

# United Lincolnshire Hospitals

NHS Trust

<b>To:</b>	Trust Board
<b>From:</b>	Jason Burn, Interim Director of Finance & Corporate Affairs
<b>Date:</b>	5 May 2016
<b>Healthcare standard</b>	

<b>Title:</b>	<b>2015/16 Financial Position to Month 12</b>		
<b>Author/Responsible Director:</b> Neil Morton, Interim Deputy Director of Finance / Jason Burn, Interim Director of Finance & Corporate Affairs			
<b>Purpose of the Report:</b> To provide the Board with an update on the Trust's year-end financial position for 2015/16			
<b>The Report is provided to the Board for:</b>			
Information	<input checked="" type="checkbox"/>	Assurance	<input checked="" type="checkbox"/>
Discussion	<input checked="" type="checkbox"/>	Decision	<input type="checkbox"/>
<b>Summary/Key Points:</b>			
<ul style="list-style-type: none"> <li>• The year-end financial position for 2015/16 is a deficit of £56.9m.</li> <li>• Whilst the Trust has not delivered its planned deficit of £40.3m, the year-end financial position is in line with the Month 11 forecast.</li> <li>• Following the inclusion of additional income and other technical adjustments, the reported financial position in Month 12 is a deficit of £1.0m, but the underlying in-month deficit is £5.4m.</li> <li>• The Trust has met its' requirements to manage within the External Financing and Capital Resource Limits set by DH for the 2015/16 financial year.</li> </ul>			
<b>Recommendations:</b>			
The Board are asked to note:			
<ul style="list-style-type: none"> <li>• Performance against the key financial duties and key issues.</li> <li>• The position included in this report is as stated in our draft annual accounts, which are now subject to audit.</li> </ul>			
<b>Strategic Risk Register</b>		<b>Performance KPIs year to date</b>	
<b>Resource Implications (eg Financial, HR)</b>			
<b>Assurance Implications</b>			
<b>Patient and Public Involvement (PPI) Implications</b>			
<b>Equality Impact</b>			

<b>Information exempt from Disclosure</b>
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<b>Requirement for further review?</b>
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## 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 and the main financial statements.

## 2. Key Financial Duties

Financial Duty	Annual Plan £'ms	Actual Outturn £'ms	RAG
Delivering the Planned Deficit	(40.3)	(56.9)	R
Achieving the EFL	65.2	62.7	G
Achieving the Capital Resource Limit	34.4	21.2	G

### Key Issues

- The year-end financial position for 2015/16 is a deficit of £56.9m.
- Whilst the Trust has not delivered its planned deficit of £40.3m, the year-end financial position is in line with the Month 11 forecast.
- Although the month 12 position was a deficit of £1.0m, the in-month position included £4.4m of additional income and technical adjustments, without which the underlying deficit was £5.4m.
- The £4.4m of adjustments comprised of an additional £1.0m capital to revenue transfer, reinvestment of fines of £1.4m, an additional £0.3m of winter resilience funds, an additional £0.3m of other income, the release of £0.4m of expenditure accruals, and the release of £1.0m following a further review of the balance sheet.
- In total the year-end financial position included £5.0m of capital to revenue transfers: £4m in Month 11 and £1m in Month 12.
- The deficit in cash terms has been managed through a term loan of £35.6m and by utilising an agreed Interim Working Capital Facility.
- 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 Trust is not currently meeting the agency cap requirements.

### 3. Year-End Financial Position and Month 12 Results

3.1. The Month 12 results and year-end Income and Expenditure performance are provided in Appendix 1 and summarised in the table below

Table 1:- Summary Income and Expenditure Position.

	March 2016			April - March 2016		
	Plan	Actual	Surplus (Deficit)	Plan	Actual	Surplus (Deficit)
	£m	£m	£m	£m	£m	£m
Income	35.3	38.9	3.7	417.8	423.4	5.6
Expenditure	(36.7)	(38.8)	(2.1)	(439.1)	(463.1)	(24.0)
<b>EBITA</b>	<b>(1.4)</b>	<b>0.1</b>	<b>1.6</b>	<b>(21.3)</b>	<b>(39.7)</b>	<b>(18.4)</b>
Net Interest	(0.0)	(9.1)	(9.1)	(0.1)	(9.4)	(9.4)
Depreciation	(1.1)	(1.0)	0.2	(12.1)	(11.4)	0.7
PDC Dividend Payable	(0.6)	(0.0)	0.6	(7.1)	(5.3)	1.9
<b>Net Deficit</b>	<b>(3.2)</b>	<b>(10.0)</b>	<b>(6.8)</b>	<b>(40.6)</b>	<b>(65.8)</b>	<b>(25.2)</b>
<b>Net Deficit adjusted for impairment &amp; impact of donated / govt granted assets</b>	<b>(3.2)</b>	<b>(1.0)</b>	<b>2.2</b>	<b>(40.3)</b>	<b>(56.9)</b>	<b>(16.6)</b>

3.2. The Trust is reporting:

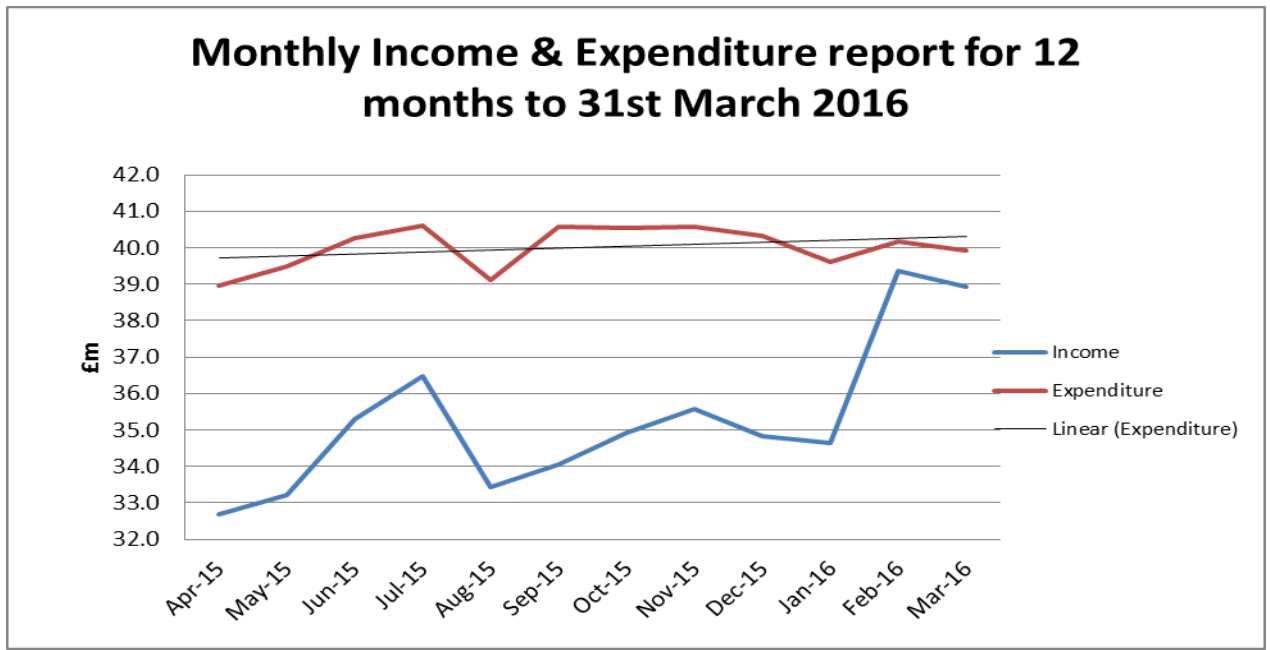
- A deficit at the end of Month 12 (March 2016) of £56.9m, which is £16.6m adverse to the planned deficit of £40.3m.
- The in-month position of a £1.0m deficit includes £4.4m of additional income and technical adjustments.
- Without these adjustments, the in-month position would be a £5.4m deficit, £2.2m 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 nursing and medical agency staff above budgeted levels.
- Slippage on the CIP programme.
- CCG Fines & Penalties (plan assumed full reinvestment).
- Loss of elective capacity due to winter pressures.

## Income and Expenditure Position by Month

3.4. The following chart shows the monthly Income and Expenditure position for the 12 months to 31<sup>st</sup> March, and highlights the dependence of the Trust upon additional income to deliver the Month 11 forecast deficit.



## Income Summary

3.5. 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 Actual	YTD Var	YTD %	Full year		YTD		YTD %
	Plan	YTD	Plan	YTD				Plan	Plan	Actual	YTD	
AandE	17,423	17,423	18,051	628	3.6%	150,844	150,844	154,118	3,274	2.2%		
Inpatients	180,601	180,601	177,300	- 3,301	-1.8%	149,846	149,846	151,953	2,107	1.4%		
Outpatients	67,793	67,793	70,465	2,671	3.9%	643,968	643,968	663,111	19,143	3.0%		
Passthrough	28,982	28,982	32,916	3,935								
Other	67,849	67,849	65,953	- 1,896	-2.8%							
Activity income before adjustments	362,648	362,648	364,685	2,037		944,657	868,025	882,115	14,089			
30 day readmissions	-	3,240	- 3,240	-								
MRET	-	2,664	- 2,664	-	108							
CQUIN	7,906	7,906	7,466	- 440								
Specialised Marginal Rate	-	254	- 254	-	184	70						
System Resilience Funding	4,547	4,547	4,847	300								
Fines & Penalties (inc local)	-	-	2,939	2,939								
Fines Reinvestment	-	-	1,368	1,368								
MRET Reinvestment	462	462	462	-								
Other	175	175	223	398								
	369,579	369,579	369,684	105								

Note: Breakdown shown in Appendix 2

3.6. The key points to note are as follows:

- Activity over performance in A&E activity of 2.2% and outpatient activity (follow-ups 6.1%).
- Under performance on inpatient activity (particularly elective spells -8%) and outpatient first attendances -2.9%.
- 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 previously disputed. The Trust received notification of the dispute resolution decision with the CCGs over reinvestment of fines. Unfortunately, the Trust did not receive a favorable outcome, which had resulted in the deterioration of the forecast outturn position shown last month. Local penalties were not reinvested.
- NHSE reinvested all fines.

#### Fines and Penalties

3.7. Appendix 2 shows details of the fines assumed in the year end position. The dispute resolution decision means that of this £950k was not reinvested.

#### MRET

3.8. Marginal Rate Emergency Threshold deductions of £2.5m have been incurred as a result of increased emergency admissions over the baseline threshold, of which £462k has been reinvested by Specialised Commissioning.

#### CQUIN

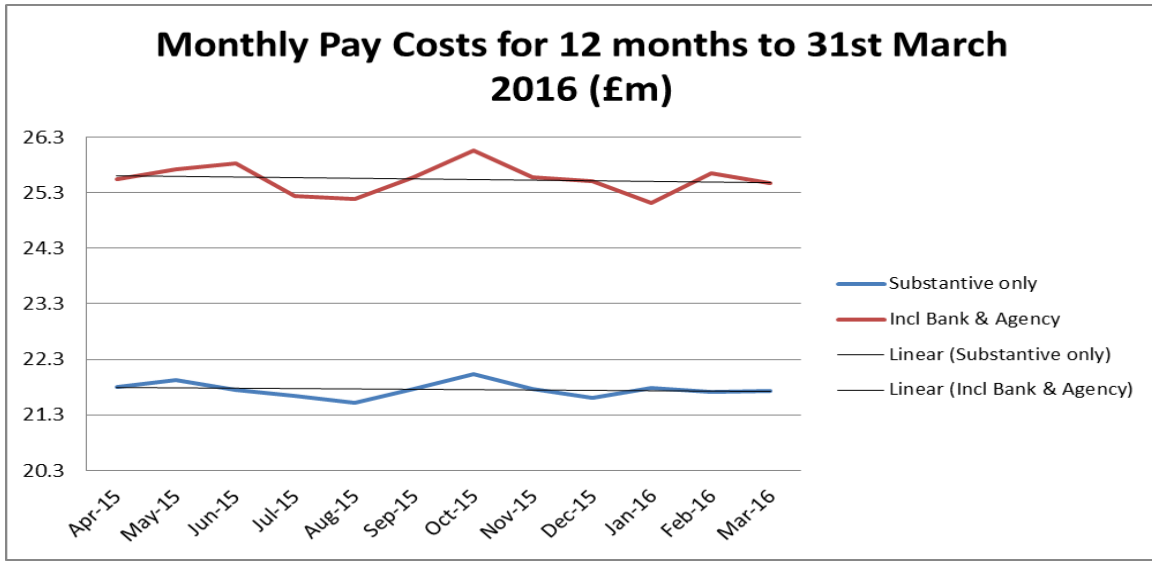
3.9. CQUIN has been assumed as per the dispute resolution outcome.

#### Pay Expenditure Summary

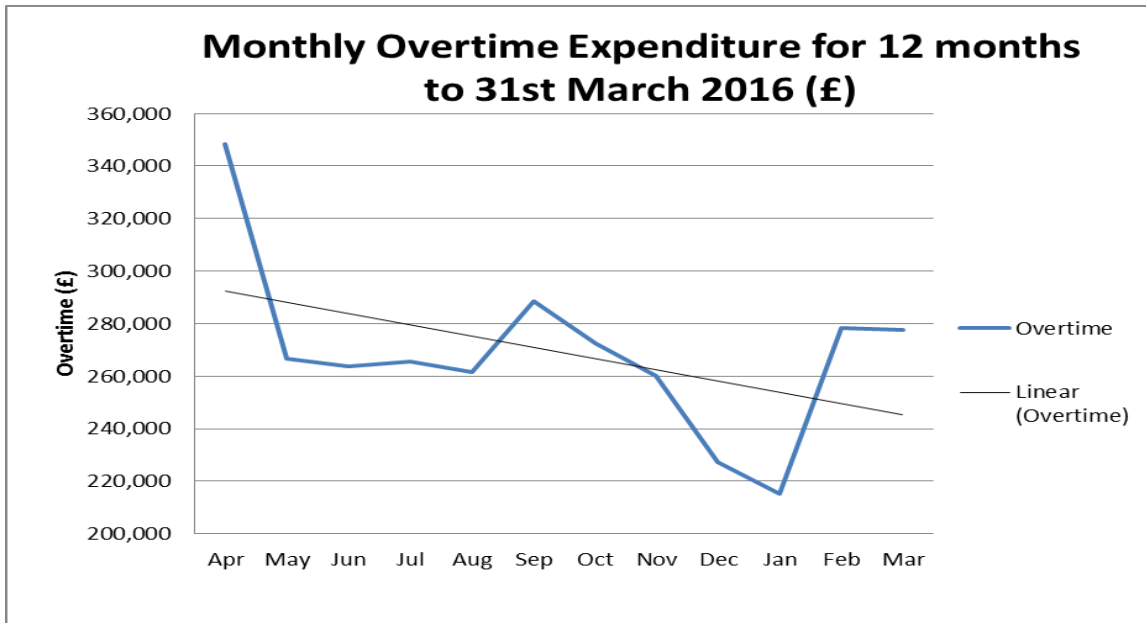
3.10. Main points to note are as follows:-

- Pay is £11.2m worse than plan.
- Nursing & Midwifery over spend of £6.0m, of which escalation beds is estimated to be £3.4m.
- Total expenditure on Medical Staffing is £100m, which is an over spend of £7.2m. The total spend includes premium rate agency and extra duty expenditure of £23.1m.

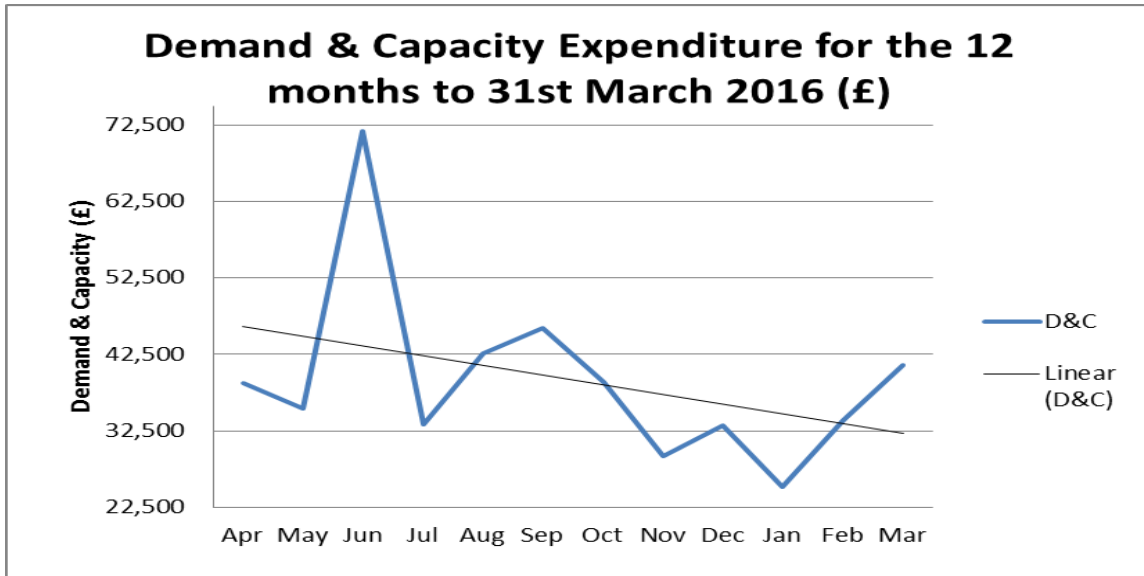
- As the following chart shows, the trend within Pay expenditure has been relatively 'flat' during the financial year, with the movement in monthly Pay expenditure being closely correlated to Bank and Agency expenditure levels.



- Overtime expenditure has been on a reducing trend since April. However, having fallen below £260k in December and January, expenditure increased to nearly £280k in February and March as activity levels and patient care income have increased.



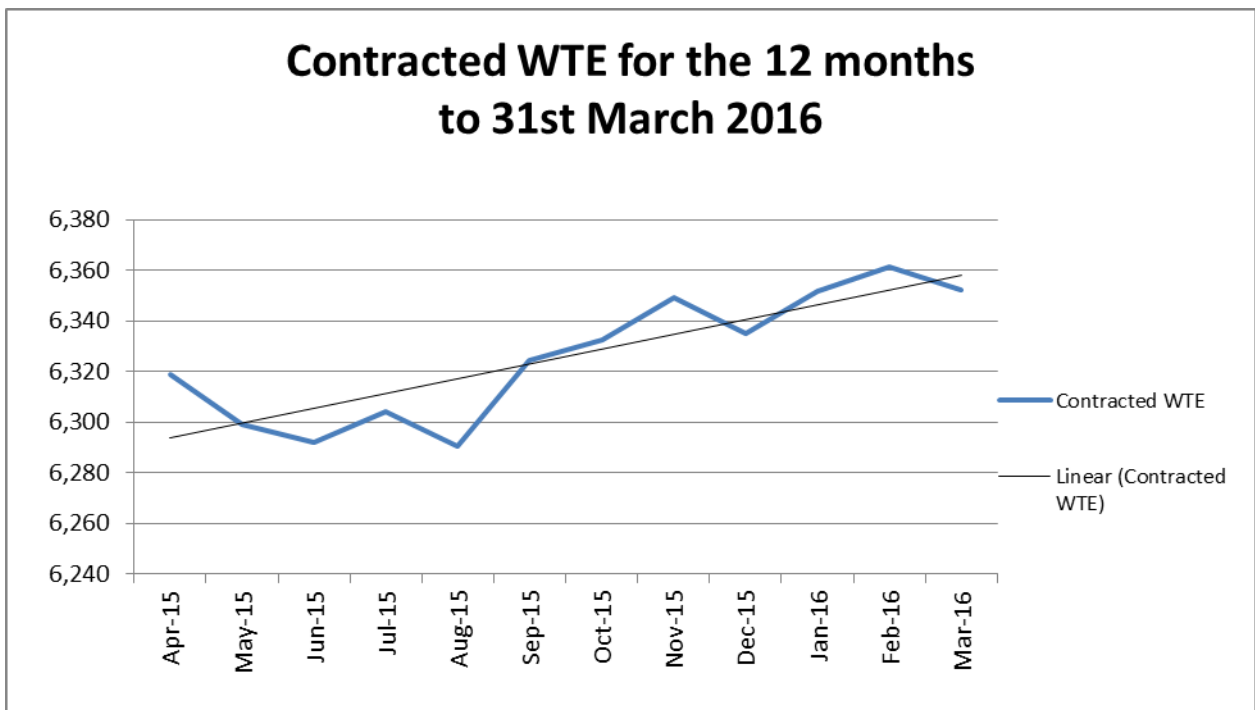
3.11. As with overtime, expenditure on Demand & Capacity payments to staff employed on Agenda for Change contracts has been on a reducing trend since April. However, whilst expenditure on Demand & Capacity fell in recent months, like overtime, expenditure has increased in February and March to £34k and £41k respectively.



3.12. Performance against the Nursing Agency Cap target [introduced in October] is shown in the table below - the Cap is measured against qualified nursing staff only.

	Oct 15	Nov 15	Dec 15	Jan 16	Feb 16	Mar 16
Actual	12.15%	9.89%	10.41%	12.14%	11.63%	11.15%
Target	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%

3.13. Contracted WTE numbers have increased over the last twelve months: 6,318 in April 2015 compared to 6,352 in March 2016.



3.14. Between April 2015 and March 2016, contracted WTE numbers have increased by 34: rising from 6,318 wte in April to 6,352 in March. Indeed, contracted WTE numbers have been on a generally upward trend since August.

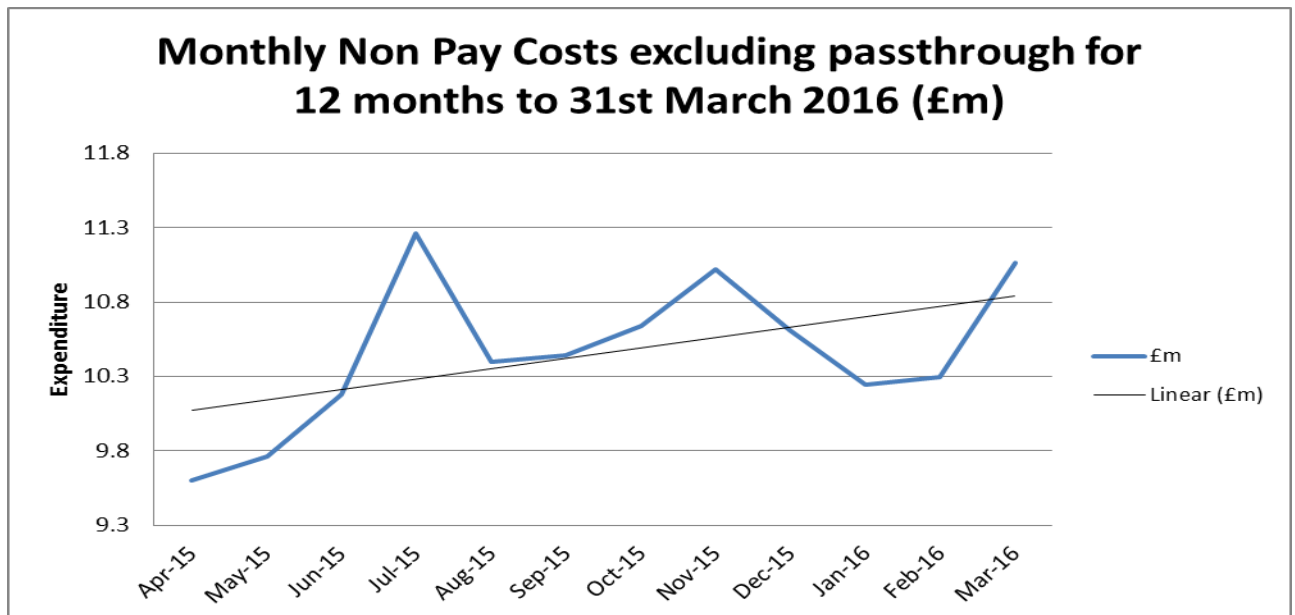
3.15. It is noted, though, that whilst contracted WTE numbers have increased by 34 between April 2015 and March 2016, much of this increase can be attributed to the growth in Non Clinical and Nurse staffing. As the following table also shows, whilst consultant staffing numbers have increased by 9, this has been offset by a loss of 31 within other Medical Staffing numbers:

Category	Apr	July	Oct	Mar	Movement Apr - Mar
Consultants	301	310	309	310	9
Medical Staff	509	503	496	478	-31
Other Support Staff	756	761	753	758	2
Scientific, Therapeutic & Technical	912	906	903	924	12
Non Clinical	1,082	1,087	1,106	1,104	22
Nurses & Midwives	2,758	2,739	2,765	2,779	21
<b>Total</b>	<b>6,318</b>	<b>6,306</b>	<b>6,332</b>	<b>6,352</b>	<b>34</b>

### Non Pay Expenditure Summary

3.16. Main point to note is as follows:-

- Non Pay is £12.7m worse than plan, of which over performance on pass through expenditure equates to £3.9m.



3.17. In addition to increased pass through costs, key drivers of the non-pay variance to budget includes the following:

- Homecare recharges (offset within BU's income position) £3.0m
- Outsourced Radiology reporting £1.4m
- Building and Engineering contracts and equipment £1.1m
- Community COIN recharges (offset within Directorate's income position) £0.8m
- Procurement of additional MRI capacity £0.6m
- RTT validation £0.5m
- Microsoft Enterprise Agreement £0.4m



#### 4. Balance Sheet

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

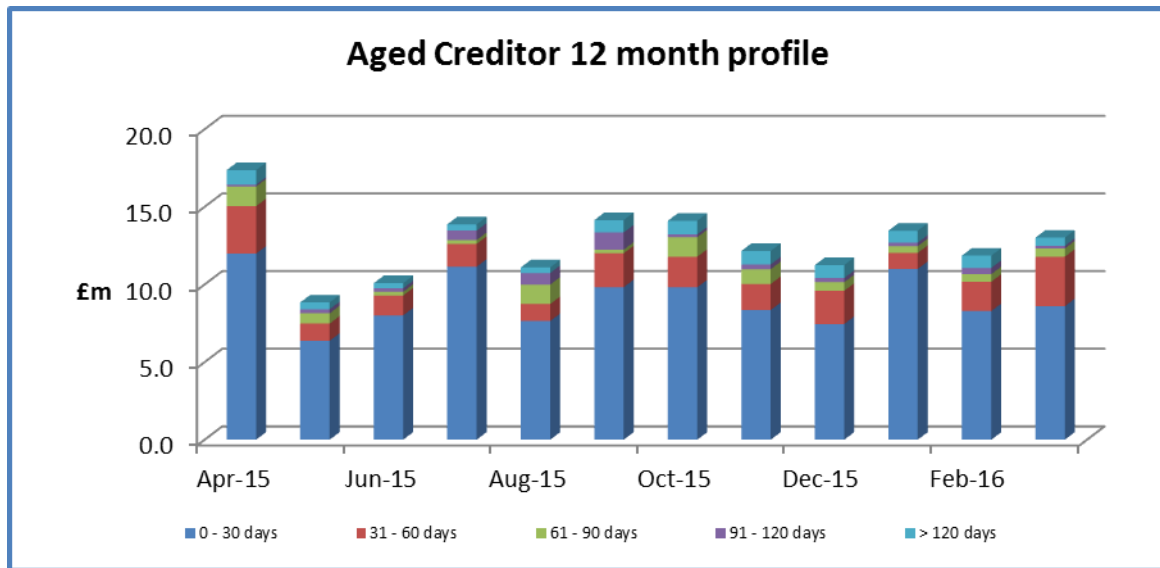
#### 4.2. Creditors

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 outturn performance for 2015/16 is shown in the following table:

Better Payment Practice Code	By volume Number	By Value £000s
<b>Current month year to date</b>		
Total bills paid in the year	126,904	205,459
Total bills paid within target	108,008	170,370
<b>% of bills paid within target</b>	<b>85%</b>	<b>83%</b>

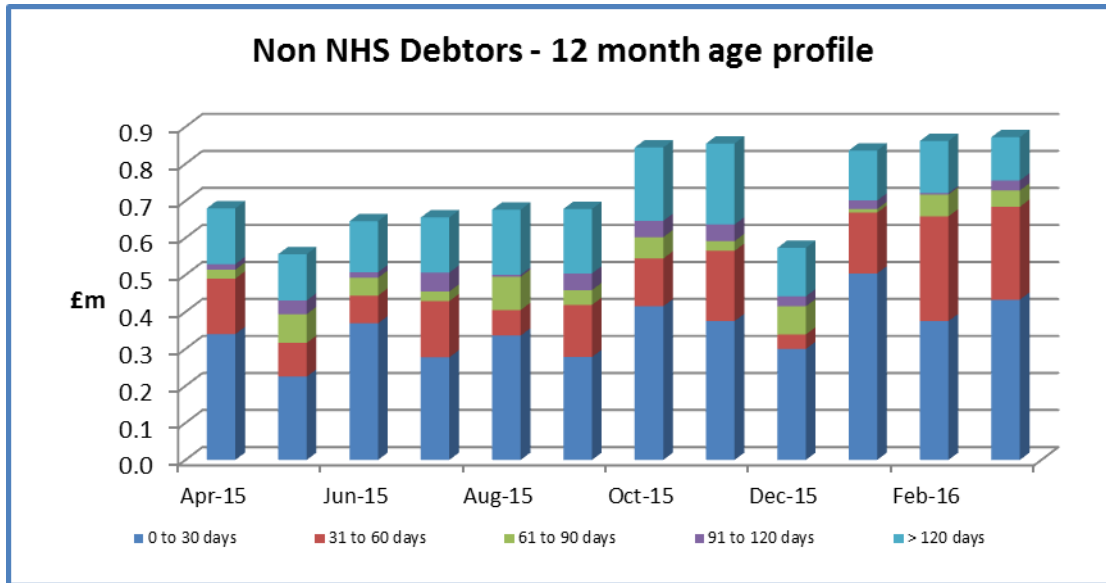
4.3. The aged creditor profile for the last 12 months is shown in the following table.



4.4. Creditors exceeding 90 days were £0.7m, of this £0.4m relates to just 1 supplier where payment is being held pending receipt of supporting information.

#### 4.5. Debtors

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

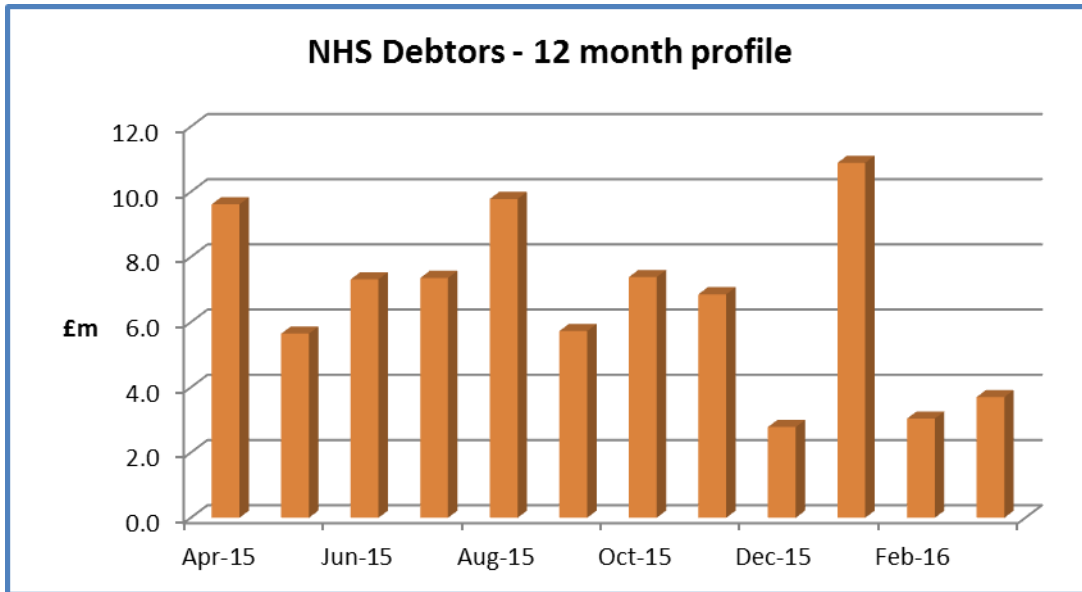


4.7. The overall level of non-NHS debt at Month 12 was £0.9m; of this, excluding those on instalment plans (£17k) or referred to the Trust debt collection agency (£61k), £63k is aged over 90 days.

4.8. The level of overseas visitors' debt is currently £24,000. 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.

4.9. The Trust reviews the aged debt each month and makes provision against invoiced debt which may not be recoverable. The provision at month 12 was £0.1m. In addition a quarterly exercise is carried out to write off debt considered irrecoverable. Debts written off during 2015/16 amounted to £22.1k 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.

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



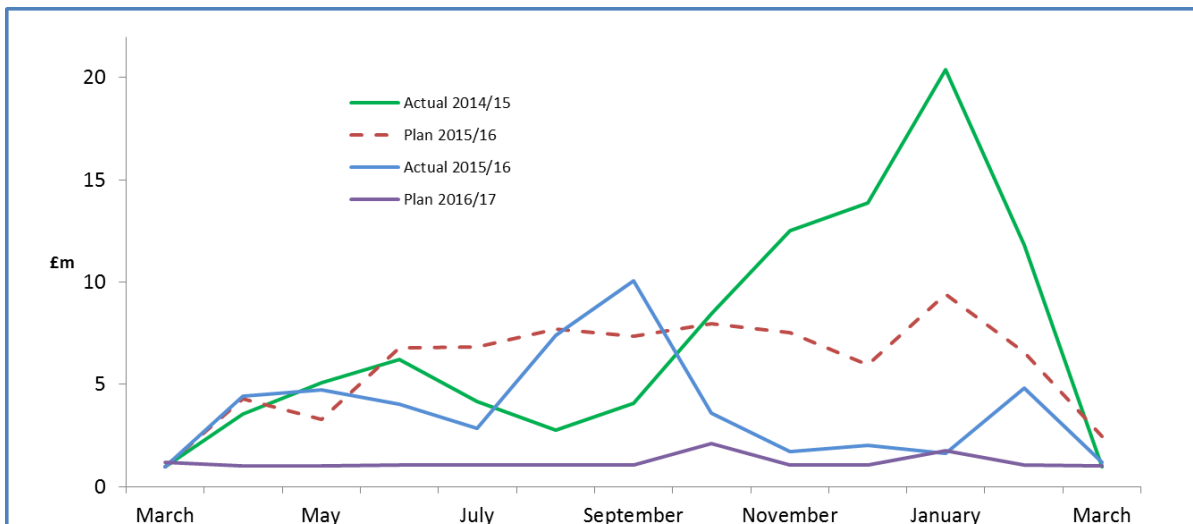
4.11. NHS Debt invoiced at the end of Month 11 is £3.7m. This is split between CCGs, Trusts and other customers as shown below.

	0 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	120 + days	Grand Total
CCGs - Lincolnshire	945	162	41	(137)	(148)	863
CCGs - Other	79	90	(9)	33	199	392
Trusts - Lincolnshire	751	303	331	22	26	1,433
Trusts - Other	362	116	92	11	148	729
Other NHS	363	(13)	(26)	20	(60)	284
<b>Total</b>	<b>2,500</b>	<b>658</b>	<b>429</b>	<b>-51</b>	<b>165</b>	<b>3,701</b>

## 5. Cash Flow Forecast

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

5.2. The actual cash position for 2015/16 is shown graphically below alongside the initial 2015/16 plan, 2014/15 comparator and financial plan for 2016/17.



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

5.4. Net drawings against the IRWCF at 31 March 2016 were £18.4m.

5.5. 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.

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

5.7. Trust cash liquidity remains a concern during March and the first quarter of 2016/17. Careful management of working capital balances will be necessary. Working capital balances are managed on a daily basis as per the working capital strategy.

## 6. Capital

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

6.2. The year-end position is £21.159m (the forecast was £21.165m) the revised CRL is £21.209m, resulting in a £50k or 0.24% undershoot.

## 7. Capital Resource and External Financing Limits

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

Performance against Capital Resource Limit (CRL) Target	Actual	External Financing Limit Target (EFL)	Actual
	£000s		£000s
<b>Initial CRL - notified M4</b>	<b>17,059</b>	<b>Initial EFL - notified M3</b>	<b>-1,589</b>
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
Preventing avoidable harm	22	Preventing avoidable harm	22
		Adjustment to reflect revised min cash balance	1,435
		Interim revenue working capital facility	18,382
		Interim revenue support loan	35,618
		Capital to Revenue Transfer	-5,000
		Salix Loan repayment	-118
<b>Notified CRL</b>	<b>21,081</b>	<b>Notified EFL</b>	<b>62,750</b>
Forecast Capital expenditure	21,323		
Less Capital funded via Charitable Donations	-138		
Less Net book value of disposed assets	-128		
<b>Charge against CRL</b>	<b>21,031</b>		
<b>Over / (Under) shoot against CRL target</b>	<b>-50</b>		

7.2. A capital to revenue transfer was 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.

7.3. The Trust achieved the EFL target at 31 March 2016.

## 8. Conclusions

8.1. The Trust has not deliver it's control deficit of £40.3m.

8.2. The actual deficit was £56.9m including the £5.0m capital to revenue transfer and delivery of the financial recovery plan.

## 9. Recommendations

9.1. To note the performance against the key financial duties and key issues (Section 2)

9.2. To note the Trust's end of year position was a deficit of £56.9m, which is in line with the adjusted forecast at Month 11. This position is as stated in our draft annual accounts, which are now subject to audit.

Jason Burn  
Interim Director of Finance

## Appendix 1

### Income and Expenditure performance

#### Financial Performance - March 2016

#### Trading Position

Period ending 31 March 2016

2014-15 Year end		2015-16 Annual FIMS Plan	2015-16 Annual Internal Plan	Year to Date		
				Internal Plan	Actual	Surplus/ (Deficit)
£k		£k	£k	£k	£k	
	<b>Income</b>					
395,007	Revenue from Patient Care Activities	377,747	377,747	383,658	386,840	3,183
37,895	Other Operating Revenue	38,379	38,379	34,037	36,450	2,413
348	Receipt of govt granted /donated	120	120	120	138	18
<b>433,250</b>	<b>Total Income</b>	<b>416,246</b>	<b>416,246</b>	<b>417,815</b>	<b>423,428</b>	<b>5,614</b>
	<b>Expenditure</b>					
(290,059)	Pay	(299,837)	(299,837)	(294,665)	(305,876)	(11,211)
(141,487)	Non Pay	(137,699)	(137,699)	(144,444)	(157,204)	(12,761)
<b>(431,546)</b>	<b>Total Expenditure</b>	<b>(437,536)</b>	<b>(437,536)</b>	<b>(439,109)</b>	<b>(463,080)</b>	<b>(23,971)</b>
	<b>Earnings before interest,tax,depreciation and</b>					
<b>1,704</b>	<b>Profit/Loss(-) on disposals</b>	<b>(21,290)</b>	<b>(21,290)</b>	<b>(21,294)</b>	<b>(39,652)</b>	<b>(18,358)</b>
11	Depreciation	(12,123)	(12,123)	(12,123)	(11,448)	675
(10,508)	Impairment				(8,557)	(8,557)
2	PDC Dividend	(7,148)	(7,148)	(7,148)	(5,258)	1,890
(6,448)	Interest Receivable	3	3	8	70	62
45	Other interest payable	(89)	(89)	(89)	(905)	(816)
(84)	<b>Surplus / (Deficit) for period</b>	<b>(40,647)</b>	<b>(40,647)</b>	<b>(40,646)</b>	<b>(65,800)</b>	<b>(25,154)</b>
(15,278)						
<b>(3.5)%</b>	<b>Net Margin</b>	<b>(9.8)%</b>	<b>(9.8)%</b>	<b>(9.7)%</b>	<b>(15.5)%</b>	<b>(5.8)%</b>
	<b>Surplus / (Deficit) adjusted for impairment &amp; impact of donated / govt granted assets</b>					
<b>(15,161)</b>		<b>(40,284)</b>	<b>(40,284)</b>	<b>(40,301)</b>	<b>(56,917)</b>	<b>(16,616)</b>

## 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			YTD % Var
	Plan	YTD	Plan	YTD	Actual		YTD	Plan	Plan	Actual	YTD	
AandE	17,423	17,423	18,051	628	3.6%	150,844	150,844	154,118	3,274	2.2%		
Critical Care	15,164	15,164	13,706	- 1,458	-9.6%	18,067	18,067	16,755	- 1,312	-7.3%		
Daycase	33,588	33,588	33,956	368	1.1%	62,505	62,505	64,298	1,793	2.9%		
Elective spells	29,163	29,163	26,704	- 2,459	-8.4%	12,713	12,713	11,691	- 1,022	-8.0%		
Maternity	11,743	11,743	10,959	- 784	-6.7%	13,618	13,618	13,525	- 93	-0.7%		
NF2F	441	441	420	- 21	-4.7%	24,268	24,268	22,281	- 1,988	-8.2%		
Non Pbr	40,502	40,502	40,869	367	0.9%							
Non-Elective spells	117,850	117,850	116,640	- 1,210	-1.0%	74,628	74,628	75,964	1,336	1.8%		
Outpatient firsts	30,796	30,796	30,179	- 616	-2.0%	221,897	221,897	215,414	- 6,483	-2.9%		
Outpatient follow ups	36,997	36,997	40,285	3,288	8.9%	422,071	422,071	447,697	25,626	6.1%		
Passthrough	28,982	28,982	32,916	3,935	13.6%							
	<u>362,648</u>	<u>362,648</u>	<u>364,685</u>	<u>2,037</u>	<u>0.6%</u>							
30 day readmissions	- 3,240	- 3,240	- 3,240	-	0.0%							
MRET	- 2,664	- 2,664	- 2,557	108	-4.0%							
CQUIN	7,906	7,906	7,466	- 440	-5.6%							
Specialised Marginal Rate	- 254	- 254	- 184	70	-27.7%							
System Resilience Funding	4,547	4,547	4,847	300	6.6%							
Fines & Penalties	-	-	- 2,500	- 2,500								
Fines Reinvestment	-	-	1,368	1,368								
Other penalties	-	-	439	439								
MRET reinvestment	462	462	462	-	0.0%							
WIP/Maternity pre payment	-	-	33	33								
Prior year	-	-	365	365								
Other	-	-	-	-								
Breast age extension	175	175	175	0	0.0%							
	<u>369,579</u>	<u>369,579</u>	<u>369,684</u>	<u>105</u>	<u>-0.5%</u>							

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

### Income by Commissioner

	£000s					YTD % Var
	Full year		YTD			
	Plan	YTD	Plan	YTD	Actual	
Lincolnshire CCGs	291,209	291,209	290,244	- 966	-0.3%	
Lincolnshire Associates	10,074	10,074	10,692	618	6.1%	
Lincolnshire Contract	301,283	301,283	300,936	- 348	-0.1%	
Lincolnshire AQP	3,829	3,829	3,870	41	1.1%	
Lincolnshire Total	<u>305,112</u>	<u>305,112</u>	<u>304,806</u>	<u>- 306</u>	<u>-0.1%</u>	
NHS England	45,111	45,111	45,356	244	0.5%	
NHS England Associates	10,688	10,688	10,632	- 56	-0.5%	
NHSE Contract	55,799	55,799	55,987	188	0.3%	
Non Contract Activity	3,736	3,736	2,974	- 763	-20.4%	
Provider Charges	97	97	126	30	30.6%	
Cancer Drugs Fund	4,659	4,659	5,525	865	18.6%	
Public Health England	175	175	267	92	52.2%	
Fines & Penalties	-	-	-	-		
Other	-	-	-	-		
	<u>8,668</u>	<u>8,668</u>	<u>8,891</u>	<u>223</u>	<u>2.6%</u>	
	<u>369,579</u>	<u>369,579</u>	<u>369,684</u>	<u>105</u>	<u>0.0%</u>	

Note: Figures show after deduction of Fines & Penalties and any reinvestment

### Fines & Penalties

	£000s
RTT Incomplete	- 379
RTT 52 week wait	- 70
Diagnostics 6 week wait	- 17
A&E waits	- 1,419
A&E 12hr trolley waits	-
Ambulance Handover	-
Cancer waits	- 309
Mixed sex	- 23
Cancelled ops	- 72
MRSA, C Diff	- 10
Remedial action plans	-
VTE	- 202
Sanctions reinvested	<u>1,368</u>
Total	<u>- 1,133</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
<b>Total</b>	<b>973</b>	<b>1,120</b>	<b>5,194</b>	<b>1,121</b>	<b>8,408</b>



## Appendix 4

### Financial Performance - March 2016

#### Statement of Financial Position

	March 2015		March 2016			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	
<b>NON-CURRENT ASSETS:</b>										
Property, Plant and Equipment	229,154	229,154	252,375	215,768	(36,607)	252,375	23,221	215,768	(36,607)	+
Intangible Assets	5,777	5,777	4,614	5,607	993	4,614	(1,163)	5,607	993	
Trade and Other Receivables	1,345	1,345	1,674	1,477	(197)	1,674	329	1,477	(197)	+
<b>Total Non-Current Assets</b>	<b>236,276</b>	<b>236,276</b>	<b>258,663</b>	<b>222,852</b>	<b>(35,811)</b>	<b>258,663</b>	<b>22,387</b>	<b>222,852</b>	<b>(35,811)</b>	<b>+</b>
<b>CURRENT ASSETS:</b>										
Inventories	7,738	7,738	7,738	7,130	(608)	7,738	0	7,130	(608)	+
Trade and Other Receivables	21,615	21,615	22,527	21,127	(1,400)	22,527	912	21,127	(1,400)	+
<b>Cash and cash equivalents</b>	<b>1,010</b>	<b>1,010</b>	<b>2,435</b>	<b>1,166</b>	<b>(1,269)</b>	<b>2,435</b>	<b>1,425</b>	<b>1,166</b>	<b>(1,269)</b>	<b>+</b>
<b>Subtotal</b>	<b>30,363</b>	<b>30,363</b>	<b>32,700</b>	<b>29,423</b>	<b>(3,277)</b>	<b>32,700</b>	<b>2,337</b>	<b>29,423</b>	<b>(3,277)</b>	<b>+</b>
Non-Current Assets Held for Sale	0	0	0	1,075	1,075	0	0	1,075	1,075	+
<b>Total Assets</b>	<b>266,639</b>	<b>266,639</b>	<b>291,363</b>	<b>253,350</b>	<b>(38,013)</b>	<b>291,363</b>	<b>24,724</b>	<b>253,350</b>	<b>(38,013)</b>	<b>+</b>
<b>CURRENT LIABILITIES:</b>										
Trade & Other Payables	(37,143)	(37,143)	(37,802)	(42,020)	(4,218)	(37,802)	(659)	(42,020)	(4,218)	-
Other Liabilities	(503)	(503)	(503)	(503)	(0)	(503)	0	(503)	0	-
Borrowings : Salix Loan	(118)	(118)	(119)	(118)	1	(119)	(1)	(118)	1	-
DH Capital Loan Principal Repayments	0	0	(767)	0	767	(767)	(767)	0	767	-
Liabilities arising from PFIs / LIFT / Finance L	(164)	(164)	(182)	(181)	1	(182)	(18)	(182)	0	-
Provisions for Liabilities and Charges	(2,223)	(2,223)	(888)	(1,363)	(475)	(888)	1,335	(1,363)	(475)	-
<b>Total Current Liabilities</b>	<b>(40,151)</b>	<b>(40,151)</b>	<b>(40,261)</b>	<b>(44,186)</b>	<b>(3,925)</b>	<b>(40,261)</b>	<b>(110)</b>	<b>(44,186)</b>	<b>(3,925)</b>	<b>-</b>
<b>Net Current Assets /(Liabilities)</b>	<b>(9,788)</b>	<b>(9,788)</b>	<b>(7,561)</b>	<b>(14,762)</b>	<b>(7,201)</b>	<b>(7,561)</b>	<b>2,227</b>	<b>(14,763)</b>	<b>(7,202)</b>	<b>+/-</b>
<b>Total Assets less Current Liabilities</b>	<b>226,488</b>	<b>226,488</b>	<b>251,102</b>	<b>209,164</b>	<b>(41,938)</b>	<b>251,102</b>	<b>24,614</b>	<b>209,164</b>	<b>(41,938)</b>	<b>+/-</b>
<b>NON-CURRENT LIABILITIES</b>										
Liabilities arising from PFIs / LIFT / Finance L	(181)	(181)	0	0	0	0	181	0	0	-
Borrowings : Working Capital Support Facili	0	0	0	(18,382)	(18,382)	0	0	0	0	-
DH Revenue Support Loan	0	0	(6,850)	(35,618)	(28,768)	(6,850)	(6,850)	(54,000)	(47,150)	-
Borrowings : Salix Loan	(296)	(296)	(177)	(178)	(1)	(177)	119	(177)	0	-
Provisions for Liabilities and Charges	(2,582)	(2,582)	(2,496)	(2,485)	11	(2,496)	86	(2,485)	11	-
Other Liabilities	(15,094)	(15,094)	(14,590)	(14,591)	(1)	(14,590)	504	(14,591)	(1)	-
<b>Total Non-Current Liabilities</b>	<b>(18,153)</b>	<b>(18,153)</b>	<b>(24,113)</b>	<b>(71,253)</b>	<b>(47,141)</b>	<b>(24,113)</b>	<b>(5,960)</b>	<b>(71,253)</b>	<b>(47,140)</b>	<b>-</b>
<b>Total Assets Employed</b>	<b>208,335</b>	<b>208,335</b>	<b>226,989</b>	<b>137,911</b>	<b>(89,079)</b>	<b>226,989</b>	<b>18,654</b>	<b>137,911</b>	<b>(89,078)</b>	<b>+</b>
<b>FINANCED BY: TAXPAYERS EQUITY</b>										
<b>Public dividend capital</b>	<b>242,724</b>	<b>242,724</b>	302,024	251,746	(50,278)	302,024	59,300	251,746	(50,278)	+
<b>Retained Earnings</b>	<b>(92,640)</b>	<b>(92,640)</b>	(131,390)	(157,029)	(25,639)	(131,390)	(38,750)	(157,029)	(25,639)	+/-
<b>Revaluation reserve</b>	<b>58,061</b>	<b>58,061</b>	56,165	43,004	(13,161)	56,165	(1,896)	43,004	(13,161)	+
<b>Other reserves</b>	<b>190</b>	<b>190</b>	190	190	0	190	0	190	0	+/-
<b>Total Taxpayers Equity</b>	<b>208,335</b>	<b>208,335</b>	<b>226,989</b>	<b>137,911</b>	<b>(89,079)</b>	<b>226,989</b>	<b>18,654</b>	<b>137,911</b>	<b>(89,078)</b>	<b>+</b>

## 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	Actual	Actual
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
<b>Income</b>												
NHS Contracts	28,082	31,271	30,237	31,398	29,902	30,988	31,155	31,894	32,440	30,180	31,667	29,181
Loans	0	0	0	0	0	0	0	35,618	0	0	0	0
RTA Income	1	136	102	111	110	134	115	170	158	94	139	150
VAT Return	372	3	3	0	657	167	368	119	438	0	414	342
Other Income	4,482	6,921	2,449	4,493	3,805	6,076	2,737	3,907	4,692	2,040	11,102	3,540
Working Capital Support	3,000	8,942	6,000	2,930	8,800	6,928	0	(31,403)	4,761	8,400	0	24
Capital PDC	-	-	-	-	-	-	-	-	-	-	-	9,022
<b>TOTAL INCOME</b>	<b>35,936</b>	<b>47,273</b>	<b>38,791</b>	<b>38,933</b>	<b>43,273</b>	<b>44,294</b>	<b>34,375</b>	<b>40,304</b>	<b>42,490</b>	<b>40,714</b>	<b>43,322</b>	<b>42,259</b>
<b>Expenditure</b>												
Monthly Salaries	13,717	13,562	13,504	13,543	13,526	13,604	13,646	13,463	13,463	13,402	13,555	13,537
PAYE and NIC	5,340	5,655	5,461	5,330	5,441	5,195	5,340	5,448	5,235	5,265	5,196	5,620
Pensions	3,624	3,788	3,694	3,711	3,678	3,662	3,710	3,712	3,668	3,680	3,693	3,674
NNDR ( Rates )	182	182	182	182	184	184	184	184	184	184	0	0
PDC	0	0	0	0	0	3,505	0	0	0	0	0	2,092
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	2,317	2,190
Consultancy	20	29	(5)	21	10	30	88	48	165	48	14	0
Capital Expenditure	1,211	1,388	1,059	997	1,551	190	1,101	760	1,790	3,560	3,602	1,605
Other Non Pay Expenditure	4,941	17,029	10,935	12,193	9,848	11,351	11,825	14,326	12,632	10,461	11,733	17,123
Loan Repayments	0	0	0	0	59	0	0	0	0	0	0	59
<b>TOTAL EXPENDITURE</b>	<b>33,345</b>	<b>46,216</b>	<b>39,405</b>	<b>40,119</b>	<b>38,802</b>	<b>41,594</b>	<b>40,816</b>	<b>42,169</b>	<b>42,186</b>	<b>41,146</b>	<b>40,111</b>	<b>45,900</b>
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	4,807
Net Cash Inflow/(Outflow)	2,591	1,056	(614)	(1,186)	4,471	2,700	(6,441)	(1,865)	304	(432)	3,211	(3,641)
<b>Closing Cash Book (Ledger)</b>	<b>3,602</b>	<b>4,658</b>	<b>4,044</b>	<b>2,858</b>	<b>7,329</b>	<b>10,030</b>	<b>3,588</b>	<b>1,724</b>	<b>2,028</b>	<b>1,596</b>	<b>4,807</b>	<b>1,166</b>

## Appendix 6

Capital Spend by Scheme to date and forecast 2015/16		
Category	Scheme	Year End Reported Position £000s
Replacement Medical Equipment	Hoist Bostonian	7
Replacement Medical Equipment	Medical air delivery room	42
Replacement Medical Equipment	Power tools	302
Replacement Medical Equipment	Image Intensifier	60
Replacement Medical Equipment	Birthing Beds	47
Replacement Medical Equipment	Manual defibrillators *8 (to include 8 revenue FOC)	73
Replacement Medical Equipment	Antenatal ultrasound	108
Replacement Medical Equipment	Ward 1 telemetry	29
Replacement Medical Equipment	Antenatal ultrasound (Hemswell)	0
Replacement Medical Equipment	anaesthetic monitoring	51
Replacement Medical Equipment	Emergency Ventilator	18
Replacement Medical Equipment	Critical Vents GDH	0
Replacement Medical Equipment	Reverse Osmosis Machine	0
Replacement Medical Equipment	Hoist Burton Ward	8
Replacement Medical Equipment	Cardiac Ultrasound Clinic 3 (Echo Machine)	69
Replacement Medical Equipment	Dental Chair	12
Replacement Medical Equipment	Nasendoscopes	37
Replacement Medical Equipment	transfer Monitors	30
Replacement Medical Equipment	Lung Function	0
Replacement Medical Equipment	Endoscopy light source/processor	14
Replacement Medical Equipment	Topcon camera	18
Replacement Medical Equipment	Hover Jack	0
Replacement Medical Equipment	B Scanner	27
Replacement Medical Equipment	Theatre Table Breast surgery	23
Replacement Medical Equipment	A&E Trolleys	20
Replacement Medical Equipment	Endoscopy Stacks	91
Replacement Medical Equipment	Mobile X Ray 2 Louth & Grantham	0
Replacement Medical Equipment	Video Bronchoscope	0
Replacement Medical Equipment	Radiofrequency tracking	260
<b>Replacement Medical Equipment</b>	<b>Subtotal</b>	<b>1,347</b>
IT development	SAN Storage Expansion	76
IT development	LAN - switch replacement	221
IT development	Independent - Network Link between the Trusts Datacentres	29
IT development	Client Devices - Regular Funding for PC/Laptop Replacement and Tablets Devices or VDI/Remote Desktop	140
IT development	Upgrade Lincoln Exchange system, because of EDL notice.	254
IT development	CAS Telephony	161
<b>IT Service Development</b>	<b>Subtotal</b>	<b>880</b>
IT Service Development & Modernisation	E-Cobs / Observations and charting	921
IT Service Development & Modernisation	Theatres & renew of Ormis	0
IT Service Development & Modernisation	PACS	28
IT Service Development & Modernisation	Digital dictation	0
IT Service Development & Modernisation	Electronic Document Management System (EDMS)	0
<b>IT Service Development &amp; Modernisation</b>	<b>Subtotal</b>	<b>949</b>
Estates	Backlog maintenance inclusive of internal and TDA monies (TDA - 14/15 c/f and 15/16)	14,424
<b>Estates - Backlog maintenance</b>	<b>Subtotal</b>	<b>14,424</b>
Cost Improvement Plan Enablers	Clinic 9 (including Dental lab)	13
Cost Improvement Plan Enablers	Pharmacy security	124
Cost Improvement Plan Enablers	Mobile Discharge	10
<b>Cost Improvement Enablers</b>	<b>Subtotal</b>	<b>147</b>
Service Development & Modernisation	Build new bunker and replacement of Linacs - part	107
Service Development & Modernisation	Build new bunker and replacement of Linacs	2,558
<b>Service Development &amp; Modernisation - Linacs</b>	<b>Subtotal</b>	<b>2,665</b>
Service Development & Modernisation	Ward and clinical department upgrades - Boston OPs	5
Service Development & Modernisation	Ward and clinical department upgrades - Lincoln OPs	54
Service Development & Modernisation	A&E Cubicles	26
Service Development & Modernisation	Neonates ward Upgrade	0
<b>Service Development &amp; Modernisation - Ward &amp; Clinical dept.</b>	<b>Subtotal</b>	<b>85</b>
Service Development & Modernisation	A&E Reception at Grantham	10
Service Development & Modernisation	A&E Reception at Grantham - DOORS	43
Service Development & Modernisation	Specialist Rehabilitation	57
Service Development & Modernisation	Electronic Clinical Outcomes	120
Service Development & Modernisation	Diabetic eye screening van	0
Service Development & Modernisation	Endoscopy slippage from 2014/15	211
Service Development & Modernisation	Respiratory Procedure Room	20
Service Development & Modernisation	Grantham Freezer for the Kitchen	23
Service Development & Modernisation	EPOS Till system	25
Service Development & Modernisation	CRAB	63
Service Development & Modernisation	JAG Scope	57
Service Development & Modernisation	Dental Skills Lab	21
Service Development & Modernisation	Nurse Call System	19
Service Development & Modernisation	Bardney Ward IV Prep	18
Service Development & Modernisation	Prior year minor slippage	-23
<b>Service Development &amp; Modernisation - Schemes under £500k</b>	<b>Subtotal</b>	<b>663</b>
<b>2015/16 Capital Programme Total (Charge against CRL)</b>	<b>Total</b>	<b>21,159</b>
<b>CRL Target</b>		<b>21,209</b>
<b>Over / (Under) shoot against CRL target</b>		<b>-50</b>