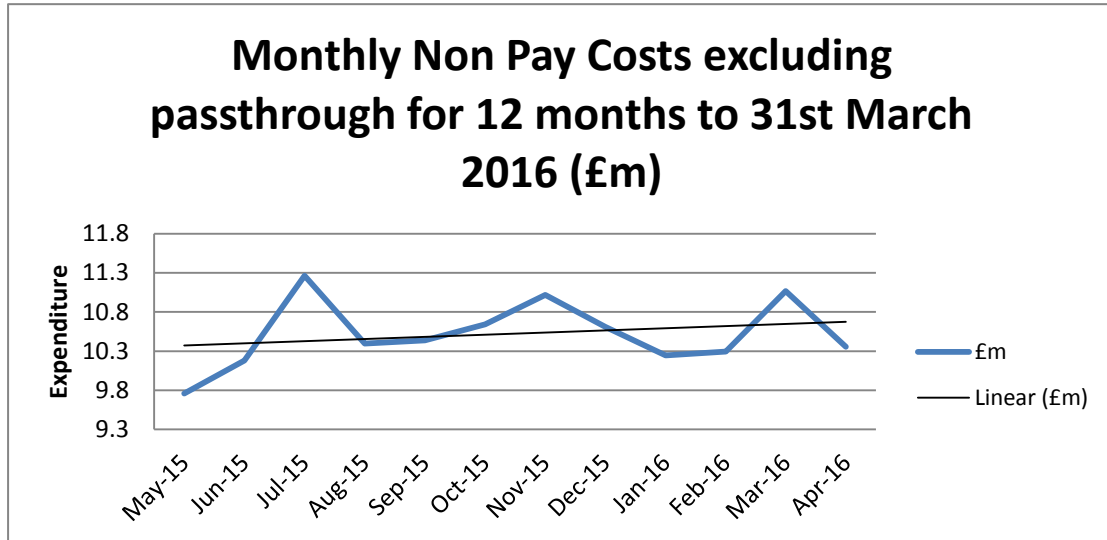
3.13. It is noted, though, that whilst contracted WTE numbers have increased by 20 between April 2015 and April 2016, much of this increase can be attributed to the growth in Non-Clinical staffing.

Category	Apr	July	Oct	Jan	Apr	Movement Apr - Apr
Consultants	301	310	309	312	307	6
Medical Staff	509	503	496	487	481	-28
Other Support Staff	756	761	753	755	752	-4
Scientific, Therapeutic & Technical	912	906	903	918	920	8
Non Clinical	1,082	1,087	1,106	1,110	1,112	30
Nurses & Midwives	2,758	2,739	2,765	2,770	2,766	8
Total	6,318	6,306	6,332	6,351	6,338	20

Non Pay Expenditure Summary

3.14. Main point to note is as follows:-

- Non Pay is £676k below plan.



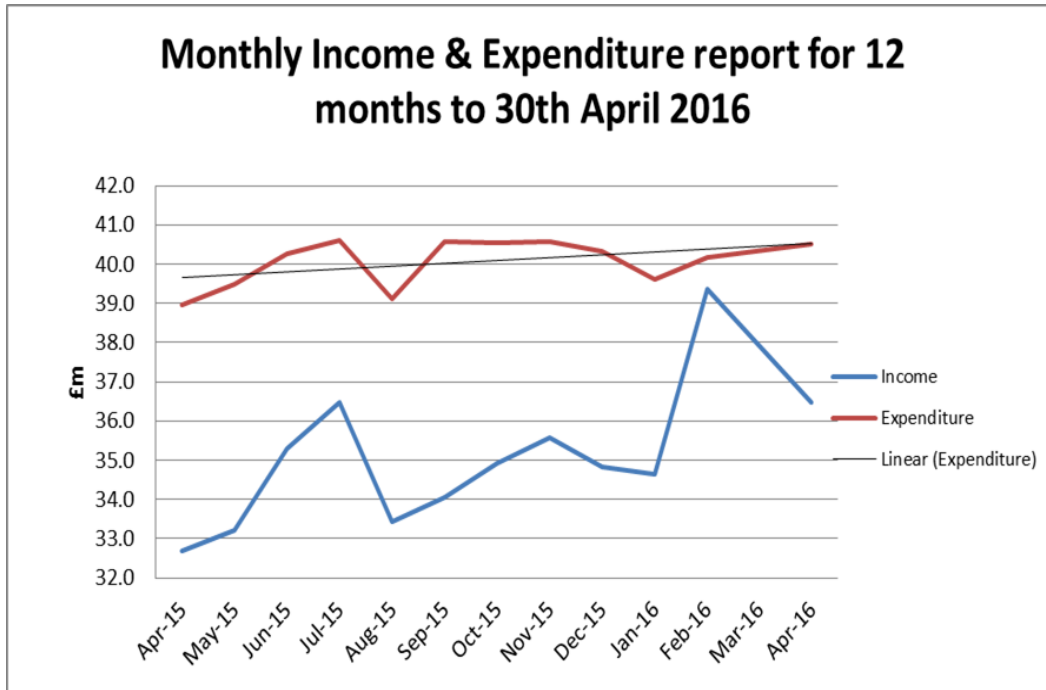
3.15. The Non Pay under spend mainly relates to clinical supplies and services. These costs generally flex with activity and income so the reduction in income has been compensated by this corresponding drop in non-pay.

4. Forecast Income and Expenditure

4.1. The Trust forecasts to achieve its planned deficit of £47.9m.

4.2. It is noted that the financial plan in 2016/17 includes STP funding of £16.1m and that this income has been profiled in equal twelfths within both the financial plan and within the actual reported Month 1 position.

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



5. Risks

5.1. 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.
- **Liquidity**
 The Trust had cash support in the form of a loan for £35.6m in 2015/16. The Trust also has access to a working capital facility, and has the ability to draw down cash support in line with the monthly deficit. The Trust will need to arrange further cash support in 2016/17, and the monthly cash flow projections will highlight when this is necessary. Limiting the access to funds through these methods will impact upon liquidity and ultimately upon the ability to pay suppliers within term.
- **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 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.
- **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 was not available for month 1 for all areas so in respect of excess bed days, maternity, critical care, non-PbR, BADS/BADS+ and readmission plan has been assumed.**

6. Balance Sheet

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

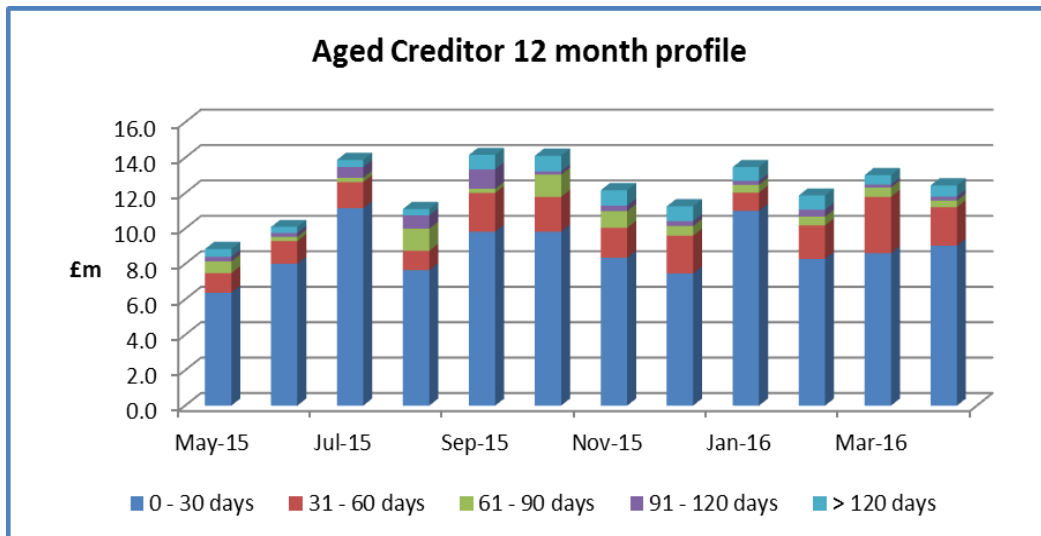
6.2. Creditors

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:

April 2016	NHS		Non-NHS	
	By volume Number	By Value £000s	By volume Number	By Value £000s
Total bills paid in the year	267	3,409	9,859	15,457
Total bills paid within target	220	3,304	8,682	13,187
% of bills paid within target	82.40%	96.91%	88.06%	85.32%

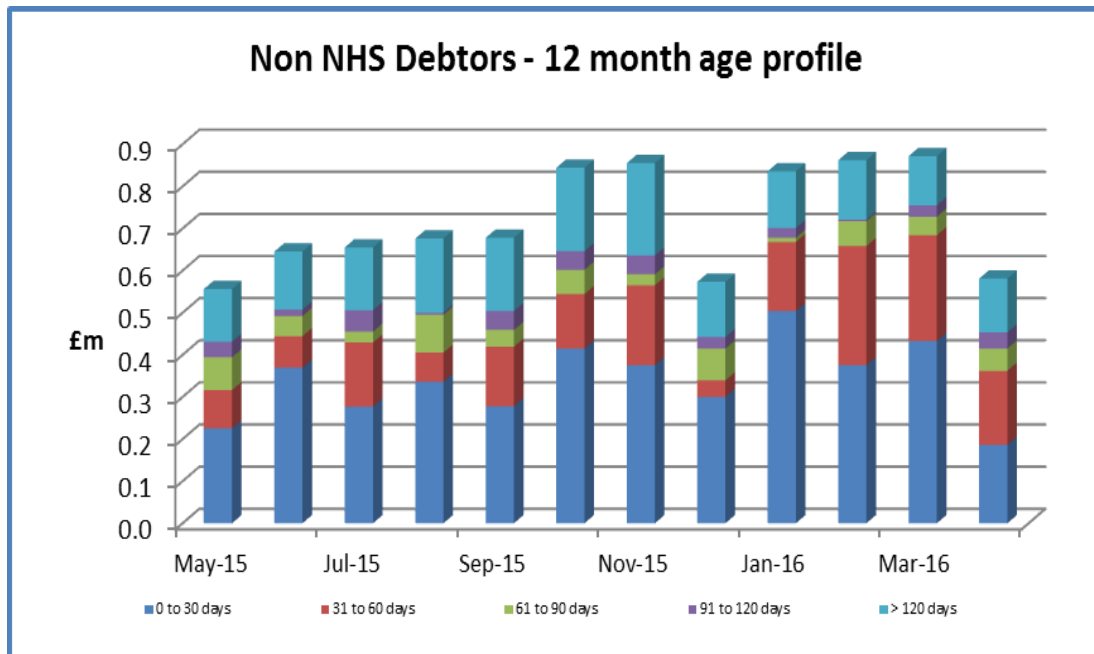
6.3. The aged creditor profile for the last 12 months is shown in the following table.



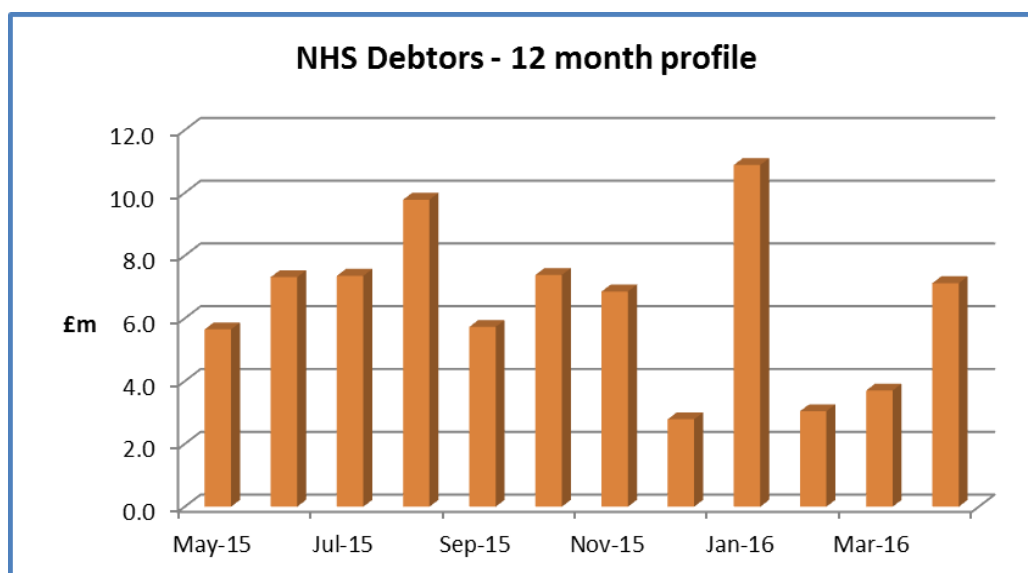
6.4. Creditors exceeding 90 days were £0.9m, of this £0.5m relates to just one supplier, Peterborough and Stamford Hospitals. Payment on this debt has been held due to the Trust not having sufficient data to enable the charge to be agreed.

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 1 was £0.6m; of this, excluding those on instalment plans or referred to the Trust debt collection agency, £0.09m is aged over 90 days.
- 6.8. The level of overseas visitors' debt is currently £23,700. 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. In addition a quarterly exercise is carried out to write off debt considered irrecoverable. All debts written off in the first quarter 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.



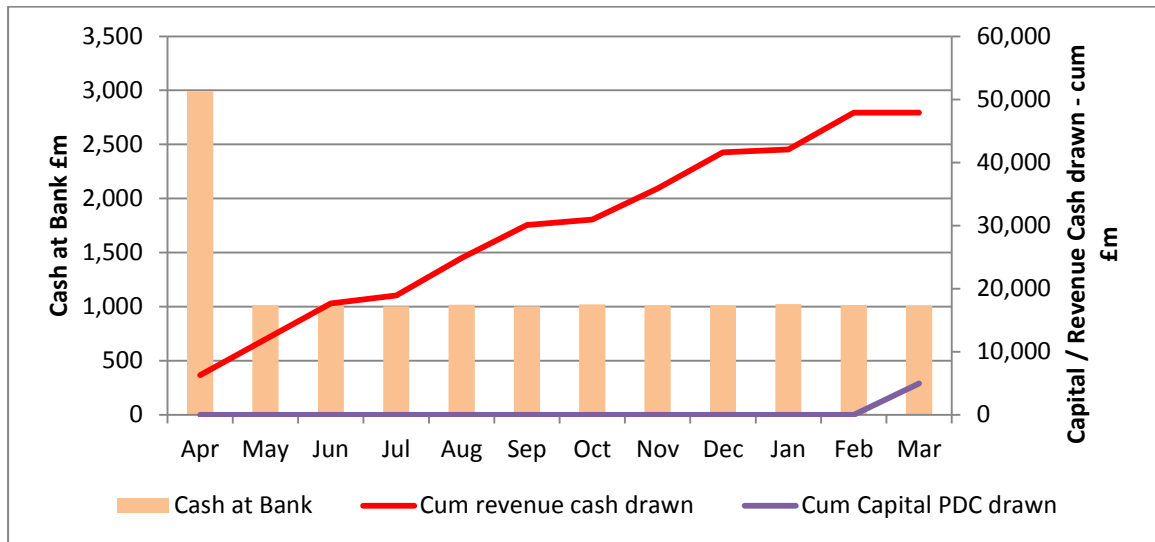
- 6.11. NHS Debt invoiced at the end of Month 1 is £7.1m. This is split between CCGs, Trusts and other customers as shown below.

	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	120 + days	Grand Total
CCGs - Lincolnshire	2,553	(12)	163	41	58	2,803
CCGs - Other	647	58	82	(2)	182	967
Trusts - Lincolnshire	294	136	123	95	36	684
Trusts - Other	319	104	125	81	77	706
Other NHS	2,177	(113)	(13)	(26)	(63)	1,962
Total	5,990	173	480	189	290	7,122

- 6.12. Over 84% of the debt relates to invoices raised in April so are not actually due.

7. Cash Position at April 2016

7.1. The graph below represents the Actual cash / drawdown at 30 April 2016 and revised projected drawings and cash balances for the remainder of the financial year.



7.2. The Department of Health have communicated that they expect Trusts to be drawing revenue cash in line with the monthly deficit projected in the financial plan. The only permitted adjustment at present is for the £16.1m strategic transformation and change funding. Within the income and expenditure position this is profiled equally across the financial year, whereas the cash is expected to be received quarterly in arrears.

7.3. The cash flow statement below sets out the specific movements in cash for the year to date against plan. No deviations are currently anticipated against the plan for March 2017.

	April 2016			March 2017
	Plan £000s	Actual £000s	Variance £000s	Plan £000s
Operating Surplus / (Deficit)	(3,645)	(3,542)	103	(42,382)
Non Cash items to be excluded				
Depreciation / Amortisation	1,010	915	(95)	12,870
Impairments & Reversals	0	0	0	0
Receipt of Donated Assets	(10)	0	10	(120)
Earnings before Interest Tax & Dividends (EBITDA)	(2,645)	(2,627)	18	(29,632)
Interest paid	0	(1)	(1)	(1,590)
Dividends (Paid) / Refunded	0	0	0	(3,746)
(Increase)/decrease in inventories	0	(54)	(54)	0
(Increase)/decrease in trade & other receivables	(2,008)	(1,059)	949	62
Increase/(decrease) in trade & other payables	1,487	1,861	374	1,575
Increase/(decrease) in other current liabilities	(42)	(42)	(0)	(504)
Increase/(decrease) in provisions	108	67	(41)	(471)
NET CASH IN/(OUT)FLOW FROM OPERATING ACTIVITIES	(3,100)	(1,856)	1,244	(34,306)
CASHFLOWS FROM INVESTING ACTIVITIES				
Interest received	3	7	4	42
(Payments) to acquire property, plant & equipment	(1,750)	(2,616)	(866)	(21,774)
(Payments) for intangible assets	0	0	0	0
Receipts from disposal of property, plant & equipment	0	2	2	2,000
NET CASH IN/(OUT)FLOW FROM INVESTING ACTIVITIES	(1,747)	(2,607)	(860)	(19,732)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	(4,847)	(4,463)	384	(54,038)
CASHFLOWS FROM FINANCING ACTIVITIES:				
Revolving Working Capital Support Facility Accessed	4,300	6,305	2,005	36,883
Revolving Working Capital Support Facility Repaid	0	0	0	(35,432)
Public dividend capital received : Capital	580	0	(580)	5,000
Loans received from DH - Revenue Support Loans	0	0	0	47,900
Other loans repaid	0	(0)	(0)	(119)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	4,865	6,290	1,425	54,051
INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	18	1,827	1,809	13
OPENING CASH BALANCE 1ST APRIL 2016	1,000	1,166	166	1,000
CLOSING CASH BALANCE	1,018	2,993	1,975	1,013

7.4. The cash balance at 30 April 2016 was £3.0m.

8. Capital

8.1. Appendix 4 presents the 2016/17 approved capital programme with the spend incurred in month 1 by scheme.

8.2. 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.

8.3. The Capital group is working to ensure delivery of the Capital programme £19.551m.

9. Capital Resource and External Financing Limits

9.1. The Trust has not yet received formal confirmation of the Capital Resource (CRL) and External Financing Limits (EFL) for 2016/17.

9.2. The following two tables set out the CRL and EFL anticipated at plan along with the forecast performance.

Performance against Capital Resource Limit (CRL) Target	Forecast £000s	External Financing Limit Target (EFL)	Forecast £000s
		Opening Cash as per 16/17 plan	1,000
		Closing Cash as per 16/17 plan	(1,013)
		Increase in cash balance	(13)
		Interim revenue support loan	47,900
		Net Increase in RWCF	1,451
		PDC capital cash re 15/16 Cap to Rev Transfer	5,000
		Salix Loan repayment	(119)
		Capital Element of Finance Leases	(181)
Anticipated CRL Target at Plan	17,551	Anticipated EFL at Plan	54,038
Forecast Capital expenditure (excluding donated assets)	19,551		
Less net book value of disposed assets	(2,000)		
Charge against CRL	17,551		
Over / (Under) shoot against CRL target	0		

9.3. In order to achieve the EFL target the Trust must ensure a cash balance of no less than £1.013m is held at 31 March 2017.

10. Conclusions

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

10.2. 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.

11. Recommendations

11.1. To note the Month 1 financial performance.

11.2. To note the performance against the key financial duties.

11.3. 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 - April 2016

Trading Position

Month ending 30 April 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	384,250	384,250	31,924	31,244	(680)
36,450	Other Operating Revenue	64,239	64,239	5,353	5,226	(128)
138	Receipt of govt granted /donated	120	120	10	0	(10)
423,428	Total Income	448,609	448,609	37,287	36,470	(818)
	Expenditure					
(305,876)	Pay	(312,365)	(312,365)	(26,267)	(26,118)	149
(157,204)	Non Pay	(165,757)	(165,757)	(13,655)	(12,979)	676
(463,080)	Total Expenditure	(478,121)	(478,121)	(39,922)	(39,097)	826
	Earnings before interest,tax,depreciation and					
(39,652)	Profit/Loss(-) on disposals	(29,512)	(29,512)	(2,635)	(2,627)	8
(50)	Depreciation	0	0	0	2	2
(11,448)	Impairment	(12,870)	(12,870)	(1,010)	(915)	95
(8,557)	PDC Dividend	0	0	0	0	0
(5,258)	Interest Receivable	(4,266)	(4,266)	(352)	(352)	0
70	Other interest payable	42	42	3	6	3
(905)	Surplus / (Deficit) for period	(48,233)	(48,233)	(4,121)	(4,034)	87
(15.5)%	Net Margin	(10.8)%	(10.8)%	(11.1)%	(11.1)%	(0.0)%
	Surplus / (Deficit) adjusted for impairment & impact of donated / govt granted assets					
(56,917)		(47,903)	(47,903)	(4,093)	(3,995)	98

Appendix 2 Income and Activity by point of delivery and CCG

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	1,537.2	1,528.2	- 9.0	-1%	12,801.8	12,692.0	- 109.8	-1%
Daycases	2,933.8	2,744.0	- 189.7	-6%	5,305.3	5,145.0	- 160.3	-3%
Elective Spells	2,492.0	2,052.6	- 439.4	-18%	1,057.8	876.0	- 181.8	-17%
Non Elective Spells	9,780.8	9,738.3	- 42.5	0%	6,275.3	5,997.0	- 278.3	-4%
Elective Excess Bed Days	62.8	62.8	-	0%				
Non Elective Excess Bed Days	622.9	622.9	-	0%				
Outpatient Firsts	2,706.7	2,487.3	- 219.3	-8%	18,931.4	17,531.7	- 1,399.6	-7%
Outpatient Follow Ups	3,230.0	3,470.1	240.1	7%	35,535.3	37,606.1	2,070.8	6%
Outpatient Non Face to Face	37.2	34.2	- 3.0	-8%	2,006.2	1,863.0	- 143.2	-7%
Outpatient Virtual	0.0	-	- 0.0	-	0.0	-	- 0.0	-100%
Critical Care	1,182.8	1,182.8	-	0%	1,434.8	1,434.8	-	0%
Maternity	888.2	888.2	-	0%	1,106.0	1,106.0	-	0%
Non Pbr	3,446.5	3,446.5	-	0%				
Passthrough	2,825.7	2,429.7	- 396.0	-14%				
Penalty: 1st:FUP	- 21.8	-	21.8					
Penalty: BADS/BADS+ Penalty	- 3.6	- 3.6	-	0%				
30 day Readmissions	- 271.9	- 271.9	-	0%				
MRET	- 219.4	- 153.1	66.3	-30%				
CQUIN	676.8	604.6	- 72.2	-11%				
Systems Resilience	-	-	-					
Additional Items	-	-	-					
MRET Reinvestment	17.5	17.5	-	0%				
National Fines	-	22.2	22.2					
Prior year	-	340.3	340.3					
	<u>31,924.0</u>	<u>31,243.6</u>	<u>- 680.4</u>	<u>-2%</u>				

Penalties

	£000s
National	
Cancer	- 15.9
Infection Control	-
Mixed Sex	- 0.3
Cancelled operations	- 6.0
Duty of Candour	-
Never events	-
Publish formulary	-
VTE	-
Valid NHS number	-
Valid NHS number	-
Information Breach	-
Information DQIP agreement	-
RAP agreement	-
RAP breach	-
	<u>- 22.2</u>
Local	
Penalty: 1st:FUP	-
Penalty: BADS/BADS+ Penalty	- 3.6
	<u>- 3.6</u>
Total Penalties	<u>- 25.8</u>

Commissioner split will be available in future months.

Appendix 3

Financial Performance - April 2016										
Statement of Financial Position										
	March 2016		April 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	241,419	215,203	(26,216)	246,865	7,580	223,699	(23,166)	+
Intangible Assets	5,124	5,607	5,029	5,505	476	3,994	(1,130)	4,477	483	
Trade and Other Receivables	1,250	1,477	1,250	1,492	242	1,250	0	1,477	227	+
Total Non-Current Assets	245,659	222,852	247,698	222,201	(25,497)	252,109	6,450	229,653	(22,456)	+
CURRENT ASSETS:										
Inventories	7,738	7,130	7,738	7,185	(553)	7,738	0	7,430	(308)	+
Trade and Other Receivables	21,914	21,127	23,918	22,171	(1,747)	21,849	(65)	20,719	(1,130)	+
Cash and cash equivalents	1,000	1,166	1,018	2,993	1,975	1,013	13	1,013	0	+
Subtotal	30,652	29,423	32,674	32,349	(325)	30,600	(52)	29,162	(1,438)	+
Non-Current Assets Held for Sale	0	1,075	0	1,075	1,075	0	0	0	0	+
Total Current Assets	30,652	30,498	32,674	33,424	750	30,600	(52)	29,162	(1,438)	+
Total Assets	276,311	253,350	280,372	255,625	(24,747)	282,709	6,398	258,815	(23,894)	+
CURRENT LIABILITIES:										
Trade & Other Payables	(43,099)	(42,020)	(44,704)	(41,976)	2,728	(43,007)	92	(42,787)	220	-
Other Liabilities	(503)	(503)	(503)	(503)	(0)	(503)	0	(503)	0	-
Provisions for Liabilities and Charges	(1,218)	(1,364)	(1,223)	(2,256)	(1,033)	(834)	384	(834)	0	-
Borrowings	(118)	(299)	(119)	(118)	1	(119)	(1)	(119)	0	-
Liabilities arising from PFIs / LIFT / Finance Leases	(182)	0	(168)	(166)	2	0	182	0	0	-
Total Current Liabilities	(45,120)	(44,186)	(46,717)	(45,020)	1,697	(44,463)	657	(44,243)	220	-
Net Current Assets /(Liabilities)	(14,468)	(13,688)	(14,043)	(11,596)	2,447	(13,863)	605	(15,081)	(1,218)	+/-
Total Assets less Current Liabilities	231,191	209,164	233,655	210,605	(23,050)	238,246	7,055	214,572	(23,674)	+/-
NON-CURRENT LIABILITIES										
Other Liabilities	(14,591)	(14,591)	(14,549)	(14,549)	0	(14,087)	504	(14,087)	0	-
Provisions for Liabilities and Charges	(2,485)	(2,484)	(2,588)	(1,697)	891	(2,398)	87	(2,398)	0	-
Borrowings	(178)	(178)	(177)	(178)	(1)	(58)	120	(58)	0	-
Working capital support facility	(18,382)	(18,382)	(22,682)	(24,687)	(2,005)	(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)	(75,614)	(76,728)	(1,114)	(119,894)	(48,640)	(119,894)	0	-
Total Assets Employed	159,937	137,911	158,041	133,877	(24,164)	118,352	(41,585)	94,678	(23,674)	+
FINANCED BY: TAXPAYERS EQUITY										
Public dividend capital	251,746	251,746	252,326	251,745	(581)	256,746	5,000	256,746	0	+
Retained Earnings	(148,225)	(157,029)	(152,230)	(160,983)	(8,753)	(195,063)	(46,838)	(204,317)	(9,254)	+/-
Revaluation reserve	56,226	43,004	57,755	42,925	(14,830)	56,479	253	42,059	(14,420)	+
Other reserves	190	190	190	190	0	190	0	190	0	+/-
Total Taxpayers Equity	159,937	137,911	158,041	133,877	(24,164)	118,352	(41,585)	94,678	(23,674)	+

Appendix 4

Capital Spend by Scheme to date and forecast 2016/17				
Category	Scheme	Annual Plan £000s	Reported Position April 2016 £000s	Forecast Actual £000s
Medical Equipment	Anaesthetic machines Phase 1	429	0	429
Medical Equipment	Theatre endoscopic video systems - replace non HD systems	112	0	112
Medical Equipment	Theatre orthopaedic power tools delete	185	0	185
Medical Equipment	Theatre operating tablesLCH and PHB	150	0	150
Medical Equipment	Theatre electrosurgical generators	100	0	100
Medical Equipment	Intensive Care ventilators	240	0	240
Medical Equipment	Coronary Care monitoring PHB	170	0	170
Medical Equipment	Diagnostic ECG machines	50	0	50
Medical Equipment	Neonatal incubators	108	0	108
Medical Equipment	Antenatal fetal monitor	30	0	30
Medical Equipment	Intrapartum fetal monitor	26	0	26
Medical Equipment	Endoscopy Scopes + Stacks + electrosurgical generators	651	0	651
Medical Equipment	Nasendoscopes	11	0	11
Medical Equipment	Patient Trolleys	76	0	76
Medical Equipment	Brachytherapy replacement machine	204	0	204
Medical Equipment	Fibrosan - in Gastroenterology	90	0	90
Medical Equipment	Electronic maternity beds	12	0	12
Medical Equipment	MRI Pumps	30	0	30
Medical Equipment	General X-ray Rooms/ Mobile Eqt	1,440	0	1,434
Medical Equipment	Image Intensifiers	240	204	240
Medical Equipment	Ultrasound	160	0	160
Medical Equipment	DEXA	100	0	100
Medical Equipment	Dental X-ray	120	0	120
Medical Equipment	Critical care vents	50	0	50
Medical Equipment	Lung Function	35	0	35
Medical Equipment	DR Mobiles	215	0	215
Medical Equipment	Video Bronchoscope	28	0	28
Medical Equipment	Hoist	0	6	6
Medical Equipment	Cardiac Ultrasound Paediatric Probes Probes	0	0	0
Medical Equipment	Procedre Ultrasound EAU	0	0	0
Medical Equipment	Arthroscopy stack	0	0	0
Medical Equipment Subtotal		5,062	211	5,062
IT development	E-Cobs	708	28	708
IT development	Ormis theatre system renewal	359	3	359
IT development	Maternity IT system	830	0	830
IT development	Upgrade to Medway	100	0	100
IT Development Subtotal		1,997	31	1,997
IT Service Development & Modernisation	Datix - 3545 PC Laptop replacements	800	0	800
IT Service Development & Modernisation	Upgrade to Lincoln Exchange EOL	300	0	300
IT Service Development & Modernisation	SAN Storage system	50	0	50
IT Service Development & Modernisation	Server Replacement	50	0	50
IT Service Development & Modernisation	Datix 361 -Water Risk/Pilgrim Machine Room	200	0	200
IT Service Development & Modernisation	SAN resilience linked to recent failure	200	0	200
IT Service Development and Modernisation Subtotal		1,600	0	1,600
Estates Backlog Maintenance	Aseptic Isolators	262	0	262
Estates Backlog Maintenance	Specialised Rehabilitation	933	0	933
Estates Backlog Maintenance	Neonates	1,900	0	1,900
Estates Backlog Maintenance	Lincoln Backlog Maintenance	609	0	609
Estates Backlog Maintenance	Pilgrim Backlog Maintenance	609	0	609
Estates Backlog Maintenance	Grantham Backlog Maintenance	609	0	609
Estates Backlog Maintenance	Schemes in Development Backlog Maintenance	1,204	2	1,204
Backlog Maintenance Subtotal		6,126	3	6,126
Service Development & Modernisation	Radiotherapy Linac phase 3	2,015	3	2,015
Service Development & Modernisation	JAG accreditation	500	0	500
Service Development & Modernisation	Coding Move	30	0	30
Service Development & Modernisation	Clinical Outcomes	53	0	53
Service Development & Modernisation	Clinic 9	386	1	386
Service Development & Modernisation	Dimex Machines - PACS	41	0	41
Service Development & Modernisation	Ophthalmology	14	0	14
Service Development & Modernisation Subtotal		3,039	3	3,039
Contingency and Developments in progress	Contingency and Developments in progress	1,727	0	1,727
Contingency and Developments In Progress Subtotal		1,727	0	1,727
2016/17 Capital Programme - Total		19,551	248	19,551