

## Whittington Health Trust Board

5 November 2014

<b>Title:</b>	Finance Report – September (month 6)						
<b>Agenda item:</b>	<b>14/162</b>		<b>Paper</b>			<b>7</b>	
<b>Action requested:</b>	For noting						
<b>Executive Summary:</b>	The paper analyses the financial performance of the Trust covering overall, clinical division and corporate performance, cash, capital and an update to the 'Back to Balance' plan.						
<b>Summary of recommendations:</b>	To note the financial results and update 'Back to Balance' action plan.						
<b>Fit with WH strategy:</b>	Delivering efficient, affordable and effective services. Meeting statutory duties.						
<b>Reference to related / other documents:</b>	Previous monthly finance reports to the Trust Board. Operational Plan papers (Trust Board : March, April and May 2014) and Board Assurance Framework (Section 3)						
<b>Reference to areas of risk and corporate risks on the Board Assurance Framework:</b>							
<b>Date paper completed:</b>	14 October 2014						
<b>Author name and title:</b>	<i>Ursula Grueger, Deputy Director of Finance</i>			<b>Director name and title:</b>	<i>Simon Pleydell, CEO</i>		
<b>Date paper seen by EC</b>		<b>Equality Impact Assessment complete?</b>	n/a	<b>Quality Impact Assessment complete?</b>	n/a	<b>Financial Impact Assessment complete?</b>	n/a



## **Executive Summary**

The in-month position is a £622k deficit against a planned surplus of £4k, an adverse variance of £626k. The year to date (YTD) position is a £5.3m deficit against a planned deficit of £1.2m, an adverse variance of £4.1m. The adverse variance is a combination of income underperformance and expenditure pressures.

This financial position represents significant deviation from plan at the start of the year and a back to balance plan is in place.

## **Income**

The income position is £0.1m favourable in month and £0.9m adverse YTD. The favourable position in month is driven by additional waiting list income of £645k. The YTD position is driven by a combination of income below plan (due to income plans being set at higher levels than the block contract value carried forward from quarter one) as well as activity underperformance against the NHS England specialised contract, particularly in the areas of critical care and drugs, which is a continuing trend. The income position is shown as being on a block contract although this may be retrospectively adjusted should the Trust move to a PbR contract.

Where possible the Trust is seeking to exploit other means of securing income such as looking to support other Trusts in addressing their RTT and capacity challenges.

Non NHS Clinical income is above plan YTD due to road traffic accident, overseas visitors and local authority commissioned sexual health and higher dental activity. Other non patient income is above plan YTD due to mainly additional education and training income as well as some additional research income which is offset with costs.

## **Expenditure**

The expenditure position is £0.8m adverse in month and £3.6m adverse YTD. Expenditure is broadly in line with previous months, however, months 1-4 included one off benefits whereas months 5 and 6 have not. The underlying expenditure position in month 5 has therefore continued into month 6.

Pay is £0.3m adverse in month and £1.3m adverse YTD. The underlying pay expenditure is in line with month 5 which is an improvement of approx. £300k compared to months 3 and 4 of which £250k relates to lower agency expenditure, mainly within the areas of medical and scientific / technical (STT) staffing.

Non Pay is £0.1m adverse in month and £0.1m adverse YTD. The underlying non-pay expenditure continued its improvement in clinical areas from month 5 with additional one-off benefits within the corporate divisions contributing to an improved position.

In addition to established plans further actions in the 'Back to Balance' plan with further expenditure reductions are being developed. The major expenditure challenges remain in the Integrated Care and Acute Medicine (ICAM) and Surgery, Cancer and Diagnostics (SCD) Divisions.

The improved monthly position has resulted in the EBITDA margin increasing to 2.58% but this is still significantly below the target of 5.8%. EBITDA stands for earnings before interest, taxation, depreciation and amortisation and is a measure of our ability to generate cash from our operations. It is vital to maintain a healthy cash balance to service our liabilities and finance the Trust's capital programme.

## **Cost Improvement Plans (CIPs)**

The Trust has delivered year-to-date savings of £3.7m against a plan of £6.0m. There are plans to deliver £9.5m for the year and the divisions are working on back up plans to deliver the gap of £5.5m to ensure that the full £15m target is achieved by the end of the financial year.

## **Cash and Capital**

Cash decreased by £0.2m in the month to £3.6m. The Trust needs to ensure that the CIP plan is achieved and produces cash releasing savings and also that activity is efficiently collected and coded in order to ensure all activity is paid for. The capital programme is on track.

## Statement of Comprehensive Income

Description	Full Year	September			YTD		
	Budget (£'000)	Budget (£'000)	Actuals (£'000)	Variance (£'000)	Budget (£'000)	Actuals (£'000)	Variance (£'000)
NHS Clinical Income	246,518	20,561	20,473	(88)	123,252	121,637	(1,614)
Non-NHS Clinical Income	16,282	1,327	1,482	155	8,171	8,506	335
Other Non-Patient Income	26,221	2,232	2,237	6	12,885	13,256	371
<b>Total Income</b>	<b>289,021</b>	<b>24,120</b>	<b>24,193</b>	<b>73</b>	<b>144,308</b>	<b>143,400</b>	<b>(908)</b>
Non-Pay	69,803	5,823	5,971	(148)	35,254	35,317	(63)
Pay	205,681	17,269	17,599	(329)	104,126	105,441	(1,316)
Savings	(3,303)	(356)	0	(356)	(2,209)	0	(2,209)
<b>Total Expenditure</b>	<b>272,181</b>	<b>22,736</b>	<b>23,570</b>	<b>(833)</b>	<b>137,171</b>	<b>140,758</b>	<b>(3,587)</b>
<b>EBITDA</b>	<b>16,840</b>	<b>1,383</b>	<b>623</b>	<b>(760)</b>	<b>7,137</b>	<b>2,642</b>	<b>(4,495)</b>
<b>EBITDA %</b>	<b>5.83%</b>	<b>5.74%</b>	<b>2.58%</b>	<b>-3.16%</b>	<b>4.95%</b>	<b>1.84%</b>	<b>-3.10%</b>
Interest Payable	2,820	235	232	3	1,410	1,421	(11)
Interest Receivable	30	3	2	(1)	15	14	(1)
Depreciation	9,724	810	631	179	4,862	5,676	(814)
Dividends Payable	4,326	361	361	0	2,163	2,163	0
Net Surplus / (Deficit) - before adjusting for impairments, IFRS and donated assets (relevant for break-even duty)	(0)	(20)	(599)	(579)	(1,283)	(6,604)	(5,321)
Add back impairments and adjust for IFRS & donated assets	285	24	(23)	(47)	119	1,317	1,198
<b>Adjusted Net Surplus / (Deficit) - including Impairments due to Revaluation of Fixed Assets</b>	<b>285</b>	<b>4</b>	<b>(622)</b>	<b>(626)</b>	<b>(1,164)</b>	<b>(5,287)</b>	<b>(4,123)</b>

**Whittington Health Cost Improvement Programme Report - Month 6**

	Annual Plan £'000	September				YTD				Forecast			
		Plan £'000	Act £'000	% achieved	Var £'000	Plan £'000	Act £'000	% achieved	Var £'000	Plan £'000	Fcst £'000	% achieved	Var £'000
ICAM	1,768	149	104	70%	(45)	797	294	37%	(504)	1,768	1,688	96%	(79)
SCD	1,179	86	41	47%	(46)	564	239	42%	(325)	1,179	728	62%	(451)
WCF	1,299	99	31	31%	(68)	572	221	39%	(352)	1,299	735	57%	(564)
Corporate	1,519	122	190	156%	68	729	710	97%	(19)	1,519	1,584	104%	65
<b>Total Divisional Schemes</b>	<b>5,765</b>	<b>456</b>	<b>365</b>	<b>80%</b>	<b>(91)</b>	<b>2,664</b>	<b>1,464</b>	<b>55%</b>	<b>(1,200)</b>	<b>5,765</b>	<b>4,735</b>	<b>82%</b>	<b>(1,029)</b>
Productivity & Efficiency	5,347	452	106	23%	(346)	2,532	423	17%	(2,109)	5,347	1,832	34%	(3,515)
VIPs	3,388	128	2	2%	(126)	595	38	6%	(557)	3,388	640	19%	(2,748)
<b>Total Productivity &amp; Efficiency and Transformational Schemes</b>	<b>8,735</b>	<b>581</b>	<b>108</b>	<b>19%</b>	<b>(472)</b>	<b>3,126</b>	<b>461</b>	<b>15%</b>	<b>(2,665)</b>	<b>8,735</b>	<b>2,472</b>	<b>28%</b>	<b>(6,263)</b>
Non Recurrent Benefits	500	42	42	100%	0	250	250	100%	0	500	500	100%	0
Non Recurrent Under Spend	0	0	288		288	0	1,478		1,478	0	1,823		1,823
<b>Total Non Recurrent Items</b>	<b>500</b>	<b>42</b>	<b>330</b>		<b>288</b>	<b>250</b>	<b>1,728</b>		<b>1,478</b>	<b>500</b>	<b>2,323</b>		<b>1,823</b>
<b>Total delivery against planned schemes</b>	<b>15,000</b>	<b>1,078</b>	<b>803</b>	<b>74%</b>	<b>(275)</b>	<b>6,040</b>	<b>3,653</b>	<b>60%</b>	<b>(2,387)</b>	<b>15,000</b>	<b>9,531</b>	<b>64%</b>	<b>(5,469)</b>
Unidentified Schemes	0	0	0		0	0	0		0	0	5,469		5,469
<b>Trust Total</b>	<b>15,000</b>	<b>1,078</b>	<b>803</b>	<b>74%</b>	<b>(275)</b>	<b>6,040</b>	<b>3,653</b>	<b>60%</b>	<b>(2,387)</b>	<b>15,000</b>	<b>15,000</b>	<b>100%</b>	<b>(0)</b>

**Month 6 CIP Summary**

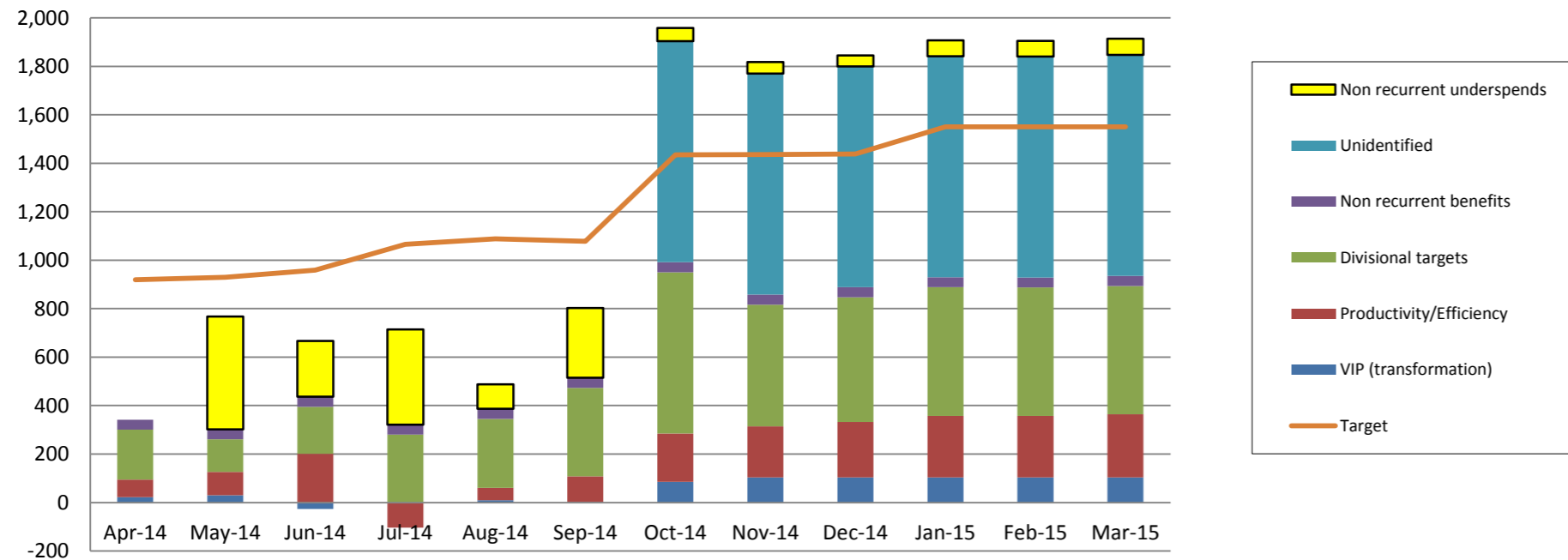
The CIP delivery underperformance YTD has continued into month 6.

In month 6 £803k (74%) CIP delivery was achieved compared to a plan of £1.078m. This includes a benefit from non recurrent underspends of £330k.

YTD delivery is £3.653m (60%) compared to a YTD target of £6.040m. This includes a benefit from non recurrent underspends of £1.728m.

The planned schemes are forecasting a delivery of £9.531m (64%) and the Trust is preparing recovery plans to bridge the £5.469m gap to deliver the full £15m target.

**CIP performance to September, Forecast October-March**



The divisional schemes are forecasting £4.7m delivery (82%) against the target of £5.765m.

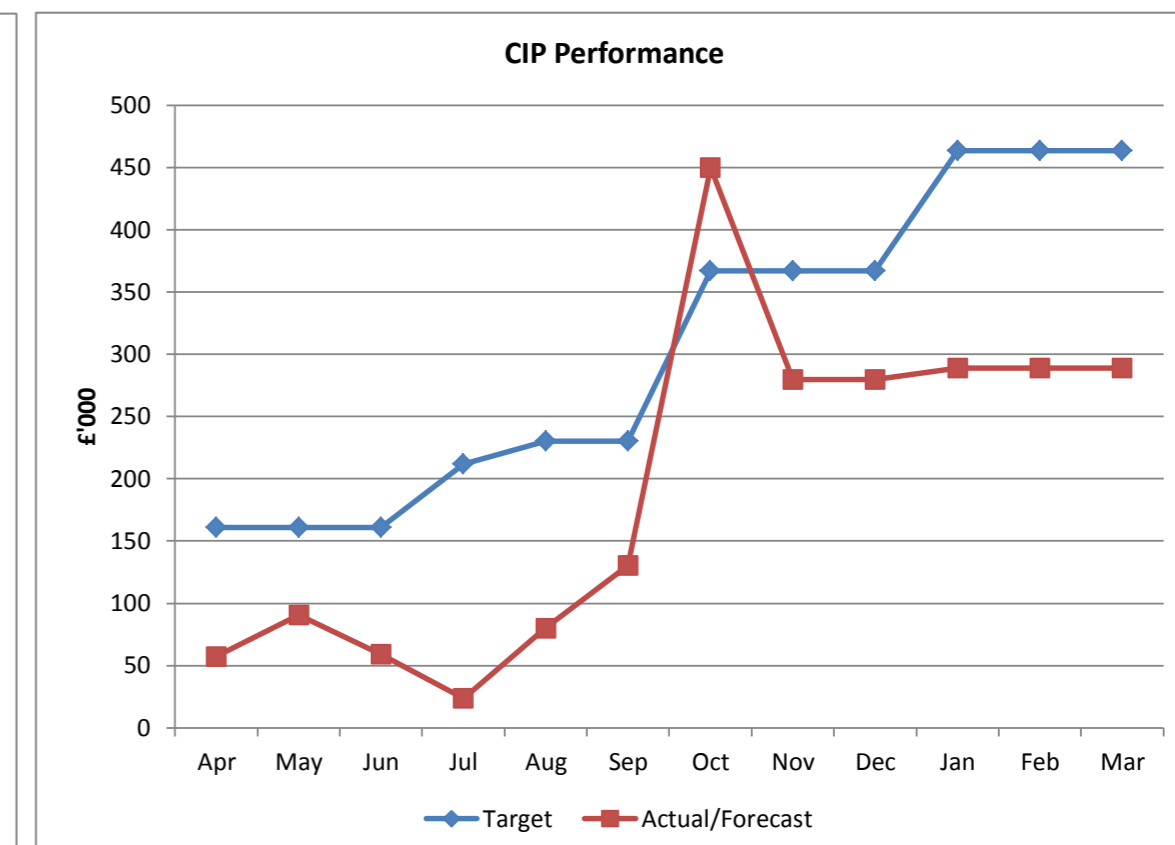
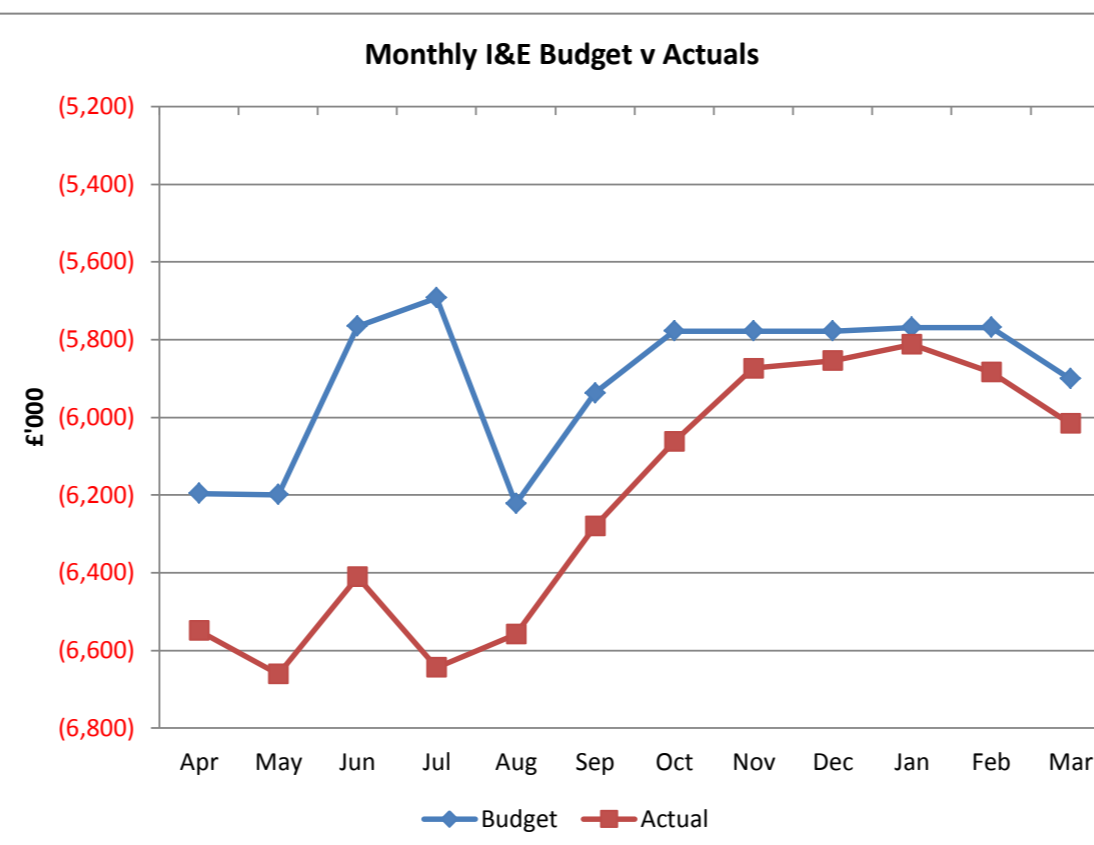
The productivity & efficiency schemes are forecasting £1.832m delivery (34%) against a target of £5.347m.

The VIP transformational schemes are forecasting £640k delivery (19%) against the target of £3.388m.

The £5.469m gap has been phased to deliver over the last six months of 14/15.

### ICAM Divisional Position - Month 6 (September 14)

Income & Expenditure	Ann Plan £'000	In Month			Year To Date		
		Plan £'000	Act £'000	Var £'000	Plan £'000	Act £'000	Var £'000
Nhs Clinical Income	7,674	640	688	48	3,837	4,532	695
Other Income For Pat Care	1,783	149	189	40	891	853	(38)
Other Non-Patient-Devolved	646	58	48	(10)	348	288	(60)
Other_Non-Patient_Non-Dev	0	0	9	9	0	9	9
<b>Income</b>	<b>10,103</b>	<b>846</b>	<b>933</b>	<b>87</b>	<b>5,077</b>	<b>5,682</b>	<b>605</b>
A/C	5,243	436	475	(40)	2,647	2,932	(285)
Executive Board & Sen Mgmt	440	37	28	8	220	246	(27)
Medical	13,364	1,111	1,204	(94)	6,860	7,580	(719)
Nurses & Midwives	28,686	2,392	2,569	(177)	14,431	15,515	(1,084)
Other Support Workers	199	17	30	(14)	100	213	(114)
Scientific, Ther & Tech	16,934	1,418	1,425	(7)	8,515	8,965	(450)
Pay Reserve	(2,506)	(156)	0	(156)	(902)	0	(902)
<b>Pay</b>	<b>62,360</b>	<b>5,254</b>	<b>5,733</b>	<b>(479)</b>	<b>31,871</b>	<b>35,452</b>	<b>(3,581)</b>
Establishment	458	38	68	(29)	228	303	(75)
Ext Cont Staffing & Cons	202	6	4	2	35	347	(312)
Healthcare From Non Nhs	548	46	32	13	274	(56)	330
Miscellaneous	362	30	18	13	181	218	(37)
Non-Pay Reserve	(253)	(21)	0	(21)	(126)	0	(126)
Premises & Fixed Plant	392	32	208	(175)	196	504	(308)
Supplies & Servs - Clin	16,450	1,368	1,114	254	8,244	7,803	441
Supplies & Servs - Gen	373	31	38	(7)	188	215	(27)
<b>Non Pay</b>	<b>18,532</b>	<b>1,530</b>	<b>1,481</b>	<b>49</b>	<b>9,220</b>	<b>9,336</b>	<b>(116)</b>
<b>Income Less Direct Costs</b>	<b>(70,789)</b>	<b>(5,938)</b>	<b>(6,281)</b>	<b>(343)</b>	<b>(36,014)</b>	<b>(39,106)</b>	<b>(3,091)</b>



#### Income and Expenditure Commentary

The position at month 6 is £343k adverse in month and £3,091k adverse YTD.

**NHS Clinical Income** is £48k favourable in month due to Referral-to-Treatment (RTT) income within the position. YTD the position is £695k favourable due to prison income recognised in month 1 (£0.5m) and additional investments from Clinical Commissioning Groups (CCG).

**Other Income** is £39k favourable in month due to additional LBI income within Rehab offset with costs. £90k adverse YTD due to lower than budgeted income for flexible trainees.

**Pay** is £479k adverse in month and £3,581k adverse YTD.

**Nursing** is £77k adverse in month and £1,084k YTD due to high agency spend within the Emergency Department (ED), District Nursing and in Acute Wards. This is high due to vacancies, specialising and high dependency patients on the wards.

**Medical** is £94k adverse in month and £719k adverse YTD. This is due to 3 x agency consultants within medical specialties (gastroenterology and rheumatology) covering vacancies, long term sick leave and maternity. In addition, agency spend on middle grade doctors in ED is higher than planned due to vacancies and high activity in M1-5.

**Unallocated CIP and VIP** is leading to a £156k adverse variance in month and £902k adverse YTD.

**Non-Pay** - £49k favourable in month due to the release of a non-pay accrual within Bladder and Bowel. £116k adverse YTD due to prison service expenditure in month

#### CIP Commentary

In month 6, the division delivered £80k against a plan of £230k. Year to date the division has delivered £311k against a plan of £925k.

In month schemes contributing adversely to the position:

**ED Nursing** - New nurses coming into post, but no saving as yet due to double running costs during induction.

**District Nursing** - No improvement in nursing recruitment felt as yet. Cohort of nurses recruited to start in October and November as a result of local and international recruitment.

**Ward Nursing** - Saving no longer achievable due to new nursing model.

**Unidentified** - £151k of the YTD underperformance is due to unidentified CIPs.

**TB** - £443k of the ICAM CIP programme is dependent on receiving the higher infectious diseases tariff for additional TB activity. This has yet to be confirmed.

**VIP** - ED twilight shift still in place due to high activity. ISIS closure still being discussed. Delivery of others schemes still in progress.

#### Divisional Actions

Forecast I&E improvement in the second half of the year is based on significant recruitment. Challenging targets have been set for district nursing and ward specialising expenditure improvement and additional TB income.

**ED** - 4 x middle grade doctors have a projected start date of November. Nursing vacancies set to be filled by trust wide nursing recruitment drives.

**District Nursing** - A phased recruitment plan is in place to reduce agency spend. Cohort of newly qualified nurses starting in October. Weekly teleconference with Finance lead looking at spend & capacity.

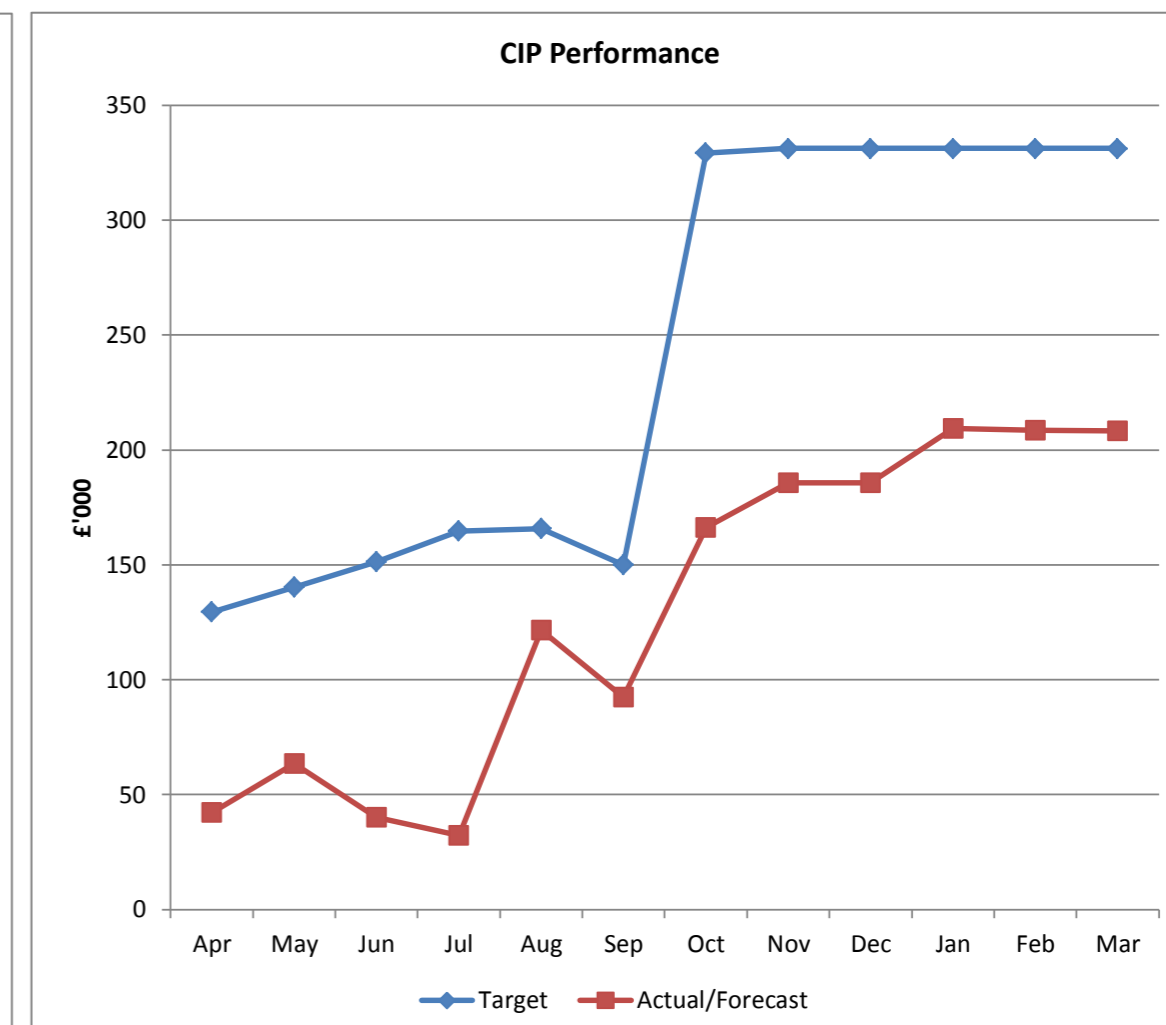
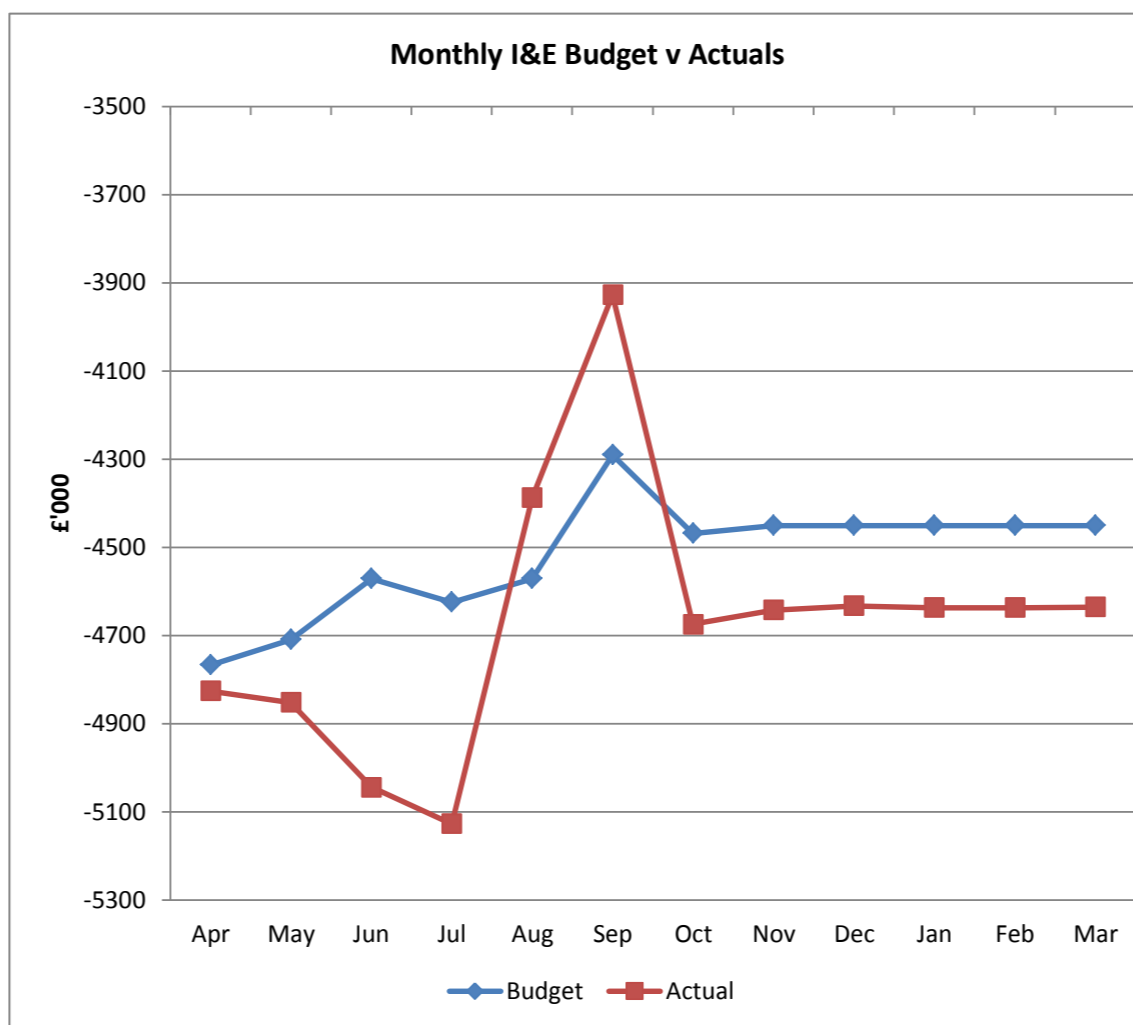
**Ward Nursing** - Corporate Nursing to look into required budget for specialising and what processes are required to control the spend. Trust wide recruitment drive expected to reduce run rate from September.

**Consultant Agency** - 1 x Gastroenterology post offer accepted. Expected to be in post by October. 1 x post going out to advert fixed term, expected to be recruited into post by December. 1 x agency consultant has finished in August.

**Underachieved CIPs** - Additional income expected from tuberculosis (TB) activity, and recruitment of consultant to permanent posts in Gastroenterology. All non-essential vacancies to continue to be held vacant where possible.

**SCD Divisional Position - Month 6 (September 14)**

Income & Expenditure	Annual Plan £'000	In Month			Year To Date		
		Plan £'000	Actuals £'000	Var £'000	Plan £'000	Actuals £'000	Var £'000
Nhs Clinical Income	819	81	653	572	410	1,563	1,153
Other Income For Pat Care	1,015	71	142	71	508	626	118
Other Non-Patient-Devolved	818	110	40	(69)	429	369	(60)
Other_Non-Patient_Non-Dev	640	320	320	0	320	320	0
<b>Income</b>	<b>3,293</b>	<b>583</b>	<b>1,155</b>	<b>573</b>	<b>1,666</b>	<b>2,877</b>	<b>1,211</b>
A/C	4,066	361	444	(83)	2,167	2,602	(435)
Dental	2,344	195	185	11	1,172	1,164	8
Executive Board & Sen Mgmt	566	47	32	15	283	198	85
Medical	16,014	1,378	1,287	91	8,039	8,194	(155)
Nurses & Midwives	14,367	1,212	1,254	(42)	7,410	7,537	(128)
Other Support Workers	336	29	28	1	175	159	16
Scientific, Ther & Tech	8,321	691	727	(36)	4,148	4,335	(187)
Pay Reserve	(983)	(85)	0	(85)	(475)	0	(475)
<b>Pay</b>	<b>45,030</b>	<b>3,829</b>	<b>3,958</b>	<b>(128)</b>	<b>22,920</b>	<b>24,191</b>	<b>(1,271)</b>
Establishment	279	23	13	11	140	200	(60)
Ext Cont Staffing & Cons	231	19	8	12	116	70	45
Miscellaneous	333	28	55	(27)	167	219	(52)
Premises & Fixed Plant	590	49	68	(19)	296	337	(41)
Supplies & Servs - Clin	10,555	879	915	(35)	5,289	5,758	(470)
Supplies & Servs - Gen	529	45	67	(22)	273	264	9
<b>Non Pay</b>	<b>12,518</b>	<b>1,043</b>	<b>1,124</b>	<b>(81)</b>	<b>6,279</b>	<b>6,848</b>	<b>(568)</b>
<b>Income Less Direct Costs</b>	<b>(54,255)</b>	<b>(4,290)</b>	<b>(3,927)</b>	<b>363</b>	<b>(27,534)</b>	<b>(28,161)</b>	<b>(628)</b>



**Income and Expenditure Commentary**

The position at month 6 is £363k favourable in month and £628k adverse YTD. Against forecast for the month the Division over-performed by £349K.

**Income** is £573k favourable in month and £1,211k favourable YTD driven by £1,011k of RTT income ytd but also community urology and dental activity YTD.

**Pay** is £128k adverse in month and £1,271k adverse YTD. However the overall pay cost improved by £34K from M5. Agency spend overall also improved by £39K in month.

**Nursing** is £42k adverse in month and £128K adverse YTD largely due to high usage of temporary staff to cover extra beds which remain open in Coyle and Victoria and specialising.

**Admin and clerical** is £83k adverse in month and £435k adverse YTD driven largely by the delayed implementation of outpatient admin and high bank spend within Imaging.

**Unallocated CIP and VIP** is leading to a £85k adverse variance in month and £475k adverse YTD.

**Non Pay** is £81k adverse in month and £568k adverse YTD. This is largely due to increased costs within theatres and pathology on clinical consumables, prosthetics and reagents.

**CIP Commentary -**

In month 6, the division delivered £92.5k against a plan of £150k.

Year to date the division has delivered £392k against a plan of £891k.

The actual performance against 2% CIP target was an under delivery of £17K in month. However, the performance against WLI was an over delivery of £6K in-month.

**Imaging** - WLI payments plus bank & agency spend to cover vacancies remains high. Non pay continues to increase.

**Theatres schemes** - There are delays in recruitment of nurses and other HR issues in main theatres, anaesthetics and recovery along with high consumable spends.

**VIP** - Transformation stretch target in Diagnostics and parts of the outpatient pathway target have been profiled from Q1 and Q2. They remain unidentified and unachieved.

**Divisional Actions**

**Imaging**

- A full budget review is currently underway to reduce spend.
- Non Pay is also projected to reduce from Nov 14 when CT injectors scheme is implemented.

**Theatres**

- Recruitment is in process to fill vacant posts to reduce the reliance on expensive temporary staff.
- Non pay spends are linked to activity, however the lack of a dedicated materials management person is being addressed.

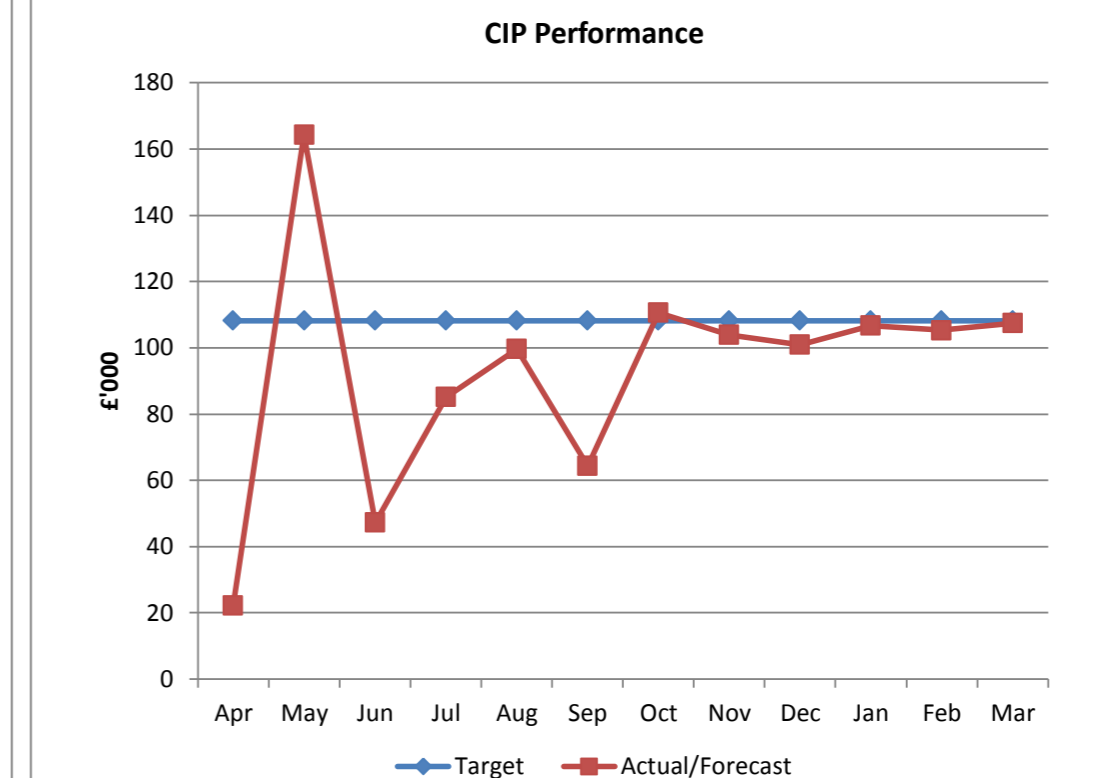
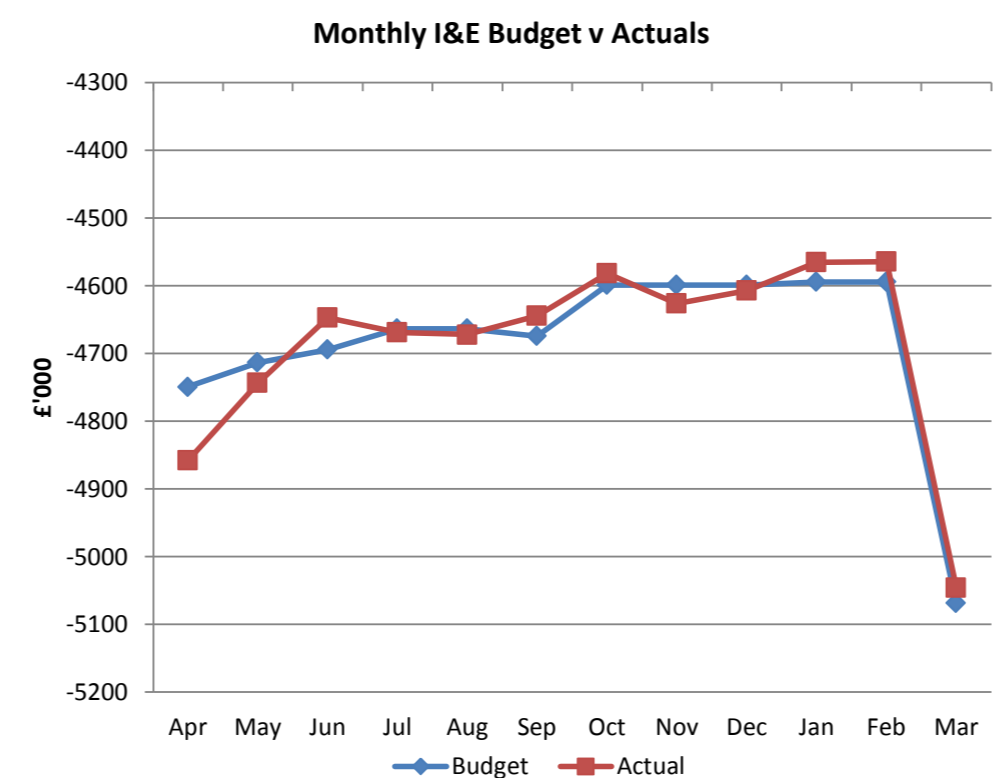
**Outpatient admin**

- All transcription team members are scheduled to be placed in their new roles during October 2014. This should reduce the extra bank spends being incurred.

The division is continuously reviewing its financial position and focusing on improving the forecast position for the year.

**WCF Divisional Position - Month 6 (September 14)**

Income & Expenditure	Ann Plan £'000	In Month			Year To Date		
		Plan £'000	Act £'000	Var £'000	Plan £'000	Act £'000	Var £'000
Nhs Clinical Income	1,145	100	169	69	565	648	83
Other Income For Pat Care	7,333	594	629	35	3,697	3,743	46
Other Non-Patient-Devolved	175	18	39	21	120	187	67
Other_Non-Patient_Non-Dev	0	0	2	2	0	19	19
<b>Income</b>	<b>8,652</b>	<b>713</b>	<b>840</b>	<b>127</b>	<b>4,382</b>	<b>4,596</b>	<b>214</b>
A/C	4,551	376	401	(25)	2,279	2,397	(118)
Executive Board & Sen Mgmt	735	61	52	9	368	294	74
Medical	11,274	950	963	(13)	5,680	5,760	(80)
Nurses & Midwives	31,087	2,570	2,606	(35)	15,630	15,373	257
Other Support Workers	39	3	9	(6)	20	62	(42)
Scientific, Ther & Tech	13,241	1,107	1,103	5	6,654	6,652	2
Pay Reserve	(378)	(31)	0	(31)	(190)	0	(190)
<b>Pay</b>	<b>60,549</b>	<b>5,037</b>	<b>5,133</b>	<b>(96)</b>	<b>30,440</b>	<b>30,537</b>	<b>(97)</b>
Establishment	482	40	47	(7)	241	326	(85)
Ext Cont Staffing & Cons	78	7	9	(3)	39	42	(3)
Miscellaneous	356	21	24	(2)	127	178	(51)
Non-Pay Reserve	0	0	0	0	0	0	0
Premises & Fixed Plant	537	44	44	(1)	263	291	(28)
Supplies & Servs - Clin	2,514	209	207	2	1,256	1,329	(74)
Supplies & Servs - Gen	346	29	20	9	173	125	49
<b>Non Pay</b>	<b>4,314</b>	<b>350</b>	<b>351</b>	<b>(1)</b>	<b>2,099</b>	<b>2,291</b>	<b>(192)</b>
<b>Income Less Direct Costs</b>	<b>(56,211)</b>	<b>(4,674)</b>	<b>(4,644)</b>	<b>30</b>	<b>(28,158)</b>	<b>(28,233)</b>	<b>(75)</b>



**Income and Expenditure Commentary**

The WCF position at month 6 is £30k favourable in month and £75k adverse YTD.

**Patient Care Income** is £104k favourable in month, £43k of this relates to RTT and £30k for specialising of a mental health patient in the paediatric ward. YTD is £129k favourable due the above as well as GUM activity.

**Other Income** is £23k favourable in month and £86k favourable YTD driven by additional education and training and schools income.

**Pay** is £96k adverse in month and £97k adverse YTD.

**Nursing** is £35k adverse in month, due to higher agency costs in maternity and health visiting. The £257k favourable YTD position is driven by vacancies against posts within community services (school nursing, children's community nursing and family nurse partnership) where new initiatives are starting up. Most of these posts have now been recruited to. Midwifery is sensitive to activity levels and the in month adverse position was driven by spikes in activity which could not be handled by the normal staffing levels.

**Medical** is £13k adverse in month and £80k adverse YTD driven by junior doctor agency expenditure in Obstetrics and Gynaecology which should reduce as staff are appointed to fixed term contracts from October. Community paediatrics is also adverse due part time junior doctors on the rota.

**Non Pay** is £1k adverse in month and £192k adverse YTD. The YTD position is driven by additional equipment requirements as well as increased activity in special schools, professional services, estates costs and telephone and photocopying charges.

**CIP Commentary**

In month 6, the division delivered £77k against a plan of £108k.

Year to date the division has delivered £496k against a plan of £649k.

Most services have identified recurrent CIPs however many of the schemes are due to start later in the year. To date the division has found non recurrent savings to cover most of the shortfall but it will be a challenge to maintain this in future months.

There are no VIP schemes to report on within WCF.

**Divisional Actions**

**Agency reduction**

Recruitment is underway to replace an interim service manager and other interim staff within Divisional Management and Audiology.

Offers have been made to Health Visiting and midwifery students just qualified and most have accepted. Start dates should be in September/October, with the bulk of the benefit from November as they take up their positions.

There is a gap of 2 WTE in junior doctor rota but one post has now been recruited to and a further post should be filled by October.

Recent recruitment into the neonatal intensive care unit (NICU) has been successful which should result in a reduction in agency expenditure in the coming months, once all staff have come into post and undergone the necessary training.

**Outpatient admin**

Further focus on achieving the desired staffing and cost reductions through the outpatient admin scheme is required in the coming months

## Corporate Divisional Position - Month 6 (September 14)

Income & Expenditure	Annual Plan £'000	In Month			Year To Date		
		Plan £'000	Actuals £'000	Var £'000	Plan £'000	Actuals £'000	Var £'000
Trust Secretariat	1,339	112	98	13	670	846	(176)
Organisational Development	2,519	217	245	(28)	1,291	1,445	(154)
Finance	4,052	338	316	22	2,023	2,158	(135)
Ict	7,180	598	613	(15)	3,590	3,715	(126)
Procurement	789	66	62	4	395	391	3
Chief Operating Officer	1,847	154	197	(43)	924	919	5
Nursing & Patient Experience	9,508	804	746	57	4,685	4,617	68
Medical Director	1,053	88	-9	97	527	357	170
Facilities	28,314	2,327	2,135	192	14,114	13,735	379
<b>Total</b>	<b>56,600</b>	<b>4,703</b>	<b>4,402</b>	<b>301</b>	<b>28,217</b>	<b>28,183</b>	<b>34</b>

### ICT Breakdown

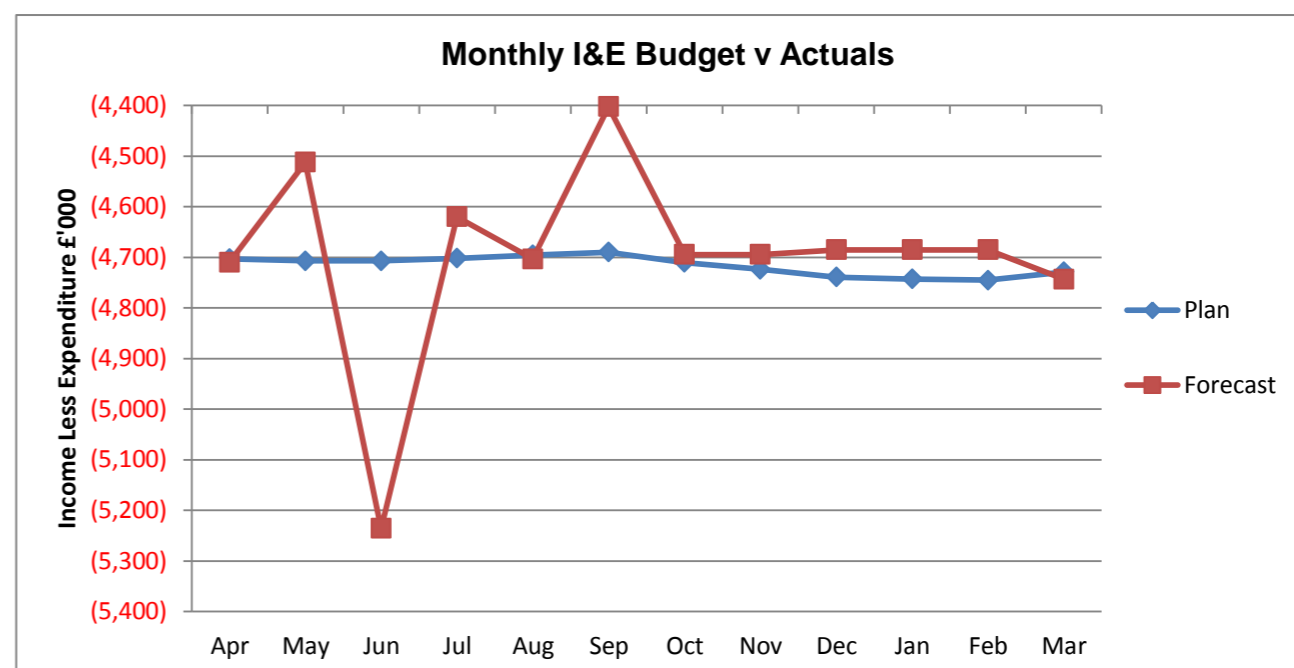
Income & Expenditure	Annual Plan £'000	In Month			Year To Date		
		Plan £'000	Actuals £'000	Var £'000	Plan £'000	Actuals £'000	Var £'000
Income	22	2	1	(1)	11	13	1
Pay	3,514	293	334	(42)	1,757	1,944	(187)
Non-Pay	3,688	307	279	28	1,844	1,784	60
<b>Total</b>	<b>(7,180)</b>	<b>(598)</b>	<b>(613)</b>	<b>(15)</b>	<b>(3,590)</b>	<b>(3,715)</b>	<b>(126)</b>

### Facilities Breakdown

Income & Expenditure	Annual Plan £'000	In Month			Year To Date		
		Plan £'000	Actuals £'000	Var £'000	Plan £'000	Actuals £'000	Var £'000
Income	2,061	172	236	64	1,030	1,098	68
Pay	11,483	957	868	89	5,742	5,226	516
Non-Pay	18,892	1,542	1,503	39	9,402	9,607	(204)
<b>Total</b>	<b>(28,314)</b>	<b>(2,327)</b>	<b>(2,135)</b>	<b>192</b>	<b>(14,114)</b>	<b>(13,735)</b>	<b>379</b>

### Nursing & Patient Experience Breakdown

Income & Expenditure	Annual Plan £'000	In Month			Year To Date		
		Plan £'000	Actuals £'000	Var £'000	Plan £'000	Actuals £'000	Var £'000
Income	0	0	58	58	0	58	58
Other Non-Patient Income	(3)	(0)	(8)	8	(1)	(51)	50
Pay	3,424	296	305	(8)	1,646	1,641	5
<b>Total</b>	<b>(3,422)</b>	<b>(296)</b>	<b>(239)</b>	<b>57</b>	<b>(1,644)</b>	<b>(1,532)</b>	<b>112</b>



### Commentary

The corporate position at month 6 is £301k favourable in month and £34k favourable YTD.

The position at year end is forecast to

**Facilities** - The favourable in month position relates to one off benefits including a £60k telecoms compensation payment. Favourable position YTD driven through catering contracts, decontamination services and GP rental income.

**ICT** - Schedule of annual contracts agreed with directorate and adverse run rate to YTD position is forecast to improve to year end.

**Organisational Development** - YTD adverse position driven by underperformance against Occupational Health income target and underperformance against staffing structure CIPs. Cost pressures relating to backlogs in Disclosure and Barring Service checks and mandatory training for staff have now reduced.

**Finance** - YTD adverse position improved in September as agency staff were replaced with permanent staff and posts have been held vacant when staff have left or been transferred to other divisions.

**Trust Secretariat** - YTD adverse position driven by a number of posts being covered by interim staff. Position improved in September due to leavers and vacancy gaps.

**Chief Operating Officer** - Adverse position in month due to a catch up of agency invoices relating to validators. It will be necessary to improve the information flows here moving forward.



## Acute Activity Analysis

### Activity by PoD Type

PoD Group	Annual Plan	September			YTD		
		Plan	Actual	Variance	Plan	Actual	Variance
Adult Critical Care	7,733	644	423	(221)	3,866	3,086	(780)
Block Contract/Adjustments	0	0	0	0	0	0	0
Day Cases	19,155	1,596	1,475	(121)	9,578	9,817	239
Direct Access	1,014,538	84,545	85,167	622	507,269	496,461	(10,808)
ED Attendances	103,865	8,655	7,468	(1,187)	51,933	46,206	(5,727)
Elective Inpatients	2,750	229	230	1	1,375	1,446	71
Excess Beddays	7,292	608	426	(182)	3,646	3,426	(220)
Maternity Pathway	8,938	745	644	(101)	4,469	3,942	(527)
NICU High Dependency Beddays	1,942	162	215	53	971	717	(254)
NICU Intensive Care Beddays	880	73	50	(23)	440	322	(118)
NICU Special Care Beddays	5,171	431	268	(163)	2,586	2,077	(509)
NICU Transitional Care Beddays	6,350	529	374	(155)	3,175	2,644	(531)
Non-Elective Inpatients	29,410	2,451	2,151	(300)	14,705	13,711	(994)
Other Activity	69,446	5,787	2,074	(3,713)	34,723	23,299	(11,424)
Outpatient 1st Attends	61,101	5,092	4,445	(647)	30,550	29,496	(1,054)
Outpatient Diagnostic Imaging	23,506	1,959	1,887	(72)	11,753	11,268	(485)
Outpatient Follow Ups	152,030	12,669	7,955	(4,714)	76,015	64,784	(11,231)
Outpatient Procedures	21,063	1,755	1,035	(720)	10,531	6,343	(4,188)
Paediatrics High Dependency	256	21	0	(21)	128	147	19
<b>TOTAL</b>	<b>1,535,427</b>	<b>127,952</b>	<b>116,287</b>	<b>(11,665)</b>	<b>767,713</b>	<b>719,192</b>	<b>(48,521)</b>

### Commentary

Critical care activity is below projection based on lower activity. Data capture checks are being undertaken to ensure all data is recorded.

Day case activity is above target. This included the national additional RTT activity.

Direct access has a backlog of data to be put on the system from the first quarter. This will be completed for the next freeze date.

ED attendance, non elective inpatients and some of 'other' activity are all part of the emergency care pathway. This is reduced due to the impact of admission avoidance schemes and ambulatory care centre.

Elective inpatient activity is above plan, however this includes the additional national work.

Maternity has been lower than plan for the first few months of the year, however, demand has increased in the last month. NICU activity has also been lower the first quarter of the year and is now increasing.

OPD activity has been below plan due to catch up of data recording, for example in anitcoagulation. Also impact of CQUIN and QUIP schemes are evident.

Outpatient procedures will increase as the pathways are now in place and data recording is being monitored.

### Activity By Commissioner

Commissioner	Annual Plan	September			YTD		
		Plan	Actual	Variance	Plan	Actual	Variance
NHS England	17,650	1,471	1,079	(391)	8,825	7,141	(1,684)
NHS Islington CCG	843,244	70,270	66,007	(4,263)	421,622	397,575	(24,047)
NHS Haringey CCG	521,110	43,426	38,880	(4,546)	260,555	245,715	(14,841)
NHS Camden CCG	28,359	2,363	1,980	(383)	14,179	12,168	(2,011)
NHS City and Hackney CCG	19,040	1,587	933	(653)	9,520	7,180	(2,340)
NHS Enfield CCG	11,910	993	695	(297)	5,955	6,211	256
NHS Barnet CCG	70,234	5,853	5,019	(834)	35,117	30,960	(4,157)
Other CCG	23,879	1,990	1,693	(297)	11,940	12,241	301
<b>TOTAL</b>	<b>1,535,427</b>	<b>127,952</b>	<b>116,287</b>	<b>(11,665)</b>	<b>767,713</b>	<b>719,192</b>	<b>(48,521)</b>

### Commentary

NHS England underperformance is mainly due to low critical care activity and high cost drugs.

**Acute Income Analysis**

**Income Analysis**

PoD Group	Annual Plan £'000	September			YTD		
		Plan £'000	Actual £'000	Variance £'000	Plan £'000	Actual £'000	Variance £'000
Adult Critical Care	£ 10,144	£ 845	£ 555	(290)	£ 5,072	£ 4,031	(1,041)
Block Contract/Adjustments	£ 11,725	£ 977	£ 1,159	182	£ 5,863	£ 6,975	1,113
Day Cases	£ 11,883	£ 990	£ 1,053	63	£ 5,942	£ 6,247	305
Direct Access	£ 10,966	£ 914	£ 866	(48)	£ 5,483	£ 5,714	231
ED Attendances	£ 11,412	£ 951	£ 835	(116)	£ 5,706	£ 5,156	(550)
Elective Inpatients	£ 9,136	£ 761	£ 771	10	£ 4,568	£ 4,470	(98)
Excess Bed days	£ 2,136	£ 178	£ 121	(57)	£ 1,068	£ 942	(126)
Maternity Pathway	£ 9,937	£ 828	£ 680	(148)	£ 4,968	£ 4,497	(471)
NICU High Dependency Bed days	£ 1,717	£ 143	£ 190	47	£ 859	£ 634	(225)
NICU Intensive Care Bed days	£ 1,012	£ 84	£ 57	(27)	£ 506	£ 370	(136)
NICU Special Care Bed days	£ 1,974	£ 165	£ 102	(62)	£ 987	£ 793	(194)
NICU Transitional Care Bed days	£ 2,424	£ 202	£ 143	(59)	£ 1,212	£ 1,009	(203)
Non-Elective Inpatients	£ 42,815	£ 3,568	£ 3,360	(208)	£ 21,407	£ 19,549	(1,858)
Other Activity	£ 2,001	£ 167	£ 117	(49)	£ 1,001	£ 730	(271)
Outpatient 1st Attends	£ 8,902	£ 742	£ 806	64	£ 4,451	£ 4,510	59
Outpatient Diagnostic Imaging	£ 2,653	£ 221	£ 209	(12)	£ 1,327	£ 1,247	(79)
Outpatient Follow Ups	£ 11,615	£ 968	£ 811	(157)	£ 5,808	£ 5,355	(452)
Outpatient Procedures	£ 3,590	£ 299	£ 197	(102)	£ 1,795	£ 1,186	(609)
Paediatrics High Dependency	£ 262	£ 22	£ -	(22)	£ 131	£ 151	20
<b>TOTAL</b>	<b>£ 156,304</b>	<b>£ 13,025</b>	<b>£ 12,035</b>	<b>(991)</b>	<b>£ 78,152</b>	<b>£ 73,567</b>	<b>(4,585)</b>

**Commentary**

In month 6 the acute income position has continued to be reflected as though the Trust were under a block contract. The Trust is looking to move to a PbR contract as soon as possible and therefore a continued focus must be maintained on capturing and coding all data correctly.

The tables presented show the position for the first 6 months of the year as if the Trust were on a pure PbR acute contract and therefore this does not reflect the actual Trust income position.

The YTD position shows an underperformance of £1.0m in month and £4.6m YTD against a plan.

Although the position is significantly adverse YTD there are actions being taken to resolve data capture and coding issues and the in month position will also be missing any late data.

The underperformance relating to non elective inpatients is driving a significant YTD adverse income variance which needs to be investigated and understood.

**Income by Commissioner - £000's**

Commissioner	Annual Plan £'000	September			YTD		
		Plan £'000	Actual £'000	Variance £'000	Plan £'000	Actual £'000	Variance £'000
NHS England	£ 14,654	£ 1,221	£ 976	(245)	£ 7,327	£ 5,566	(1,761)
NHS Islington CCG	£ 64,425	£ 5,369	£ 4,961	(408)	£ 32,213	£ 30,185	(2,027)
NHS Haringey CCG	£ 49,899	£ 4,158	£ 3,968	(191)	£ 24,949	£ 24,371	(578)
NHS Camden CCG	£ 4,956	£ 413	£ 375	(38)	£ 2,478	£ 1,988	(490)
NHS City and Hackney CCG	£ 4,768	£ 397	£ 315	(82)	£ 2,384	£ 2,137	(247)
NHS Enfield CCG	£ 2,921	£ 243	£ 237	(6)	£ 1,461	£ 1,603	143
NHS Barnet CCG	£ 9,097	£ 758	£ 649	(109)	£ 4,549	£ 4,483	(65)
Other CCG	£ 5,584	£ 465	£ 554	89	£ 2,792	£ 3,233	440
<b>TOTAL</b>	<b>£ 156,304</b>	<b>£ 13,025</b>	<b>£ 12,035</b>	<b>(991)</b>	<b>£ 78,152</b>	<b>£ 73,567</b>	<b>(4,585)</b>

**Acute Activity and Income Variances by Division**

In Month Activity Variance - September					
Board Report PoD Group	Trust Wide	Integrated Care & Acute Medicine	Surgery & Diagnostics	Women, Children & Families	TOTAL
Adult Critical Care	0	0	(221)	0	(221)
Block Contract/Adjustments	0	0	0	0	0
Day Cases	0	(64)	(47)	(11)	(121)
Direct Access	0	(454)	1,076	0	622
ED Attendances	0	(1,187)	0	0	(1,187)
Elective Inpatients	0	0	7	(7)	1
Excess Beddays	0	(150)	(22)	(11)	(182)
Maternity Pathway	0	0	0	(101)	(101)
NICU High Dependency Beddays	0	0	0	53	53
NICU Intensive Care Beddays	0	0	0	(23)	(23)
NICU Special Care Beddays	0	0	0	(163)	(163)
NICU Transitional Care Beddays	0	0	0	(155)	(155)
Non-Elective Inpatients	0	26	(38)	(288)	(300)
Other Activity	0	(892)	126	(2,947)	(3,713)
Outpatient 1st Attends	0	251	(18)	(879)	(647)
Outpatient Diagnostic Imaging	0	(45)	(38)	11	(72)
Outpatient Follow Ups	0	(2,497)	363	(2,580)	(4,714)
Outpatient Procedures	0	(137)	(345)	(238)	(720)
Paediatrics High Dependency	0	0	0	(21)	(21)
<b>TOTAL</b>	<b>0</b>	<b>(5,148)</b>	<b>842</b>	<b>(7,359)</b>	<b>(11,665)</b>

In Month Price Variance £000's - September					
Board Report PoD Group	Trust Wide	Integrated Care & Acute Medicine	Surgery & Diagnostics	Women, Children & Families	TOTAL
Adult Critical Care	0	0	(290)	0	(290)
Block Contract/Adjustments	182	0	0	0	182
Day Cases	0	(21)	77	6	63
Direct Access	0	12	(61)	0	(48)
ED Attendances	0	(116)	0	0	(116)
Elective Inpatients	0	10	15	(15)	10
Excess Beddays	0	(39)	(7)	(11)	(57)
Maternity Pathway	0	0	0	(148)	(148)
NICU High Dependency Beddays	0	0	0	47	47
NICU Intensive Care Beddays	0	0	0	(27)	(27)
NICU Special Care Beddays	0	0	0	(62)	(62)
NICU Transitional Care Beddays	0	0	0	(59)	(59)
Non-Elective Inpatients	0	29	(137)	(99)	(208)
Other Activity	0	(41)	3	(11)	(49)
Outpatient 1st Attends	0	66	(8)	7	64
Outpatient Diagnostic Imaging	0	(9)	(5)	2	(12)
Outpatient Follow Ups	0	(169)	33	(21)	(157)
Outpatient Procedures	0	(17)	(40)	(45)	(102)
Paediatrics High Dependency	0	0	0	(22)	(22)
<b>TOTAL</b>	<b>182</b>	<b>(293)</b>	<b>(421)</b>	<b>(458)</b>	<b>(991)</b>

YTD Activity Variance					
Board Report PoD Group	Trust Wide	Integrated Care & Acute Medicine	Surgery & Diagnostics	Women, Children & Families	TOTAL
Adult Critical Care	0	0	(780)	0	(780)
Block Contract/Adjustments	0	0	0	0	0
Day Cases	0	211	201	(172)	239
Direct Access	0	1,803	(12,611)	0	(10,808)
ED Attendances	0	(5,727)	0	0	(5,727)
Elective Inpatients	0	62	(29)	39	71
Excess Beddays	0	(147)	(103)	30	(220)
Maternity Pathway	0	0	0	(527)	(527)
NICU High Dependency Beddays	0	0	0	(254)	(254)
NICU Intensive Care Beddays	0	0	0	(118)	(118)
NICU Special Care Beddays	0	0	0	(509)	(509)
NICU Transitional Care Beddays	0	0	0	(531)	(531)
Non-Elective Inpatients	0	5	(253)	(746)	(994)
Other Activity	0	(2,996)	720	(9,148)	(11,424)
Outpatient 1st Attends	0	287	(1,253)	(88)	(1,054)
Outpatient Diagnostic Imaging	0	(77)	(313)	(96)	(485)
Outpatient Follow Ups	0	(7,842)	2,258	(5,646)	(11,231)
Outpatient Procedures	0	(807)	(2,135)	(1,246)	(4,188)
Paediatrics High Dependency	0	0	0	19	19
<b>TOTAL</b>	<b>0</b>	<b>(15,229)</b>	<b>(14,299)</b>	<b>(18,994)</b>	<b>(48,521)</b>

YTD Price Variance £000's					
Board Report PoD Group	Trust Wide	Integrated Care & Acute Medicine	Surgery & Diagnostics	Women, Children & Families	TOTAL
Adult Critical Care	0	0	(1,041)	0	(1,041)
Block Contract/Adjustments	1,540	(427)	0	0	1,113
Day Cases	0	119	290	(104)	305
Direct Access	0	475	(243)	0	231
ED Attendances	0	(550)	0	0	(550)
Elective Inpatients	0	87	(250)	65	(98)
Excess Beddays	0	(33)	(35)	(58)	(126)
Maternity Pathway	0	0	0	(471)	(471)
NICU High Dependency Beddays	0	0	0	(225)	(225)
NICU Intensive Care Beddays	0	0	0	(136)	(136)
NICU Special Care Beddays	0	0	0	(194)	(194)
NICU Transitional Care Beddays	0	0	0	(203)	(203)
Non-Elective Inpatients	0	(502)	(733)	(623)	(1,858)
Other Activity	0	(206)	3	(68)	(271)
Outpatient 1st Attends	0	126	(191)	124	59
Outpatient Diagnostic Imaging	0	(35)	(39)	(6)	(79)
Outpatient Follow Ups	0	(489)	196	(160)	(452)
Outpatient Procedures	0	(100)	(260)	(249)	(609)
Paediatrics High Dependency	0	0	0	20	20
<b>TOTAL</b>	<b>1,540</b>	<b>(1,534)</b>	<b>(2,304)</b>	<b>(2,287)</b>	<b>(4,585)</b>

"Back to Balance" Plan 2014/15

Surplus / (Deficit) in £000

	Act Apr	Act May	Act Jun	Act Jul	Act Aug	Fcst Sep	Fcst Oct	Fcst Nov	Fcst Dec	Fcst Jan	Fcst Feb	Fcst Mar	Total
<b>Raw Forecast</b>	(597)	(928)	(1,319)	(1,485)	(1,151)	(1,120)	(820)	(817)	(788)	(773)	(778)	(862)	<b>(11,437)</b>
<b>Theme 1 - Income</b> Counting / Coding Improvements Work to support capacity in other Trusts Additional Incentive Income													
<b>Total</b>					1,214	771	800	629	729	729	729	729	<b>6,330</b>
<b>Theme 2 - Workforce Productivity</b> New ways of working Technology Benchmarking against other organisations													
<b>Total</b>					(38)	(53)	126	125	373	544	545	559	<b>2,182</b>
<b>Theme 3 - Tighter Controls and Non Pay</b> Vacancy Scrutiny Panel Procurement Savings													
<b>Total</b>					0	0	233	233	208	375	375	375	<b>1,800</b>
<b>Theme 4 - Staff Innovation Ideas</b> Estates Revaluation Staff Innovation Discretionary Spend Review													
<b>Total</b>					88	71	67	65	112	116	111	112	<b>741</b>
Actuals to Forecast Variance					496	(1,104)	(291)	55	1,000				<b>156</b>
<b>New Forecast</b>	<b>(597)</b>	<b>(928)</b>	<b>(1,319)</b>	<b>(989)</b>	<b>(991)</b>	<b>(622)</b>	<b>461</b>	<b>1,235</b>	<b>634</b>	<b>992</b>	<b>982</b>	<b>913</b>	<b>(229)</b>

**Commentary**

The in month performance was £0.3m worse than forecast mainly due to income. The income is still being reflected as though the Trust remains on a block contract whereas the forecast was largely based on the Trust reporting a PbR position, including improvements to data capture and coding in relation to areas such as outpatient procedures and HDU activity. Such income also underpins the forecast for the remainder of the year. £645k income was recognised in month for additional RTT work as opposed to £500k forecasted.

## Statement of Financial Position

	As at 1st April 2014 £000	As at 30th September 2014 £000	Plan 31st March 2015 £000
<i>Non Current Assets</i>			
Property, plant and equipment	179,975	182,423	180,105
Intangible assets	5,428	4,710	4,295
Trade and other receivables	702	934	610
<b>Total Non Current Assets</b>	<b>186,105</b>	<b>188,067</b>	<b>185,010</b>
<i>Current Assets</i>			
Inventories	1,295	1,456	1,290
Trade and other receivables	17,527	14,429	6,930
Cash and cash equivalents	5,123	3,583	3,976
<b>Total Current Assets</b>	<b>23,945</b>	<b>19,468</b>	<b>12,196</b>
<b>Total Assets</b>	<b>210,050</b>	<b>207,535</b>	<b>197,206</b>
<i>Current Liabilities (amounts due in less than one year)</i>			
Trade and other payables	36,010	36,767	27,154
Borrowings	1,377	1,361	2,542
Provisions	1,238	418	198
<b>Total Current Liabilities</b>	<b>38,625</b>	<b>38,546</b>	<b>29,894</b>
<b>Net Current Assets (Liabilities)</b>	<b>(14,680)</b>	<b>(19,078)</b>	<b>(17,698)</b>
<b>Total Assets less Current Liabilities</b>	<b>200,785</b>	<b>207,145</b>	<b>202,708</b>
<i>Non Current Liabilities (amounts due greater than one year)</i>			
Borrowings	36,758	35,641	34,028
Provisions	2,015	1,914	2,190
<b>Total Non Current Liabilities</b>	<b>38,773</b>	<b>37,555</b>	<b>36,218</b>
<b>Total Assets Employed</b>	<b>132,652</b>	<b>131,434</b>	<b>131,094</b>
<i>Taxpayers' Equity</i>			
Public dividend capital	56,461	56,511	56,671
Retained earnings	15,277	8,795	18,918
Revaluation reserve	60,914	66,128	55,505
<b>Total Taxpayers' Equity</b>	<b>132,652</b>	<b>131,434</b>	<b>131,094</b>
<b>Capital cost absorption rate</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>

### Commentary

A revaluation of land and buildings took place earlier in the year which increased both property, plant and equipment (PPE) and the revaluation reserve by £5.3m. This was partially offset by impairments of £1.2m which reduced both PPE and retained earnings, but are excluded from the breakeven duty. A further revaluation is expected at the year end, which cannot yet be quantified.

The revaluation also increased asset lives, thereby reducing the depreciation charged to both PPE and retained earnings. PPE additions are below plan for the year to date, but forecast to meet the capital resource limit by the year end.

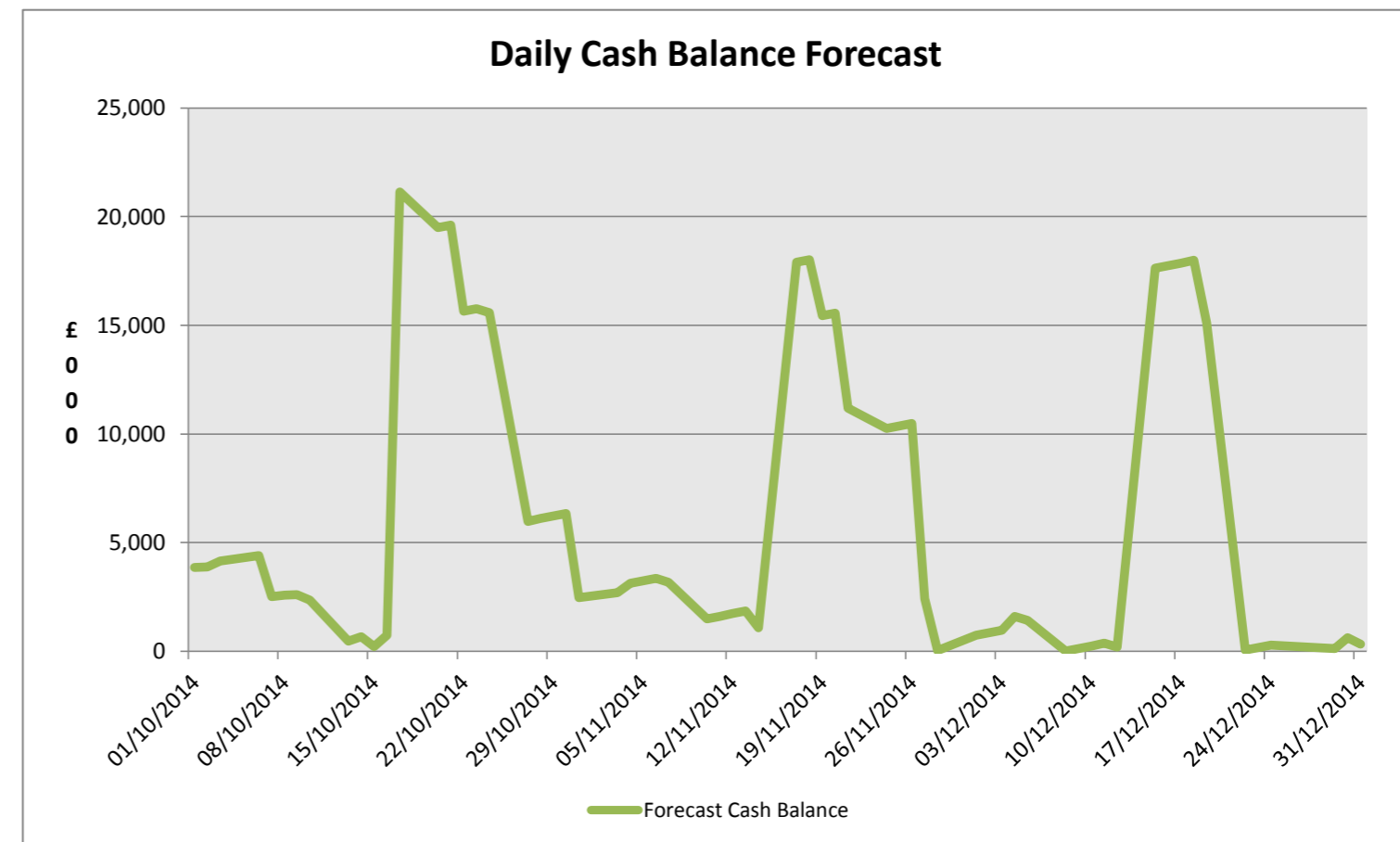
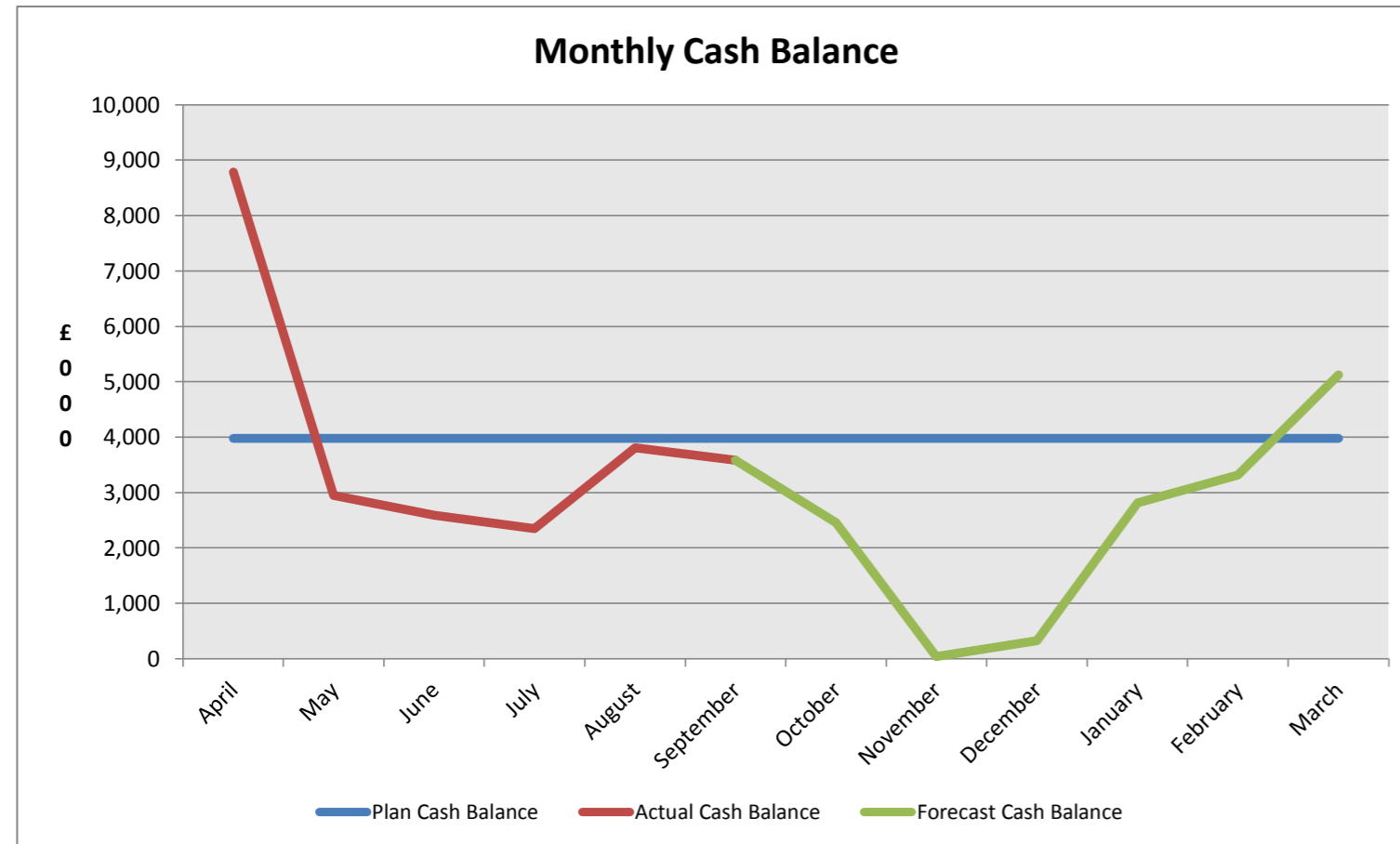
Cash decreased during the month due to creditor payments delayed from August. Cash is subject to various risks, mainly involving receivables, payables and CIP delivery. Payables have increased in the year to date but decreased in recent months. This reflects restricted payments when cash was tight earlier in the year, which have recovered over the last month.

There has been a reduction over the year in retained earnings due to the impairment and the income and expenditure deficit. The latter is forecast to be recovered by the year end but is dependent upon CIP delivery.

**Month 06/2014 Aged Debtors Analysis**  
**Period End Date: 25/09/2014**

	Sum of Outstanding	Days Range					Grand Total
	<b>NHS</b>	<b>30 Days &amp; Under</b>	<b>30 to 60 Days</b>	<b>60 to 90 Days</b>	<b>Over 90 Days</b>	<b>Over 365 Days</b>	
1	NHS ISLINGTON CCG	504,678.82	378,110.19	79,692.32	325,991.20	24,887.85	<b>1,313,360.38</b>
2	NHS CITY & HACKNEY CCG	147,590.79	42,959.60	2,000.00	362,440.92	118,322.96	<b>673,314.27</b>
3	THE ROYAL FREE LONDON NHS FT	269,853.35	58,311.70	4,650.33	84,060.44	0.00	<b>416,875.82</b>
4	THE UCL HOSPITALS NHS FOUNDATION TRUST	36,612.99	30,020.41	35,157.71	239,119.89	7,929.62	<b>348,840.62</b>
5	NHS HARINGEY CCG	129,100.09	21,616.17	5,460.75	86,329.62	2,909.33	<b>245,415.96</b>
6	NHS BARNET CCG	1,894.91	2,082.89	4,121.57	200,284.94	0.00	<b>208,384.31</b>
7	NHS ENFIELD CCG	57,688.00	0.00	0.00	150,123.45	0.00	<b>207,811.45</b>
8	BARNET & CHASE FARM NHS TRUST (ROYAL FREE)	0.00	68,175.16	0.00	82,853.05	4,721.95	<b>155,750.16</b>
9	CNWL NHS FOUNDATION TRUST	118,852.03	18,382.00	10,202.68	0.00	0.00	<b>147,436.71</b>
10	NHS CAMDEN CCG	9,811.59	4,351.37	16,351.81	101,900.82	0.00	<b>132,415.59</b>
<b>Top 10 NHS Total:</b>		<b>1,276,082.57</b>	<b>624,009.49</b>	<b>157,637.17</b>	<b>1,633,104.33</b>	<b>158,771.71</b>	<b>3,849,605.27</b>
<b>All Other NHS Total:</b>		<b>482,093.02</b>	<b>-367,057.93</b>	<b>51,278.02</b>	<b>960,420.20</b>	<b>-29,513.05</b>	<b>1,097,220.26</b>
<b>NHS Total</b>		<b>1,758,175.59</b>	<b>256,951.56</b>	<b>208,915.19</b>	<b>2,593,524.53</b>	<b>129,258.66</b>	<b>4,946,825.53</b>
	<b>Non NHS</b>	<b>30 Days &amp; Under</b>	<b>30 to 60 Days</b>	<b>60 to 90 Days</b>	<b>Over 90 Days</b>	<b>Over 365 Days</b>	<b>Grand Total</b>
1	LONDON BOROUGH OF HARINGEY	43,468.80	1,679.05	4,562.00	201,603.69	-4,324.52	<b>246,989.02</b>
2	THE HIGH ROAD SURGERY	159,613.26	0.00	0.00	0.00	0.00	<b>159,613.26</b>
3	OVERSEAS VISITOR (SH)	48,794.00	42,498.00	25,236.00	0.00	0.00	<b>116,528.00</b>
4	LONDON BOROUGH OF HACKNEY	7,522.64	10,087.27	13,361.13	41,746.47	19,000.00	<b>91,717.51</b>
5	RIVER PLACE GROUP PRACTICE	45,922.88	0.00	0.00	42,176.90	0.00	<b>88,099.78</b>
6	HIGHBURY GRANGE HC	22,168.38	0.00	0.00	53,137.20	0.00	<b>75,305.58</b>
7	CARDIFF & VALE UNIVERSITY LHB	0.00	1,692.65	0.00	41,252.82	12,987.95	<b>55,933.42</b>
8	LONDON BOROUGH OF CAMDEN	463.85	2,318.30	46,695.35	2,700.96	73.86	<b>52,252.32</b>
9	TYNEMOUTH MEDICAL CENTRE	50,197.98	0.00	0.00	0.00	0.00	<b>50,197.98</b>
10	THE RISE PRACTICE	21,832.92	0.00	0.00	27,523.28	0.00	<b>49,356.20</b>
<b>Top 10 Non NHS Total:</b>		<b>399,984.71</b>	<b>58,275.27</b>	<b>89,854.48</b>	<b>410,141.32</b>	<b>27,737.29</b>	<b>985,993.07</b>
<b>All other Non NHS Total:</b>		<b>402,257.69</b>	<b>97,045.16</b>	<b>62,057.82</b>	<b>307,852.07</b>	<b>158,229.35</b>	<b>1,027,442.09</b>
<b>NO Total</b>		<b>802,242.40</b>	<b>155,320.43</b>	<b>151,912.30</b>	<b>717,993.39</b>	<b>185,966.64</b>	<b>2,013,435.16</b>
<b>Grand Total</b>		<b>2,560,417.99</b>	<b>412,271.99</b>	<b>360,827.49</b>	<b>3,311,517.92</b>	<b>315,225.30</b>	<b>6,960,260.69</b>

## Cash Forecast for the Trust



### Commentary

The principal cash inflows are clinical service line agreements (SLA) receipts, typically around £19m in the middle of the month. Cash decreases sharply in the latter part of the month due to income tax, NI and pension contributions totalling £7m and the monthly payroll of around £9.5m on the 27th of the month. The underlying payment run is normally around £1m but there are numerous variables which can have a significant impact on the value. Major payments distorting these values are accounted for specifically in the forecast.

Working capital is being managed actively. Income is invoiced as promptly as possible, and outstanding debts chased regularly.

The forecast shows what is necessary in order to meet the year end target and thereby meet the EFL. Major assumptions in this forecast comprise reduced payments from the CIP and below average payment runs. Failure to meet any of these conditions may compromise the statutory duty to operate within the EFL.

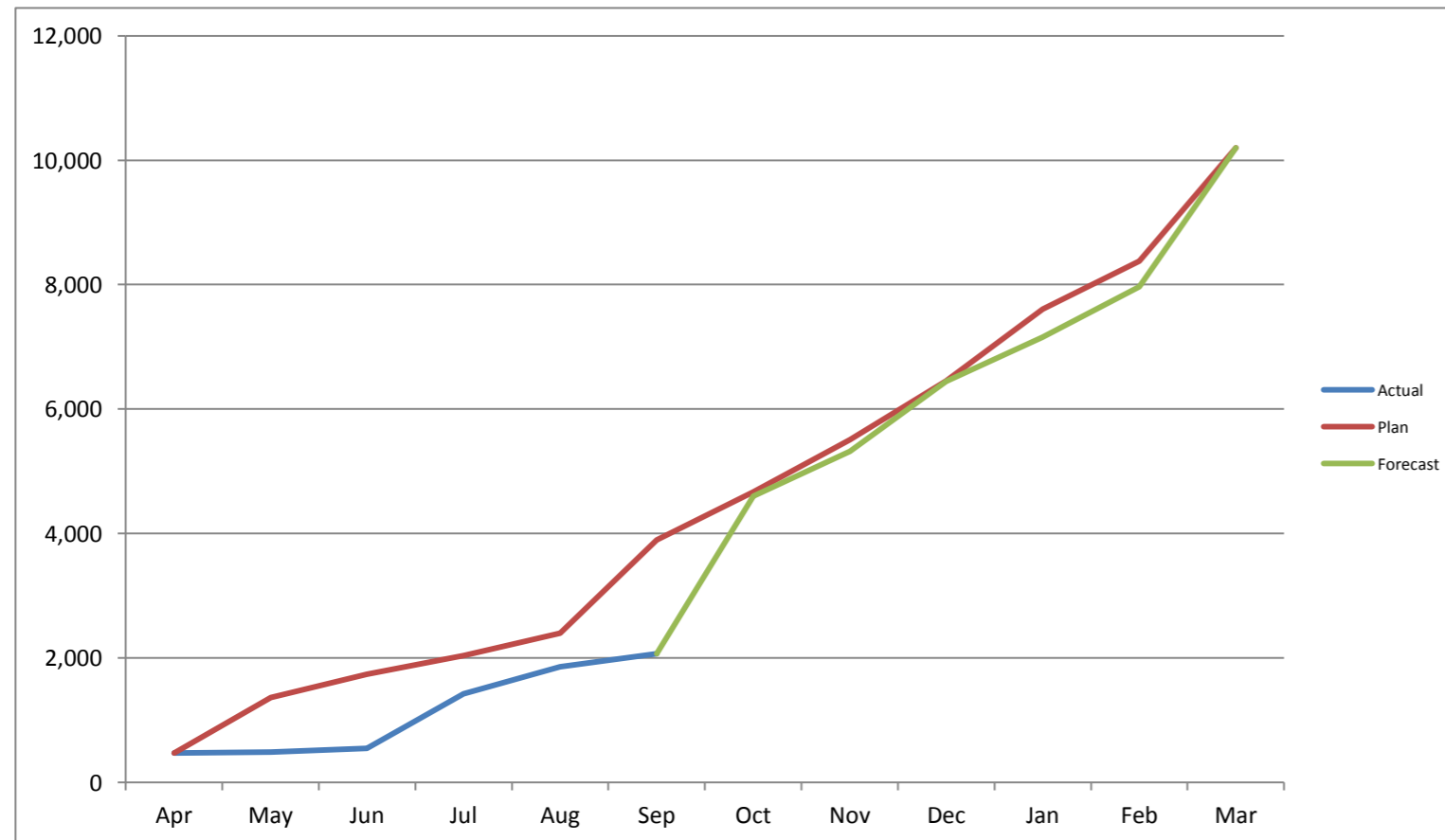
Action needed to meet the cash target and associated EFL comprises ensuring that all income is invoiced as soon as possible, and reducing expenditure in line with the CIP.

## Capital Spend Performance and Forecast

	Annual Plan £'000	Current Month			YTD			Forecast Outturn		
		Plan £'000	Act £'000	Var £'000	Plan £'000	Act £'000	Var £'000	Plan £'000	Forecast £'000	Var £'000
Estates	5,618	380	135	245	1,180	905	275	5,618	5,618	-
IT	810	25	74	-49	125	292	-167	810	810	-
Equipment	1,514	80	0	80	993	193	800	1,514	1,514	-
Business Cases	336	0	0	0	0	0	0	336	336	-
Leases	1,922	1,016	0	1,016	1,598	681	917	1,922	1,922	-
<b>Total</b>	<b>10,200</b>	<b>1,501</b>	<b>209</b>	<b>1,292</b>	<b>3,896</b>	<b>2,070</b>	<b>1,826</b>	<b>10,200</b>	<b>10,200</b>	<b>-</b>

CRL	10,200
Variance	<u>0</u>

## Spend against Capital Programme



## Commentary

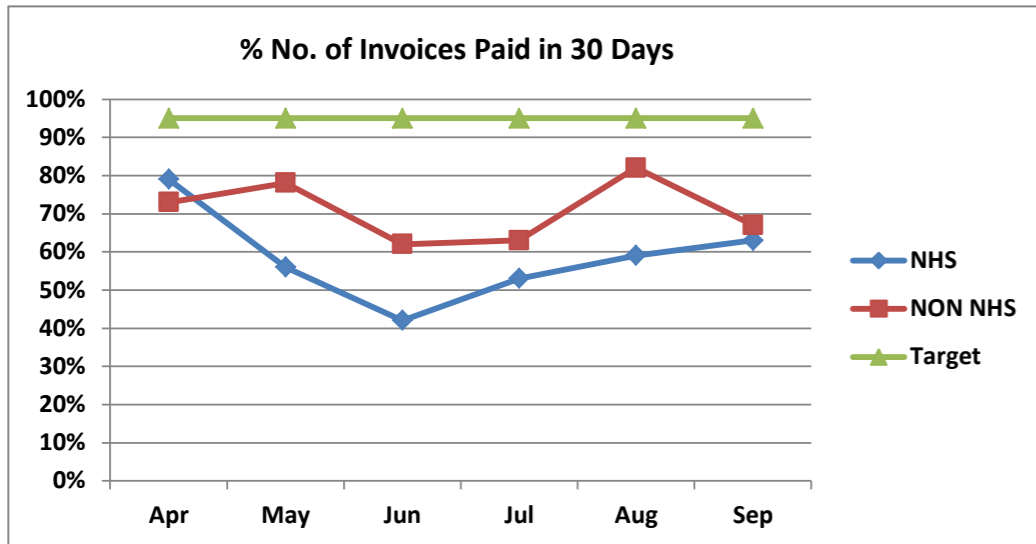
- The Capital Accountant meets regularly with project managers and monthly at the Capital Monitoring Group to report progress against plan.

- The current month underspend variance is mainly due to Finance Leases. The CT scanner had been planned to be replaced and installed in September but a change in operational/regulatory requirements has meant a delay.

- The Trust is expecting to spend up to its Capital Resource Limit (CRL).



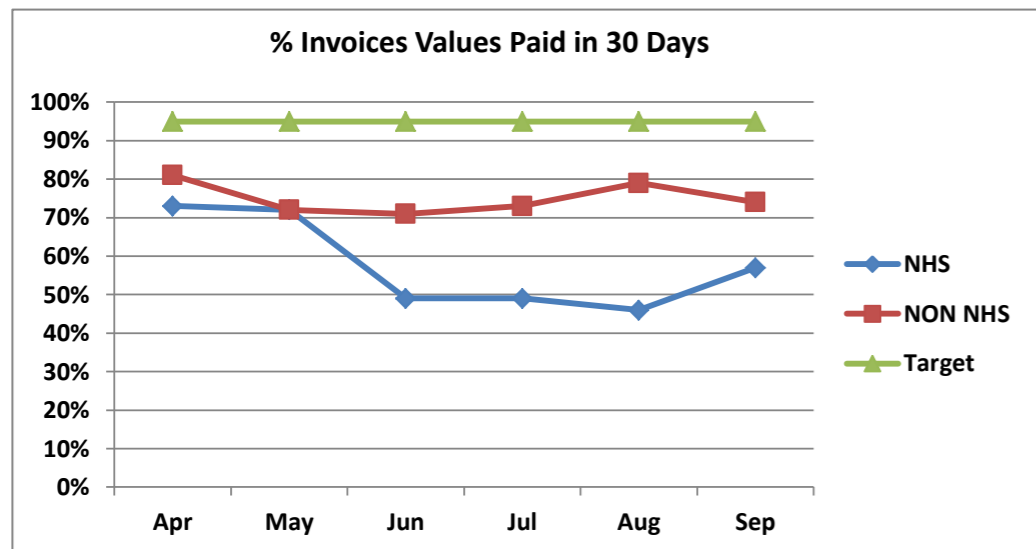
## Best Practice Payment Code



### Commentary

The Trust is currently falling short against its requirement of paying 95% of invoices within 30 days.

Part of the reason for the performance is due to active management of working capital which is planned to continue through the year.



### Continuity of Services Risk Rating (COSR)

<b>Metric</b>	<b>Definition</b>	<b>Parameters</b>				<b>Actual YTD</b>	<b>Plan Outturn</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>		
Working Capital Balance (£'000) (+/-)						(20,534)	(18,988)
Annual Operating Expenses (£'000) (+)						140,964	271,133
Liquidity Ratio (Days)						(26)	(25)
<b>Liquidity Rating</b>	$\frac{\text{Working Capital Balance} \times 360}{\text{Annual Operating Expenses}}$	<b>&lt;-14</b>	<b>-14</b>	<b>-7</b>	<b>0</b>	<b>1</b>	<b>1</b>
Revenue Available for Debt Service (£'000) (+)						2,656	16,786
Annual Debt Service (£'000) (+)						5,026	10,358
Capital Servicing Capacity (Times)						0.5	1.6
<b>Capital Servicing Capacity Rating</b>	$\frac{\text{Revenue Available for Debt Service}}{\text{Annual Debt Service}}$	<b>&lt;1.25</b>	<b>1.25</b>	<b>1.75</b>	<b>2.50</b>	<b>1</b>	<b>2</b>
<b>Weighted:</b>							
Liquidity Rating - 50%						<b>0.5</b>	<b>0.5</b>
Capital Servicing Capacity Rating - 50%						<b>0.5</b>	<b>1.0</b>
<b>Overall Continuity of Services Risk Rating</b>						<b>1</b>	<b>2</b>

The Continuity of Services Rating (COSR) represents the financial risk rating used by Monitor, where a score of "one" highlights an organisation as "high risk". The table shows that WH is in this high risk category

Whilst this demonstrates the need for improvement this should be assessed in light of two key factors. Firstly, our current financial performance is materially below plan and supports an assessment of high risk. Secondly, a strong COSR performance relies upon a strong working capital position and our balance sheet has been recognised as, historically, weak. We therefore find ourselves at a disadvantage under this measure, for example, compared to Foundation Trusts that have high cash balances from previous land and property sales even though they may also report an in year deficit.