

**Trust Board**  
3rd December 2014

<b>Title:</b>	2014/15 Finance Report – October (Month 7)						
<b>Agenda item:</b>	<b>14/174</b>		Paper			<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.						
<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) Board Assurance Framework (Section 3)						
<b>Date paper completed:</b>	18 November 2014						
<b>Author name and title:</b>	Ursula Grueger, Deputy Director of Finance			<b>Director name and title:</b>		Simon Pleydell, CEO	
<b>Date paper seen by EC</b>		<b>Equality Impact Assessment complete?</b>		<b>Risk assessment undertaken?</b>	N/A	<b>Legal advice received?</b>	N/A

## **Executive Summary**

The in-month position is a £986k deficit against a planned surplus of £104k, an adverse variance of £1,090k. The year to date (YTD) position is a £6.3m deficit against a planned deficit of £1.1m, an adverse variance of £5.2m. 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 break-even in month and £0.9m adverse YTD. The favourable position in month is driven by a combination of additional local authority activity, educational, RTT, resilience and community estates income. 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 PbR excluded drugs. The income position continues to reflect the Trust operating against a block contract arrangement.

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. The Trust has also agreed additional funding from the CCGs, which is not yet reflected in the position. Additional resilience monies have also been secured.

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 £1.2m adverse in month and £4.8m adverse YTD. The major expenditure challenges remain in the Integrated Care and Acute Medicine (ICAM) and Surgery, Cancer and Diagnostics (SCD) Divisions.

Pay is £0.3m adverse in month and £1.6m adverse YTD. The underlying pay expenditure is slightly higher than recent months but still lower than in Q1 due mainly to reductions in medical and Scientific, Technical and Therapeutic (STT) agency staffing.

Non Pay is £0.7m adverse in month and £0.8m adverse YTD. Approx. £100k is backed by additional income such as PbR excluded drugs. Over spends include additional costs relating to outsourcing, additional community estates costs and additional costs relating to increased activity in October.

In addition to established plans further actions in the 'Back to Balance' plan with further expenditure reductions are being developed.

The monthly position has resulted in the EBITDA margin of 0.95%, which is 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 £4.2m against a plan of £7.5m. There are plans to deliver £8.7m for the year and the divisions are working on back up plans to deliver the gap of £6.3m to ensure that the full £15m target is achieved by the end of the financial year.

## **Cash and Capital**

Cash decreased by £1.4m in the month to £2.2m. The Trust needs to ensure that the CIP plan is achieved and produces cash releasing savings and also that activity is efficiently coded and counted in order to ensure all activity is paid for. The capital programme is on track.

## Statement of Comprehensive Income

Description	Full Year	October			YTD		
	Budget (£'000)	Budget (£'000)	Actuals (£'000)	Variance (£'000)	Budget (£'000)	Actuals (£'000)	Variance (£'000)
NHS Clinical Income	246,938	20,725	20,286	(438)	143,992	141,924	(2,068)
Non-NHS Clinical Income	16,332	1,369	1,606	236	9,541	10,112	571
Other Non-Patient Income	26,324	2,250	2,419	169	15,120	15,676	556
<b>Total Income</b>	<b>289,594</b>	<b>24,345</b>	<b>24,311</b>	<b>(33)</b>	<b>168,653</b>	<b>167,711</b>	<b>(942)</b>
Non-Pay	69,900	5,757	6,464	(707)	41,011	41,781	(770)
Pay	206,157	17,301	17,617	(316)	121,427	123,058	(1,632)
Savings	(3,303)	(197)	0	(197)	(2,406)	0	(2,406)
<b>Total Expenditure</b>	<b>272,754</b>	<b>22,861</b>	<b>24,081</b>	<b>(1,220)</b>	<b>160,032</b>	<b>164,839</b>	<b>(4,807)</b>
<b>EBITDA</b>	<b>16,840</b>	<b>1,484</b>	<b>230</b>	<b>(1,253)</b>	<b>8,621</b>	<b>2,872</b>	<b>(5,748)</b>
<b>EBITDA %</b>	<b>5.82%</b>	<b>6.09%</b>	<b>0.95%</b>	<b>-5.15%</b>	<b>5.11%</b>	<b>1.71%</b>	<b>-3.40%</b>
Interest Payable	2,820	235	242	(7)	1,645	1,663	(18)
Interest Receivable	30	3	2	(1)	18	15	(2)
Depreciation	9,724	810	591	219	5,672	6,267	(595)
Dividends Payable	4,326	361	361	0	2,524	2,524	0
Net Surplus / (Deficit) - before adjusting for impairments, IFRS and donated assets (relevant for break-even duty)	(0)	80	(962)	(1,042)	(1,203)	(7,565)	(6,363)
Add back impairments and adjust for IFRS & donated assets	285	24	(24)	(48)	119	1,291	1,172
<b>Adjusted Net Surplus / (Deficit) - including Impairments due to Revaluation of Fixed Assets</b>	<b>285</b>	<b>104</b>	<b>(986)</b>	<b>(1,090)</b>	<b>(1,084)</b>	<b>(6,274)</b>	<b>(5,191)</b>

**Whittington Health Cost Improvement Programme Report - Month 7**

	Annual Plan £'000	October				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	71	48%	(78)	952	313	33%	(640)	1,768	1,544	87%	(224)
SCD	1,179	86	41	47%	(46)	670	294	44%	(375)	1,179	651	55%	(529)
WCF	1,299	99	31	31%	(68)	684	247	36%	(438)	1,299	493	38%	(806)
Corporate	1,519	122	190	156%	68	861	786	91%	(75)	1,519	1,684	111%	165
<b>Total Divisional Schemes</b>	<b>5,765</b>	<b>456</b>	<b>333</b>	<b>73%</b>	<b>(123)</b>	<b>3,168</b>	<b>1,639</b>	<b>52%</b>	<b>(1,528)</b>	<b>5,765</b>	<b>4,371</b>	<b>76%</b>	<b>(1,394)</b>
Productivity & Efficiency	5,347	452	106	23%	(346)	3,001	570	19%	(2,431)	5,347	1,655	31%	(3,692)
VIPs	3,388	128	2	2%	(126)	1,004	71	7%	(933)	3,388	353	10%	(3,035)
<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>4,005</b>	<b>641</b>	<b>16%</b>	<b>(3,364)</b>	<b>8,735</b>	<b>2,008</b>	<b>23%</b>	<b>(6,728)</b>
Non Recurrent Benefits	500	42	42	100%	0	292	292	100%	0	500	500	100%	0
Non Recurrent Under Spend	0	0	288		288	0	1,598		1,598	0	1,838		1,838
<b>Total Non Recurrent Items</b>	<b>500</b>	<b>42</b>	<b>330</b>		<b>288</b>	<b>292</b>	<b>1,890</b>		<b>1,598</b>	<b>500</b>	<b>2,338</b>		<b>1,838</b>
<b>Total delivery against planned schemes</b>	<b>15,000</b>	<b>1,078</b>	<b>771</b>	<b>72%</b>	<b>(307)</b>	<b>7,464</b>	<b>4,170</b>	<b>56%</b>	<b>(3,294)</b>	<b>15,000</b>	<b>8,717</b>	<b>58%</b>	<b>(6,283)</b>
<b>Unidentified Schemes</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>6,283</b>		<b>6,283</b>
<b>Trust Total</b>	<b>15,000</b>	<b>1,078</b>	<b>771</b>	<b>72%</b>	<b>(307)</b>	<b>7,464</b>	<b>4,170</b>	<b>56%</b>	<b>(3,294)</b>	<b>15,000</b>	<b>15,000</b>	<b>100%</b>	<b>0</b>

**Month 7 CIP Summary**

The CIP delivery underperformance YTD has continued into month 7.

In month 7 £0.771m (72%) CIP delivery was achieved compared to a plan of £1.078m. This includes a benefit from non recurrent underspends of £0.288m.

YTD delivery is £4.170m (56%) compared to a YTD target of £7.464m. This includes a benefit from non recurrent underspends of £1.598m.

The divisional schemes are forecasting £4.371m delivery (76%) against the target of £5.765m.

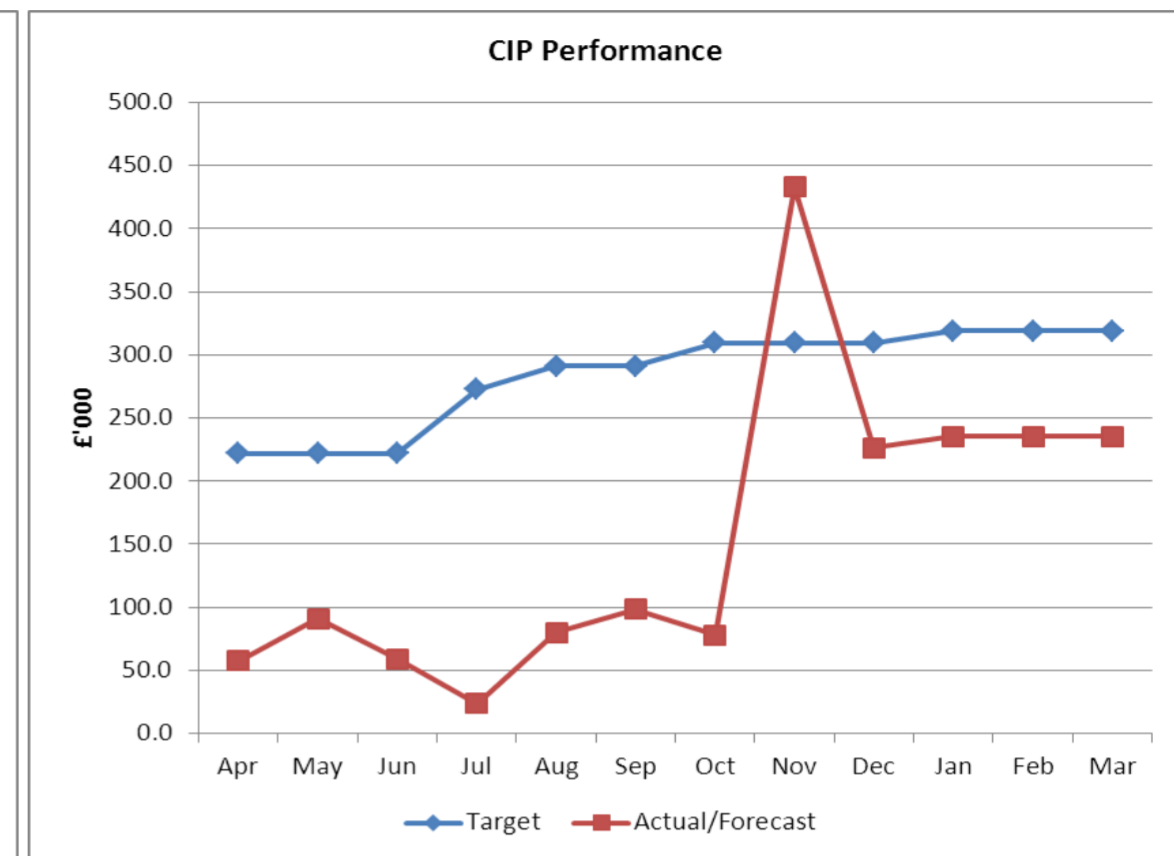
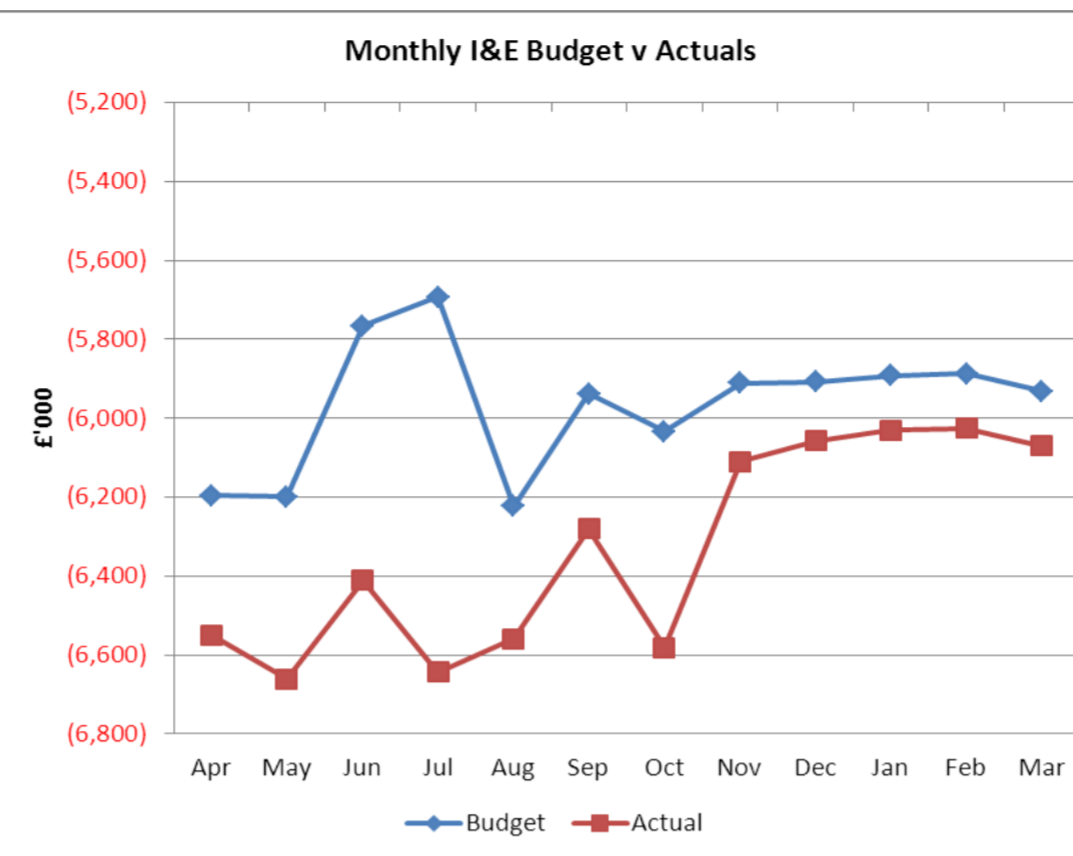
The productivity and efficiency schemes are forecasting £1.655m delivery (31%) against a target of £5.347m.

The VIP transformational schemes are forecasting £0.353m delivery (10%) against the target of £3.388m.

The £6.283m gap has been phased to deliver over the last five months of 14/15.

ICAM Divisional Position - Month 7 (October 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	651	11	4,477	5,183	706
Other Income For Pat Care	1,783	149	162	14	1,040	1,015	(25)
Other Non-Patient-Devolve	654	58	66	8	406	354	(53)
Other Non-Patient Non-De	0	0	11	11	0	20	20
<b>Income</b>	<b>10,111</b>	<b>846</b>	<b>890</b>	<b>44</b>	<b>5,923</b>	<b>6,572</b>	<b>649</b>
A/C	5,243	433	467	(35)	3,080	3,400	(320)
Executive Board & Sen Mgr	440	37	31	5	256	278	(21)
Medical	13,372	1,092	1,214	(121)	7,952	8,793	(841)
Nurses & Midwives	28,694	2,388	2,589	(201)	16,819	18,104	(1,285)
Other Support Workers	199	17	37	(20)	116	250	(134)
Scientific, Ther & Tech	16,934	1,403	1,440	(36)	9,918	10,405	(487)
Pay Reserve	(1,638)	(20)	0	(20)	(922)	0	(922)
<b>Pay</b>	<b>63,244</b>	<b>5,349</b>	<b>5,778</b>	<b>(428)</b>	<b>37,220</b>	<b>41,230</b>	<b>(4,009)</b>
Establishment	458	38	62	(24)	267	366	(99)
Ext Cont Staffing & Cons	115	6	5	1	41	352	(311)
Healthcare From Non Nhs	548	46	53	(7)	319	(3)	323
Miscellaneous	362	30	21	9	211	239	(28)
Non-Pay Reserve	(253)	(21)	0	(21)	(147)	0	(147)
Premises & Fixed Plant	392	33	40	(7)	229	544	(315)
Supplies & Servs - Clin	16,450	1,368	1,404	(37)	9,611	9,208	404
Supplies & Servs - Gen	373	31	108	(77)	219	323	(104)
<b>Non Pay</b>	<b>18,445</b>	<b>1,530</b>	<b>1,693</b>	<b>(163)</b>	<b>10,750</b>	<b>11,029</b>	<b>(279)</b>
<b>Income Less Direct Costs</b>	<b>(71,577)</b>	<b>(6,033)</b>	<b>#####</b>	<b>(547)</b>	<b>(42,048)</b>	<b>(45,686)</b>	<b>(3,639)</b>



Income and Expenditure Commentary

The position at month 7 is £547k adverse in month and £3,639k adverse YTD.

**NHS Clinical Income** is £11k favourable in month due to RTT income within the position. YTD the position is £706k favourable due to prison income recognised in month 1 (£0.5m) and additional CCG investments.

**Other Income** is £33k favourable in month due to additional income within Rehab offset with costs. £57k adverse YTD due to lower than budgeted income for flexible trainees.

**Pay** is £428k adverse in month and £4,009k adverse YTD.

**Nursing** is £201k adverse in month and £1,285k YTD due to high agency spend within ED, District Nursing and in Acute Wards. This is high due to vacancies, specialing and high dependency patients on the wards.

**Medical** is £121k adverse in month and £841k 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, high activity, and extra winter staffing.

**Unallocated CIP and VIP** is leading to a £20k adverse variance in month and £922k adverse YTD.

**Non-Pay** - £163k adverse in month mainly due to high PBR excluded drugs spend, which is offset with income. £279k adverse YTD due to prison service expenditure in month 1 without budget - service now decommissioned.

CIP Commentary

In month 7, the division delivered £78k against a plan of £310k. Year to date the division has delivered £487k against a plan of £1,830k. 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. A cohort of newly recruited nurses started in October with more due to start in November and December.

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

**Unidentified** - £143k of the YTD underperformance is due to unidentified CIPs.

**TB** - £443k of the ICAM CIP program is dependant 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 now not due to close in 2014/15, but costs covered with non recurrent income. Locality based teams VIP moved to COO cost centre.

Divisional Actions

Forecast I&E improvement in final 5 months of the year based on significant recruitment, challenging targets set for district nursing and ward specialing expenditure improvement and additional TB income.

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

**District Nursing** - Phased recruitment plan in place to reduce agency spend. Cohort of newly qualified nurses started in October with savings set to be realised from M8. Weekly teleconference with Finance lead looking at spend & capacity.

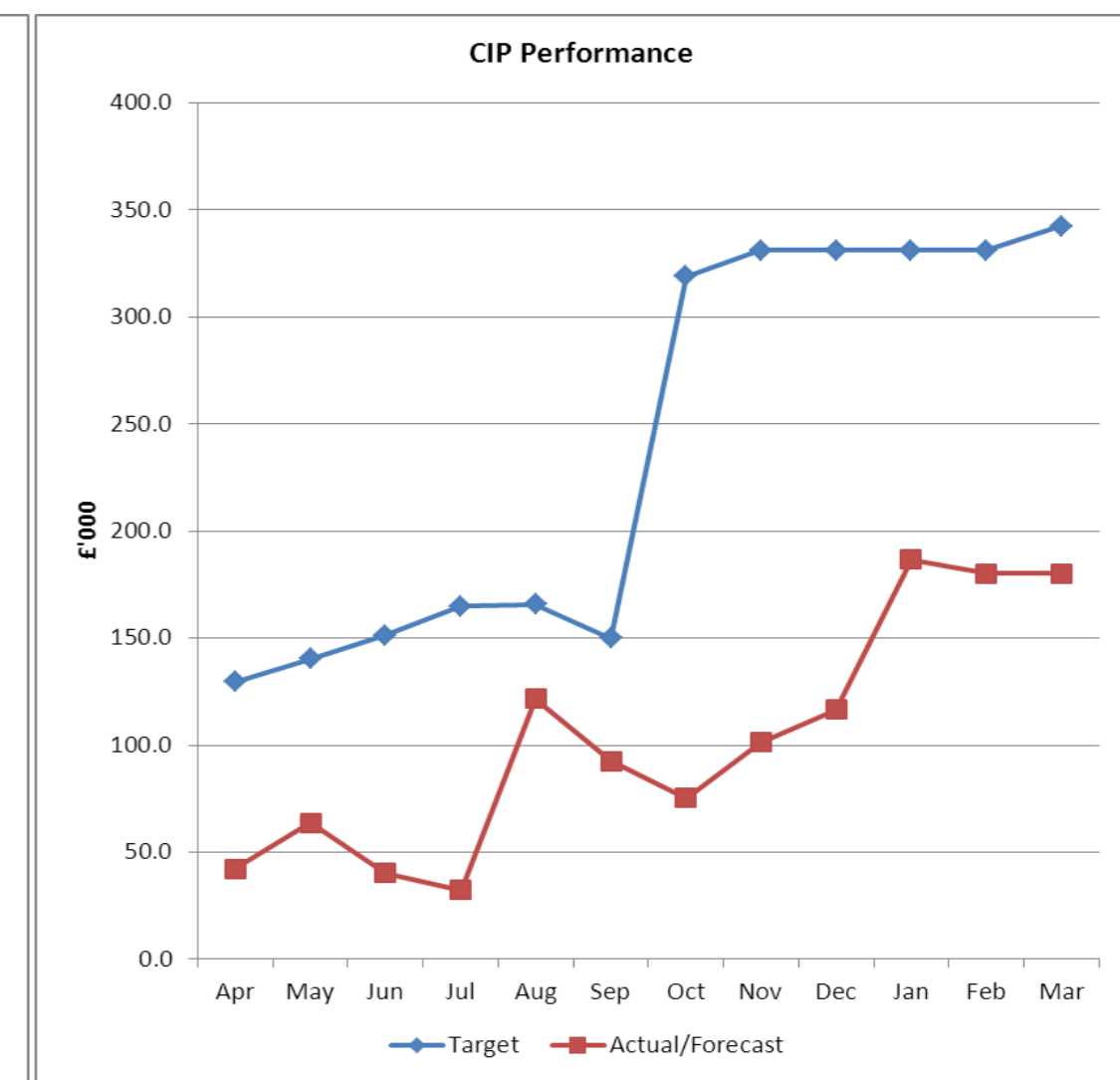
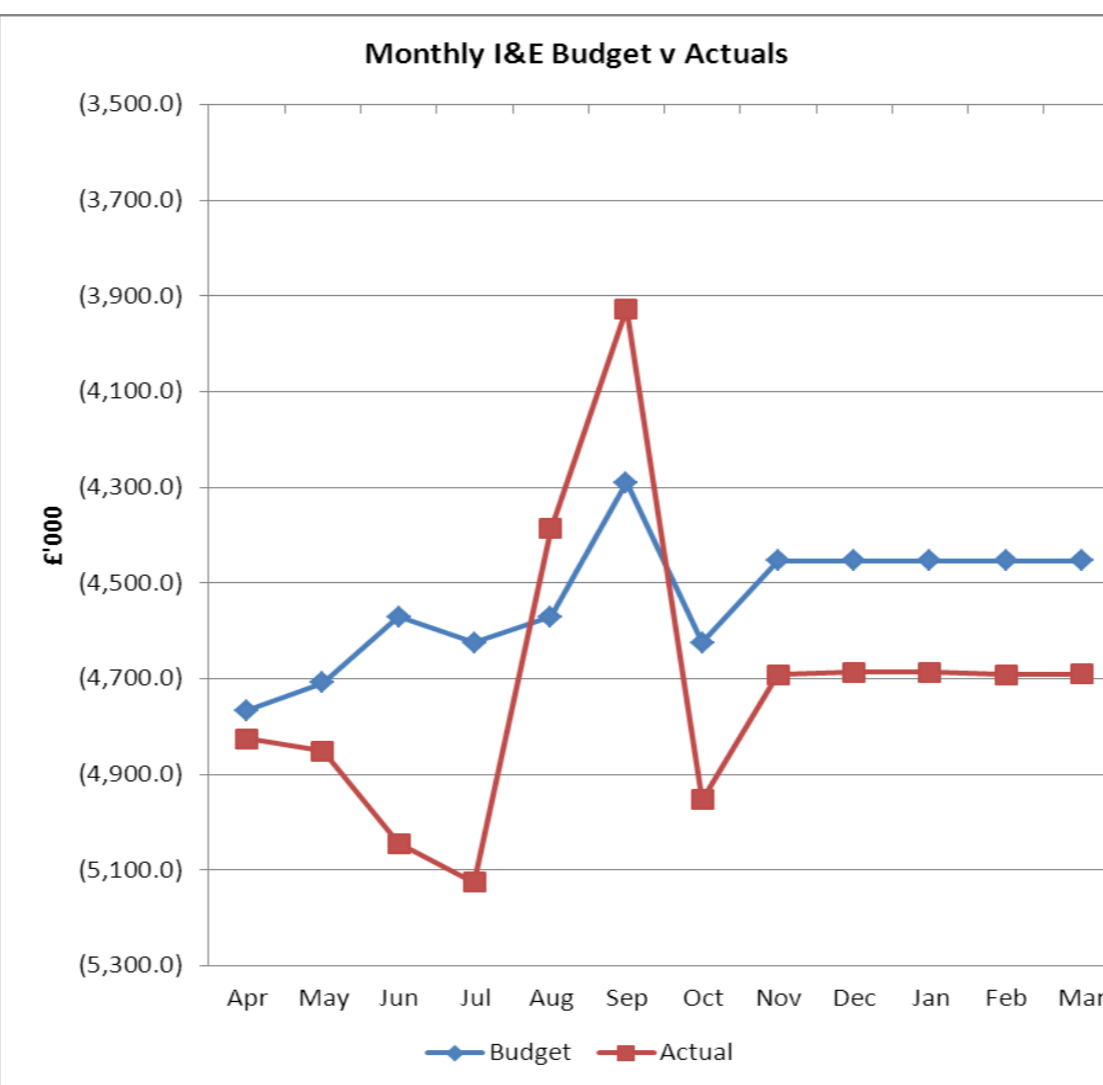
**Ward Nursing** - Corporate Nursing to look into required budget for specialing and what processes are required to control the spend. Trust wide recruitment drive expected to reduce run rate in remaining months of the year.

**Consultant Agency** - 1 x Gastroenterology post offer accepted. Expected to be in post by December. 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 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 7 (October 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	68	60	(9)	478	1,623	1,145
Other Income For Pat Care	1,028	87	126	39	594	751	157
Other Non-Patient-Devolve	790	65	35	(30)	478	404	(74)
Other_Non-Patient_Non-D	640	53	53	0	373	373	0
<b>Income</b>	<b>3,277</b>	<b>273</b>	<b>274</b>	<b>1</b>	<b>1,923</b>	<b>3,151</b>	<b>1,228</b>
A/C	4,066	331	475	(144)	2,498	3,077	(579)
Dental	2,344	195	194	1	1,367	1,358	9
Executive Board & Sen Mg	566	47	37	10	330	235	95
Medical	16,143	1,379	1,381	(2)	9,418	9,576	(157)
Nurses & Midwives	15,069	1,288	1,264	25	8,698	8,801	(103)
Other Support Workers	350	29	28	1	204	187	18
Scientific, Ther & Tech	8,356	707	718	(10)	4,855	5,053	(197)
Pay Reserve	(1,640)	(194)	0	(194)	(669)	0	(669)
<b>Pay</b>	<b>45,255</b>	<b>3,783</b>	<b>4,096</b>	<b>(313)</b>	<b>26,703</b>	<b>28,287</b>	<b>#####</b>
Establishment	280	23	62	(38)	163	262	(99)
Ext Cont Staffing & Cons	231	19	12	7	135	82	52
Miscellaneous	334	28	60	(32)	195	278	(84)
Non-Pay Reserve	(65)	(11)	0	(11)	(11)	0	(11)
Premises & Fixed Plant	591	49	62	(13)	345	398	(54)
Supplies & Servs - Clin	10,799	960	882	78	6,249	6,640	(392)
Supplies & Servs - Gen	554	47	54	(7)	320	318	2
<b>Non Pay</b>	<b>12,724</b>	<b>1,116</b>	<b>1,131</b>	<b>(15)</b>	<b>7,395</b>	<b>7,979</b>	<b>(584)</b>
<b>Income Less Direct Costs</b>	<b>(54,702)</b>	<b>(4,626)</b>	<b>(4,953)</b>	<b>(328)</b>	<b>(32,175)</b>	<b>(33,115)</b>	<b>(940)</b>



Income and Expenditure Commentary

The position at month 7 is £328k adverse in month and £940k adverse YTD. Against forecast for the month the Division under-performed by £136K.

**Income** is £1k favourable in month and £1,228k favourable YTD driven by £984k of RTT income recognised in month but also community urology and dental activity YTD.

**Pay** is £313k adverse in month and £1,584k adverse YTD. Against the average trend of last 3 months the cost of pay in M07 increased by £76k.

**Nurses & Midwives** is £25k favourable in month and £103K adverse YTD largely due to the escalation bed budget in Coyle phased from M7.

**Admin and clerical** is £144k adverse in month and £579k adverse YTD driven largely by the invoices from agency secretaries paid in M7 and the delayed implementation of TPE (bank admin) and high bank spend within Imaging.

**Unallocated CIP and VIP** is leading to a £194k adverse variance in month and £669k adverse YTD. This is because the Planned Activity VIP target was phased from M07.

**Non Pay** is £15k adverse in month and £584k adverse YTD. This is largely due to increased costs within theatres and pathology on clinical consumables, prosthetics and reagents.

CIP Commentary -

In month 7, the division delivered £75k against a plan of £319k.

Year to date the division has delivered £468k against a plan of £1220k.

The actual performance against 2% CIP target was an under-delivery of £34K in-month, and against the productivity/efficiency savings was £17K and finally VIP target was an under-delivery of £191K 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 Outpatient pathway target have been profiled from Q1 & Q2 which remains un-identified and therefore unachieved. Planned Activity VIP was profiled from M07 which is also 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 post thus reducing the reliance on expensive temporary staffing.
- Non pay spends to be linked to activity.

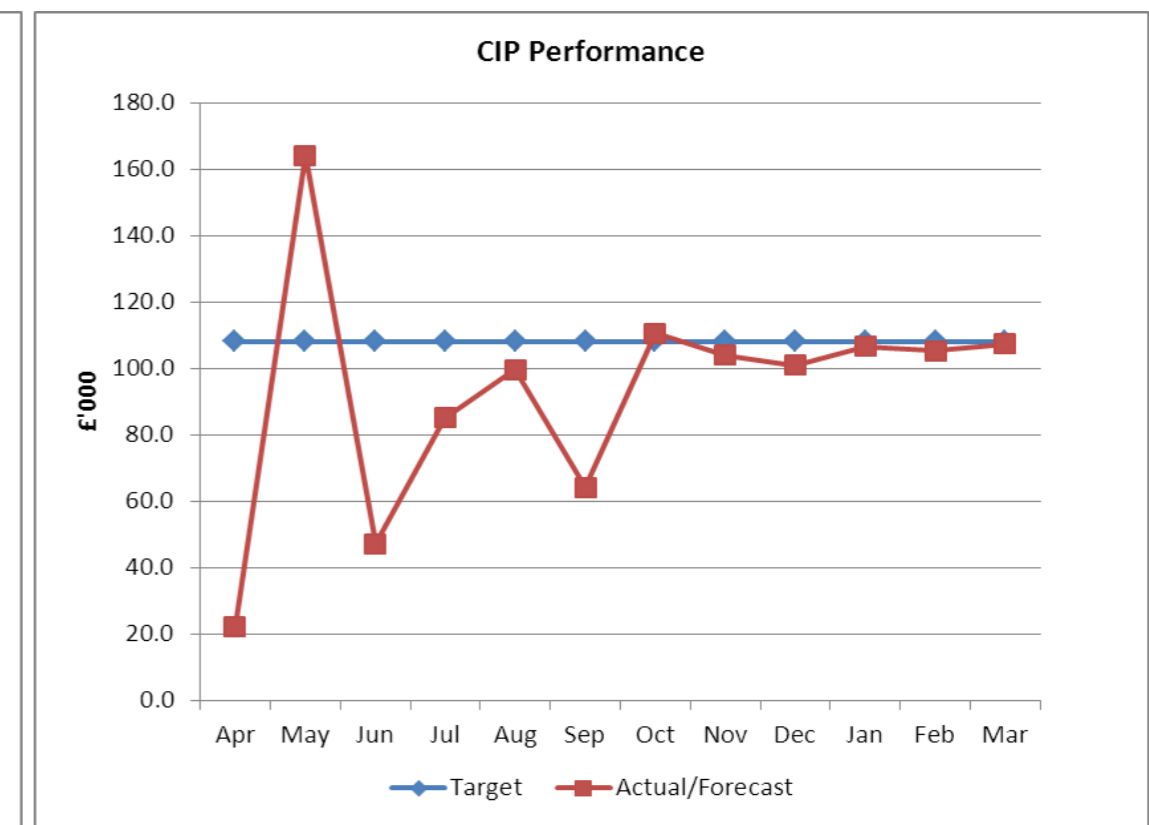
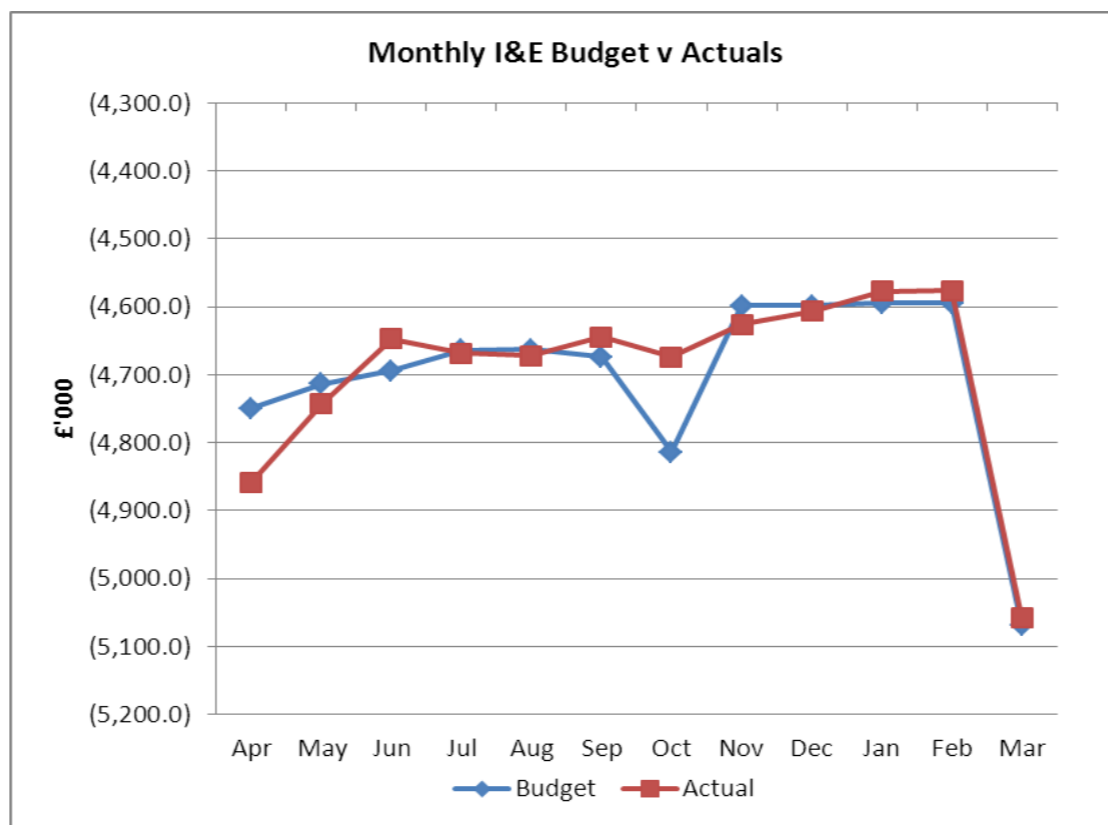
**Outpatient Efficiency**

- 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 7 (October 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	1,042	37	104	67	602	752	150
Other Income For Pat Care	7,276	567	766	199	4,263	4,509	246
Other Non-Patient-Devolve	287	78	68	(10)	198	255	57
Other Non-Patient Non-D	0	0	7	7	0	26	26
<b>Income</b>	<b>8,605</b>	<b>681</b>	<b>946</b>	<b>264</b>	<b>5,063</b>	<b>5,542</b>	<b>478</b>
A/C	4,555	382	400	(18)	2,661	2,797	(136)
Executive Board & Sen Mq	686	33	10	22	400	304	96
Medical	11,287	945	982	(37)	6,625	6,742	(117)
Nurses & Midwives	31,266	2,715	2,675	40	18,345	18,048	297
Other Support Workers	39	3	13	(10)	23	75	(52)
Scientific, Ther & Tech	13,191	1,094	1,119	(25)	7,748	7,771	(23)
Pay Reserve	(373)	(28)	0	(28)	(218)	0	(218)
<b>Pay</b>	<b>60,651</b>	<b>5,143</b>	<b>5,198</b>	<b>(55)</b>	<b>35,583</b>	<b>35,736</b>	<b>(153)</b>
Establishment	483	41	58	(17)	281	384	(102)
Ext Cont Staffing & Cons	78	7	6	1	46	48	(2)
Miscellaneous	336	19	41	(22)	147	219	(73)
Non-Pay Reserve	1	0	0	0	0	0	0
Premises & Fixed Plant	548	52	37	15	315	328	(13)
Supplies & Servs - Clin	2,507	205	252	(47)	1,461	1,582	(121)
Supplies & Servs - Gen	345	28	28	1	201	152	49
<b>Non Pay</b>	<b>4,297</b>	<b>352</b>	<b>421</b>	<b>(69)</b>	<b>2,452</b>	<b>2,713</b>	<b>(261)</b>
<b>Income Less Direct Costs</b>	<b>(56,344)</b>	<b>###</b>	<b>(4,674)</b>	<b>140</b>	<b>(32,972)</b>	<b>(32,907)</b>	<b>65</b>



**Income and Expenditure Commentary**

The WCF position at month 7 is £140k favourable in month and £65k adverse YTD.

**Patient Care Income** is £266k favourable in month, £54k of this relates to RTT. The balance is due to higher genitio urinary medicine (GUM) activity and income for new investments where budgets are not yet set.. YTD is £129k favourable mainly due to the RTT £97k YTD.

**Other Income** is £3k unfavourable in month and £83k favourable YTD driven by additional education and training and schools income.

**Pay** is £55k adverse in month and £153k adverse YTD.

**Nursing** is £40k favourable in month, due to reduced agency costs in midwifery & health visiting. The £297k 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.

**Medical** is £37k adverse in month and £117k adverse YTD driven by junior doctor agency expenditure in Obstetrics and Gynaecology which should reduced 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 £69k adverse in month and £261k adverse YTD. The YTD position is driven by additional equipment requirements as well as increased activity in special schools, professional services for the preparation of tenders and the costs of setting up new services.

**CIP Commentary**

In month 7, the division delivered £150k against a plan of £108k.

Year to date the division has delivered £647k against a plan of £758k.

Of the £758k delivered YTD, £246k is recurrent and £400k is non-recurrent.

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 the shortfall but it will be a challenge to maintain this in future months.

Obs and Gynae is an example of an area where it has been difficult to establish recurrent CIPs.

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 taken up their positions, with the bulk of the benefit from November as they fully take up their positions.

Obs and Gynae had a gap of 2 WTE in junior doctor rota but one post has now been recruited to and a further post is being recruited to.

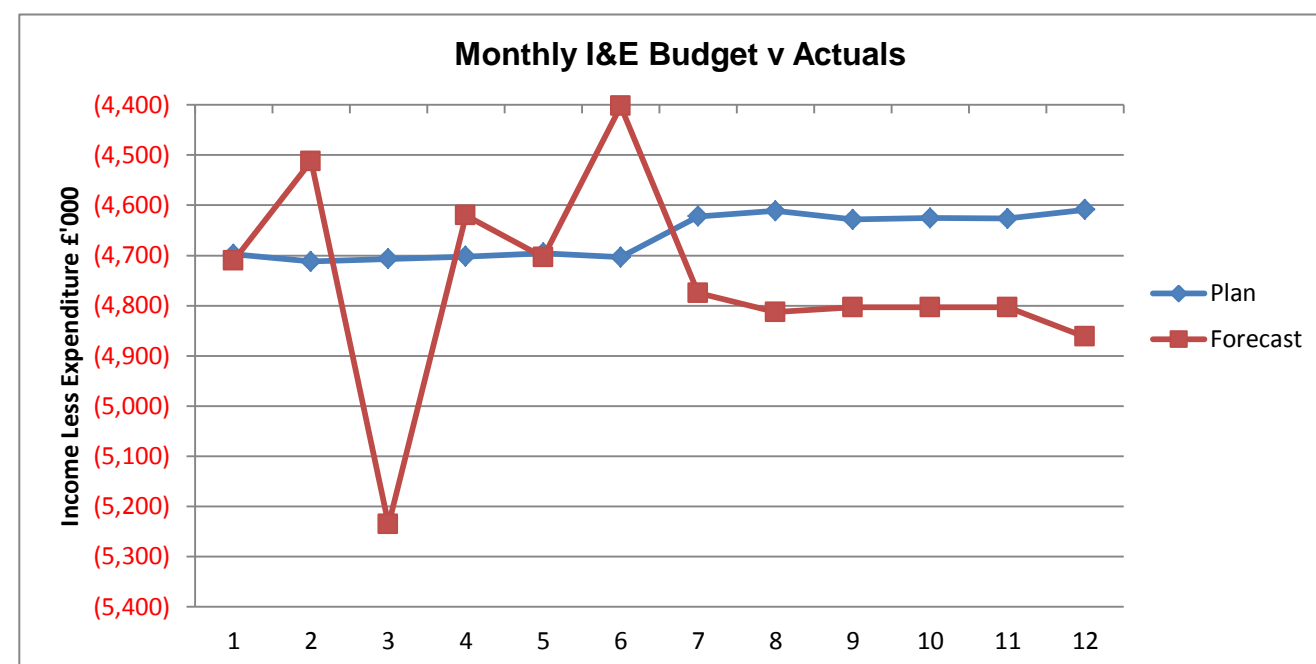
Recent recruitment into NICU has been successful which should result in a reduction in agency expenditure in the coming months, once all staff have come into post and undergone the necessary training.

**Outpatient Efficiency**

Further focus on achieving the desired staffing and cost reductions is required in the coming months.

### Corporate Divisional Position - Month 7 (October 14)

Income & Expenditure	Annual Plan £'000	In Month			Year To Date		
		Plan £'000	Actual s £'000	Var £'000	Plan £'000	Actuals £'000	Var £'000
Organisational Development	2,163	180	243	(63)	1,265	1,494	(229)
Ict	7,180	598	634	(35)	4,188	4,332	(144)
Finance	4,052	338	333	5	2,361	2,496	(135)
Trust Secretariat	1,695	137	100	36	1,012	1,141	(129)
Chief Operating Officer	1,187	64	188	(124)	988	1,107	(119)
Nursing & Patient Experience	9,508	804	827	(23)	5,489	5,493	(4)
Procurement	789	66	50	16	460	441	19
Medical Director	1,053	88	60	28	614	457	157
Facilities	28,314	2,348	2,340	7	16,461	16,081	380
<b>Total</b>	<b>55,940</b>	<b>4,622</b>	<b>4,775</b>	<b>(153)</b>	<b>32,839</b>	<b>33,042</b>	<b>(203)</b>



#### ICT Breakdown

Income & Expenditure	Annual Plan £'000	In Month			Year To Date		
		Plan £'000	Actual s £'000	Var £'000	Plan £'000	Actuals £'000	Var £'000
Income	22	2	2	(0)	13	14	1
Pay	3,514	293	306	(13)	2,050	2,233	(184)
Non-Pay	3,688	307	329	(22)	2,151	2,113	39
<b>Total</b>	<b>(7,180)</b>	<b>(598)</b>	<b>(634)</b>	<b>(35)</b>	<b>(4,188)</b>	<b>(4,332)</b>	<b>(144)</b>

#### Facilities Breakdown

Income & Expenditure	Annual Plan £'000	In Month			Year To Date		
		Plan £'000	Actual s £'000	Var £'000	Plan £'000	Actuals £'000	Var £'000
Income	2,061	172	229	57	1,202	1,314	112
Pay	11,488	960	764	195	6,701	5,991	710
Non-Pay	18,887	1,560	1,805	(245)	10,962	11,404	(442)
<b>Total</b>	<b>(28,314)</b>	<b>(2,348)</b>	<b>(2,340)</b>	<b>7</b>	<b>(16,461)</b>	<b>(16,081)</b>	<b>380</b>

#### Nursing & Patient Experience Breakdown

Income & Expenditure	Annual Plan £'000	In Month			Year To Date		
		Plan £'000	Actual s £'000	Var £'000	Plan £'000	Actuals £'000	Var £'000
Income	0	0	5	5	0	14	14
Other Non-Patient Income	(3)	(0)	(6)	6	(1)	(57)	56
Pay	3,424	296	303	(7)	1,942	1,944	(2)
<b>Total</b>	<b>(3,422)</b>	<b>(296)</b>	<b>(292)</b>	<b>4</b>	<b>(1,941)</b>	<b>(1,873)</b>	<b>68</b>

#### Commentary

The corporate position at month 7 is £153k adverse in month and £203k adverse YTD.

The forecast position at year end worsened due to the transfer of a CIP target of £710k from ICAM to COO.

**Facilities** - The forecast for Estates is to remain significantly favourable to the end of the year. The £7k In Month favourable variance was worse than trend, this being due to additional community estates costs emerging from the recently transferred estates assets.

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

**Organisational Development** - YTD adverse position driven by underperformance against the Occupational Health income target and staffing CIPs. In month, there was a one off cost of approx. £40k relating to legal contract costs which should ensure future savings are achieved through a reduction in tribunal costs

**Finance** - YTD adverse position improved against trend again in October as agency staff have been 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 recent months due to leavers and vacancy gaps.

**Chief Operating Officer** - Adverse position in month due to transfer of CIP target from ICAM to COO relating to locality based teams.



## Acute Activity Analysis

### Activity by PoD Type

PoD Group	Annual Plan	October			YTD		
		Plan	Actual	Variance	Plan	Actual	Variance
Adult Critical Care	7,733	644	784	140	4,511	4,074	(437)
Block Contract/Adjustments	0	0	0	0	0	0	0
Day Cases	19,155	1,596	1,576	(20)	11,174	11,696	522
Direct Access	1,014,538	84,545	91,914	7,369	591,814	591,293	(521)
ED Attendances	103,865	8,655	7,928	(727)	60,588	54,134	(6,454)
Elective Inpatients	2,750	229	235	6	1,604	1,681	77
Excess Bed days	7,292	608	468	(140)	4,254	4,059	(195)
Maternity Pathway	8,938	745	618	(127)	5,214	4,559	(655)
NICU High Dependency Bed day	1,942	162	263	101	1,133	989	(144)
NICU Intensive Care Bed days	880	73	40	(33)	514	364	(150)
NICU Special Care Bed days	5,171	431	297	(134)	3,016	2,383	(633)
NICU Transitional Care Bed day	6,350	529	248	(281)	3,704	2,959	(745)
Non-Elective Inpatients	29,410	2,451	2,021	(430)	17,156	15,987	(1,169)
Other Activity	69,446	5,787	2,025	(3,762)	40,510	29,458	(11,052)
Outpatient 1st Attends	61,101	5,092	5,070	(22)	35,642	35,148	(494)
Outpatient Diagnostic Imaging	23,506	1,959	1,800	(159)	13,712	13,087	(625)
Outpatient Follow Ups	152,030	12,669	9,086	(3,583)	88,684	77,219	(11,465)
Outpatient Procedures	21,063	1,755	1,523	(232)	12,287	8,183	(4,104)
Paediatrics High Dependency	256	21	0	(21)	149	201	52
<b>TOTAL</b>	<b>1,535,427</b>	<b>127,952</b>	<b>125,896</b>	<b>(2,056)</b>	<b>895,666</b>	<b>857,474</b>	<b>(38,192)</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, with this line including the additional RTT activity(national).
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 RTT 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 anticoagulation. Also impact of CQUIN and QIPP schemes.
Outpatient procedures will increase as the pathways are now in place and data recording is being monitored.

### Activity By Commissioner

Commissioner	Annual Plan	October			YTD		
		Plan	Actual	Variance	Plan	Actual	Variance
NHS England	17,650	1,471	1,211	(260)	10,296	8,507	(1,789)
NHS Islington CCG	843,244	70,270	71,393	1,123	491,893	474,396	(17,497)
NHS Camden CCG	28,359	2,363	2,279	(84)	16,543	14,714	(1,829)
NHS City and Hackney CCG	19,040	1,587	971	(616)	11,107	8,378	(2,729)
NHS Barnet CCG	70,234	5,853	5,152	(701)	40,970	36,657	(4,313)
Other CCG	23,879	1,990	1,947	(43)	13,929	14,711	781
<b>TOTAL</b>	<b>1,535,427</b>	<b>127,952</b>	<b>125,896</b>	<b>(2,056)</b>	<b>895,666</b>	<b>857,474</b>	<b>(38,192)</b>

Commentary
NHS England variance due to critical care activity and time lag in payment of high cost drugs.

## Acute Income Analysis

### Income Analysis

PoD Group	Annual Plan £'000	October			YTD		
		Plan £'000	Actual £'000	Variance £'000	Plan £'000	Actual £'000	Variance £'000
Adult Critical Care	£ 10,144	£ 845	£ 1,028	£ 183	£ 5,918	£ 5,318	-£ 599
Block Contract/Adjustments	£ 11,725	£ 977	£ 1,159	£ 182	£ 6,840	£ 8,121	£ 1,281
Day Cases	£ 11,883	£ 990	£ 1,094	£ 104	£ 6,932	£ 7,478	£ 546
Direct Access	£ 10,966	£ 914	£ 1,090	£ 177	£ 6,397	£ 7,009	£ 612
ED Attendances	£ 11,412	£ 951	£ 884	-£ 67	£ 6,657	£ 6,043	-£ 614
Elective Inpatients	£ 9,136	£ 761	£ 732	-£ 29	£ 5,329	£ 5,206	-£ 123
Excess Bed days	£ 2,136	£ 178	£ 128	-£ 50	£ 1,246	£ 1,128	-£ 118
Maternity Pathway	£ 9,937	£ 828	£ 708	-£ 120	£ 5,796	£ 5,210	-£ 587
NICU High Dependency Bed days	£ 1,717	£ 143	£ 232	£ 89	£ 1,002	£ 874	-£ 127
NICU Intensive Care Bed days	£ 1,012	£ 84	£ 46	-£ 38	£ 590	£ 418	-£ 172
NICU Special Care Bed days	£ 1,974	£ 165	£ 113	-£ 51	£ 1,152	£ 910	-£ 242
NICU Transitional Care Bed days	£ 2,424	£ 202	£ 95	-£ 107	£ 1,414	£ 1,130	-£ 285
Non-Elective Inpatients	£ 42,815	£ 3,568	£ 3,546	-£ 22	£ 24,975	£ 22,983	-£ 1,992
Other Activity	£ 2,001	£ 167	£ 114	-£ 52	£ 1,167	£ 851	-£ 317
Outpatient 1st Attends	£ 8,902	£ 742	£ 937	£ 196	£ 5,193	£ 5,354	£ 161
Outpatient Diagnostic Imaging	£ 2,653	£ 221	£ 202	-£ 19	£ 1,548	£ 1,451	-£ 97
Outpatient Follow Ups	£ 11,615	£ 968	£ 939	-£ 29	£ 6,776	£ 6,371	-£ 404
Outpatient Procedures	£ 3,590	£ 299	£ 262	-£ 37	£ 2,094	£ 1,483	-£ 611
Paediatrics High Dependency	£ 262	£ 22	£ -	-£ 22	£ 153	£ 206	£ 53
<b>TOTAL</b>	<b>£ 156,304</b>	<b>£ 13,025</b>	<b>£ 13,312</b>	<b>£ 286</b>	<b>£ 91,178</b>	<b>£ 87,544</b>	<b>-£ 3,634</b>

Commentary
In month 7 Trust financial position shows the acute income position to be reflected as though the Trust were under a block contract.
The tables presented on this page show the position for the first 7 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 position shows an overperformance of £0.3m in month and an underperformance of £3.6m YTD.
Actions taken to resolve data capture and coding issues are showing results. There will be continued focus on this. Income on our acute medical pathway continues to be below plan and there is work with commissioners on developing our approach to funding ambulatory care for 2015/16.

### Income by Commissioner - £000's

NHS England	£ 14,654	£ 1,221	£ 1,029	-£ 192	£ 8,548	£ 6,611	-£ 1,936
NHS Islington CCG	£ 64,425	£ 5,369	£ 5,640	£ 271	£ 37,581	£ 38,325	-£ 1,379
NHS Haringey CCG	£ 49,899	£ 4,158	£ 4,221	£ 62	£ 29,108	£ 29,440	-£ 293
NHS Camden CCG	£ 4,956	£ 413	£ 408	-£ 5	£ 2,891	£ 2,449	-£ 508
NHS City and Hackney CCG	£ 4,768	£ 397	£ 315	-£ 83	£ 2,781	£ 2,959	-£ 316
NHS Enfield CCG	£ 2,921	£ 243	£ 272	£ 29	£ 1,704	£ 1,926	£ 201
NHS Barnet CCG	£ 9,097	£ 758	£ 873	£ 115	£ 5,307	£ 6,017	£ 40
Other CCG	£ 5,584	£ 465	£ 555	£ 90	£ 3,258	£ 3,944	£ 557
<b>TOTAL</b>	<b>£ 156,304</b>	<b>£ 13,025</b>	<b>£ 13,312</b>	<b>£ 286</b>	<b>£ 91,178</b>	<b>£ 91,672</b>	<b>-£ 3,634</b>

**Acute Activity and Income Variances by Division**

In Month Activity Variance - October					
Board Report PoD Group	Trust Wide	Integrated Care & Acute Medicine	Surgery & Diagnostics	Women, Children & Families	TOTAL
Adult Critical Care	0	0	140	0	140
Block Contract/Adjustments	0	0	0	0	0
Day Cases	0	44	(20)	(45)	(20)
Direct Access	0	369	7,000	0	7,369
ED Attendances	0	(727)	0	0	(727)
Elective Inpatients	0	2	(5)	8	6
Excess Bed days	0	(139)	92	(94)	(140)
Maternity Pathway	0	0	0	(127)	(127)
NICU High Dependency Bed days	0	0	0	101	101
NICU Intensive Care Bed days	0	0	0	(33)	(33)
NICU Special Care Bed days	0	0	0	(134)	(134)
NICU Transitional Care Bed days	0	0	0	(281)	(281)
Non-Elective Inpatients	0	(2)	(3)	(425)	(430)
Other Activity	0	(970)	123	(2,915)	(3,762)
Outpatient 1st Attends	0	562	179	(762)	(22)
Outpatient Diagnostic Imaging	0	(24)	(102)	(33)	(159)
Outpatient Follow Ups	0	(1,726)	792	(2,649)	(3,583)
Outpatient Procedures	0	(105)	3	(130)	(232)
Paediatrics High Dependency	0	0	0	(21)	(21)
<b>TOTAL</b>	<b>0</b>	<b>(2,715)</b>	<b>8,198</b>	<b>(7,539)</b>	<b>(2,056)</b>

In Month Price Variance £000's - October					
Board Report PoD Group	Trust Wide	Integrated Care & Acute Medicine	Surgery & Diagnostics	Women, Children & Families	TOTAL
Adult Critical Care	£ -	£ -	£ 183	£ -	£ 183
Block Contract/Adjustments	£ 182	£ -	£ -	£ -	£ 182
Day Cases	£ -	£ 41	£ 97	-£ 34	£ 104
Direct Access	£ -	£ 179	-£ 3	£ -	£ 177
ED Attendances	£ -	-£ 67	£ -	£ -	-£ 67
Elective Inpatients	£ -	-£ 1	-£ 59	£ 31	-£ 29
Excess Bed days	£ -	-£ 36	£ 27	-£ 41	-£ 50
Maternity Pathway	£ -	£ -	£ -	-£ 120	-£ 120
NICU High Dependency Bed days	£ -	£ -	£ -	£ 89	£ 89
NICU Intensive Care Bed days	£ -	£ -	£ -	-£ 38	-£ 38
NICU Special Care Bed days	£ -	£ -	£ -	-£ 51	-£ 51
NICU Transitional Care Bed days	£ -	£ -	£ -	-£ 107	-£ 107
Non-Elective Inpatients	£ -	£ 104	£ 0	-£ 127	-£ 22
Other Activity	£ -	-£ 44	£ 3	-£ 11	-£ 52
Outpatient 1st Attends	£ -	£ 140	£ 21	£ 34	£ 196
Outpatient Diagnostic Imaging	£ -	-£ 4	-£ 13	-£ 2	-£ 19
Outpatient Follow Ups	£ -	-£ 74	£ 70	-£ 25	-£ 29
Outpatient Procedures	£ -	-£ 13	-£ 0	-£ 24	-£ 37
Paediatrics High Dependency	£ -	£ -	£ -	-£ 22	-£ 22
<b>TOTAL</b>	<b>£ 182</b>	<b>£ 224</b>	<b>£ 328</b>	<b>-£ 448</b>	<b>£ 286</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	(437)	0	(437)
Block Contract/Adjustments	0	0	0	0	0
Day Cases	0	368	349	(195)	522
Direct Access	0	3,396	(3,917)	0	(521)
ED Attendances	0	(6,454)	0	0	(6,454)
Elective Inpatients	0	70	(39)	46	77
Excess Bed days	0	(183)	(25)	13	(195)
Maternity Pathway	0	0	0	(655)	(655)
NICU High Dependency Bed days	0	0	0	(144)	(144)
NICU Intensive Care Bed days	0	0	0	(150)	(150)
NICU Special Care Bed days	0	0	0	(633)	(633)
NICU Transitional Care Bed days	0	0	0	(745)	(745)
Non-Elective Inpatients	0	12	(252)	(929)	(1,169)
Other Activity	0	(3,439)	801	(8,414)	(11,052)
Outpatient 1st Attends	0	470	(1,194)	230	(494)
Outpatient Diagnostic Imaging	0	(96)	(398)	(131)	(625)
Outpatient Follow Ups	0	(8,128)	2,620	(5,957)	(11,465)
Outpatient Procedures	0	(909)	(1,849)	(1,346)	(4,104)
Paediatrics High Dependency	0	0	0	52	52
<b>TOTAL</b>	<b>0</b>	<b>(14,892)</b>	<b>(4,340)</b>	<b>(18,960)</b>	<b>(38,192)</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	£ -	£ -	-£ 599	£ -	-£ 599
Block Contract/Adjustments	£ 1,778	-£ 497	£ -	£ -	£ 1,281
Day Cases	£ -	£ 222	£ 445	-£ 120	£ 546
Direct Access	£ -	£ 794	-£ 182	£ -	£ 612
ED Attendances	£ -	-£ 614	£ -	£ -	-£ 614
Elective Inpatients	£ -	£ 80	-£ 312	£ 109	-£ 123
Excess Bed days	£ -	-£ 44	-£ 12	-£ 63	-£ 118
Maternity Pathway	£ -	£ -	£ -	-£ 587	-£ 587
NICU High Dependency Bed days	£ -	£ -	£ -	-£ 127	-£ 127
NICU Intensive Care Bed days	£ -	£ -	£ -	-£ 172	-£ 172
NICU Special Care Bed days	£ -	£ -	£ -	-£ 242	-£ 242
NICU Transitional Care Bed days	£ -	£ -	£ -	-£ 285	-£ 285
Non-Elective Inpatients	£ -	-£ 477	-£ 774	-£ 741	-£ 1,992
Other Activity	£ -	-£ 242	£ 3	-£ 78	-£ 317
Outpatient 1st Attends	£ -	£ 180	-£ 186	£ 167	£ 161
Outpatient Diagnostic Imaging	£ -	-£ 39	-£ 50	-£ 8	-£ 97
Outpatient Follow Ups	£ -	-£ 463	£ 228	-£ 169	-£ 404
Outpatient Procedures	£ -	-£ 112	-£ 231	-£ 268	-£ 611
Paediatrics High Dependency	£ -	£ -	£ -	£ 53	£ 53
<b>TOTAL</b>	<b>£ 1,778</b>	<b>-£ 1,211</b>	<b>-£ 1,670</b>	<b>-£ 2,531</b>	<b>-£ 3,634</b>

## Statement of Financial Position

	As at 1st April 2014 £000	As at 31st October 2014 £000	Plan 31st March 2015 £000	Commentary	
<i>Non Current Assets</i>					
Property, plant and equipment	179,975	182,003	180,105	<p>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.</p> <p>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.</p> <p>Cash decreased during the month due to a backlog of community estates payments. Cash is subject to various risks, mainly involving receivables, payables and CIP delivery. Payables have increased in the year to date, reflecting restricted payments when cash was tight earlier in the year, and also in late October.</p> <p>There has been a reduction over the year in retained earnings due to the impairment and the income and expenditure deficit. Recovery of the latter is dependent upon CIP delivery.</p>	
Intangible assets	5,428	4,596	4,295		
Trade and other receivables	702	923	610		
<b>Total Non Current Assets</b>	<b>186,105</b>	<b>187,522</b>	<b>185,010</b>		
<i>Current Assets</i>					
Inventories	1,295	1,487	1,290		
Trade and other receivables	17,527	14,467	6,930		
Cash and cash equivalents	5,123	2,221	3,976		
<b>Total Current Assets</b>	<b>23,945</b>	<b>18,175</b>	<b>12,196</b>		
<b>Total Assets</b>	<b>210,050</b>	<b>205,697</b>	<b>197,206</b>		
<i>Current Liabilities (amounts due in less than one year)</i>					
Trade and other payables	36,010	36,515	27,154		
Borrowings	1,377	1,361	2,542		
Provisions	1,238	387	198		
<b>Total Current Liabilities</b>	<b>38,625</b>	<b>38,263</b>	<b>29,894</b>		
<b>Net Current Assets (Liabilities)</b>	<b>(14,680)</b>	<b>(20,088)</b>	<b>(17,698)</b>		
<b>Total Assets less Current Liabilities</b>	<b>200,785</b>	<b>207,610</b>	<b>202,708</b>		
<i>Non Current Liabilities (amounts due greater than one year)</i>					
Borrowings	36,758	35,047	34,028		
Provisions	2,015	1,914	2,190		
<b>Total Non Current Liabilities</b>	<b>38,773</b>	<b>36,961</b>	<b>36,218</b>		
<b>Total Assets Employed</b>	<b>132,652</b>	<b>130,473</b>	<b>131,094</b>		
<i>Taxpayers' Equity</i>					
Public dividend capital	56,461	56,511	56,671		
Retained earnings	15,277	7,851	18,918		
Revaluation reserve	60,914	66,111	55,505		
<b>Total Taxpayers' Equity</b>	<b>132,652</b>	<b>130,473</b>	<b>131,094</b>		
<b>Capital cost absorption rate</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>		

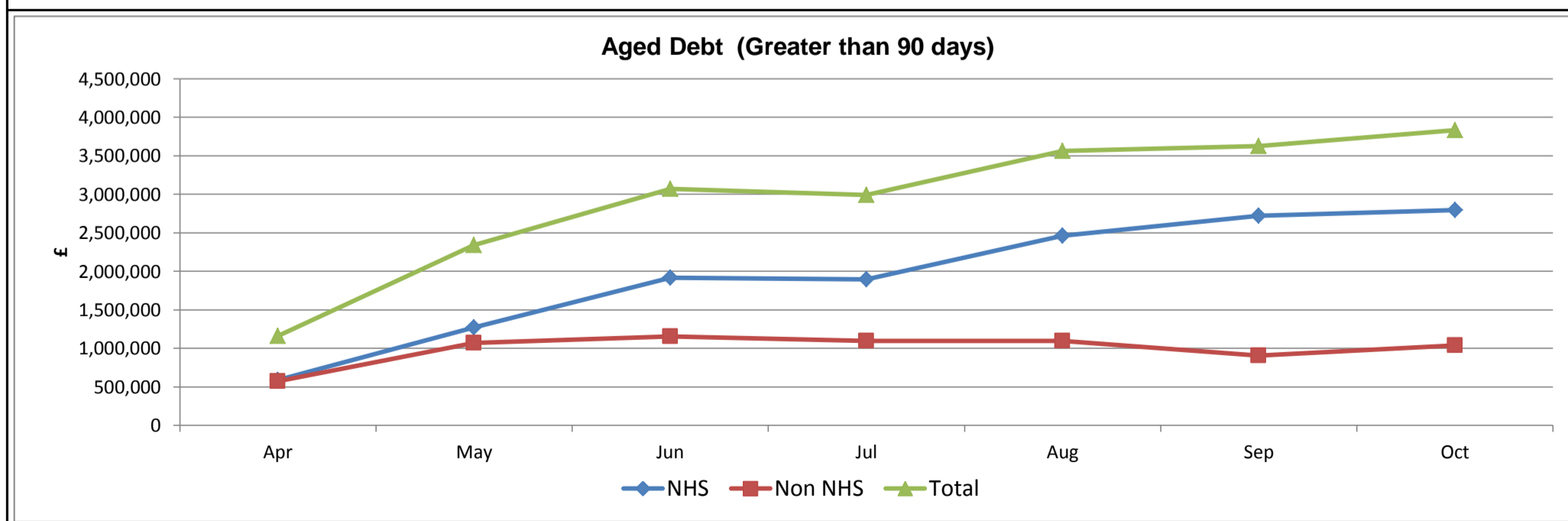
### Month 7 (October) Aged Debtors Analysis

Period End Date: 28/10/2014

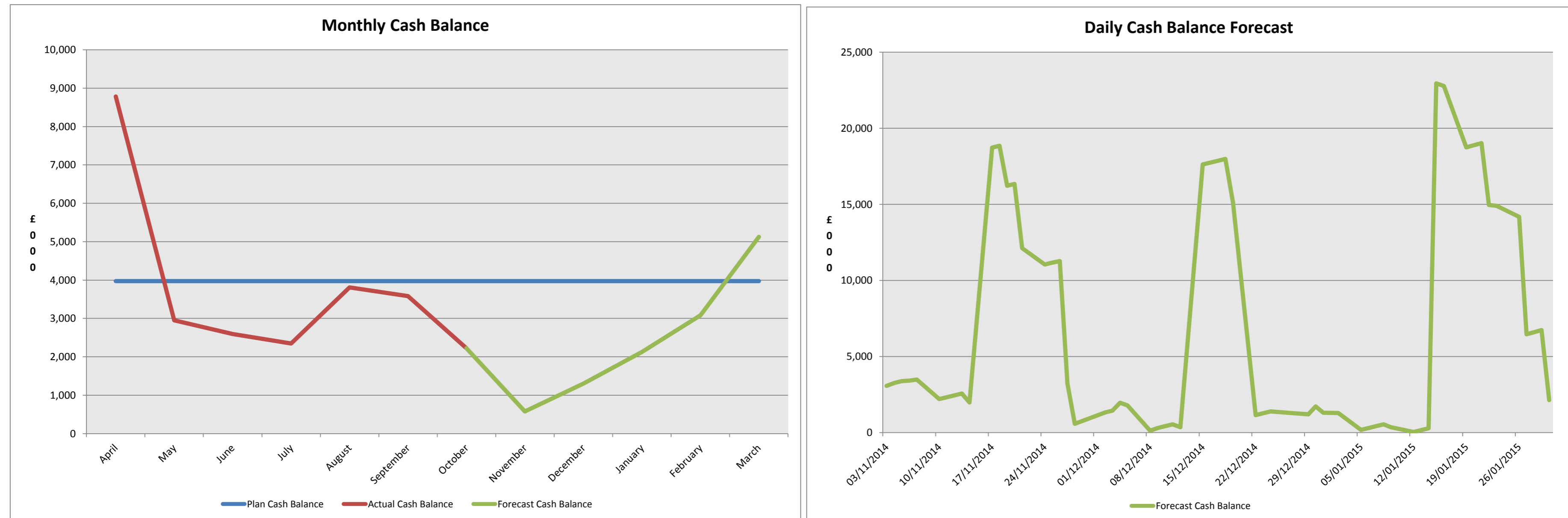
£	Sum of Outstanding debtors	Days Range						Grand Total
		30 Days & Under	30 to 60 Days	60 to 90 Days	Over 90 Days	Over 365 Days	Greater than 90 Days	
<b>NHS</b>								
1	NHS ISLINGTON CCG	2,911	431,729	383,758	382,684	24,888	407,571	1,225,970
2	NHS CITY & HACKNEY CCG	-18,665	147,591	42,960	344,477	138,287	482,764	654,649
3	THE ROYAL FREE LONDON NHS FT	231,566	31,267	61,528	88,545	0	88,545	412,906
4	THE UCL HOSPITALS NHS FOUNDATION TRUST	79,347	12,585	54,048	188,063	35,481	223,544	369,524
5	NHS HARINGEY CCG	93,128	25,751	21,616	89,551	5,149	94,700	235,195
6	NHS BARNET CCG	1,312	1,895	2,083	204,407	0	204,407	209,696
7	NHS ENFIELD CCG	0	57,688	0	150,123	0	150,123	207,811
8	BARNET & CHASE FARM NHS TRUST (ROYAL FREE)	90,896	73,704	2,807	12,372	0	12,372	179,779
9	CNWL NHS FOUNDATION TRUST	21,257	118,852	18,382	10,203	0	10,203	168,693
10	NHS CAMDEN CCG	6,890	9,812	4,351	109,927	0	109,927	130,980
<b>Top 10 NHS Total:</b>		508,642	910,874	591,533	1,580,351	203,804	1,784,155	3,795,204
<b>All Other NHS Total:</b>		-319,119	-77,388	-236,330	963,946	45,242	1,009,189	376,352
<b>NHS Total</b>		189,523	833,486	355,203	2,544,297	249,047	2,793,344	4,171,555
<b>NHS Total Previous Month</b>		1,758,176	256,952	208,915	2,593,525	129,259	2,722,783	4,946,826
<b>NHS Total Movement (Month 6 to Month 7)</b>		-1,568,652	576,534	146,287	-49,227	119,788	70,561	-775,270
<b>Non NHS</b>								
1	LONDON BOROUGH OF HARINGEY	529,321	14,274	1,679	206,166	-4,325	201,841	747,115
2	THE HIGH ROAD SURGERY	146,606	22,568	5,026	0	86	86	174,285
3	OVERSEAS VISITOR (SH)	0	159,613	0	0	0	0	159,613
4	LONDON BOROUGH OF HACKNEY	42,498	48,794	42,498	25,236	0	25,236	159,026
5	RIVER PLACE GROUP PRACTICE	103,661	158	2,318	49,396	0	49,396	155,533
6	HIGHBURY GRANGE HC	41,955	7,523	10,087	46,121	19,000	65,121	124,686
7	CARDIFF & VALE UNIVERSITY LHB	0	22,168	0	53,137	0	53,137	75,306
8	LONDON BOROUGH OF CAMDEN	0	30,209	0	39,726	0	39,726	69,935
9	TYNEMOUTH MEDICAL CENTRE	0	0	1,693	37,288	16,953	54,241	55,933
10	THE RISE PRACTICE	6,010	40,000	0	6,743	0	6,743	52,753
<b>Top 10 Non NHS Total:</b>		870,050	345,307	63,301	463,814	31,714	495,527	1,774,185
<b>All other Non NHS Total:</b>		242,939	182,089	53,215	371,393	170,438	541,832	1,020,074
<b>Non NHS Total</b>		1,112,988	527,395	116,517	835,207	202,152	1,037,359	2,794,260
<b>Non NHS Total Previous Month</b>		802,242	155,320	151,912	717,993	185,967	903,960	2,013,435
<b>Non NHS Total Movement (Month 6 to Month 7)</b>		310,746	372,075	-35,396	117,214	16,185	133,399	780,824
<b>Grand Total</b>		1,302,512	1,360,881	471,719	3,379,504	451,199	3,830,703	6,965,815
<b>Grand Total Previous Month</b>		2,560,418	412,272	360,827	3,311,518	315,225	3,626,743	6,960,261
<b>Grand Total Movement</b>		-1,257,906	948,609	110,892	67,986	135,973	203,960	5,554

#### Commentary

Aged Debt 'Greater than 90 days' has increased by £0.2m to £3.8m in Month 7 which continues a trend of a steady increase throughout the 2014/15 financial year, with NHS representing the main issue (£2.8m of the £3.8m). 2013/14 payments relating to changes in the way the Trust is paid for the maternity pathway totals £540k and while our lead commissioners Islington and Haringey have paid their bills, other CCGs are yet to follow. Outstanding debt of £400k relates to the NHSE Community Dental Contract which was transferred out of CCG contracts in 13/14. A swift resolution is required in order to also secure the correct contract value for 14/15. Other amounts include £360k of NCA (Non Contractual Activity) debt, this being made up of Welsh patients, outstanding SLA performance debts (£174k) and a number of other smaller debts including overseas patients.



## Cash Forecast for the Trust



### Commentary

The principal cash inflows are clinical 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. Any cash available after allowing for these obligations is used to service the weekly payment of creditors. 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.

Income is invoiced as promptly as possible, and outstanding debts chased regularly. Prioritisation is on the basis of materiality, notably the clinical SLAs. Creditors are prioritised by due date.

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.

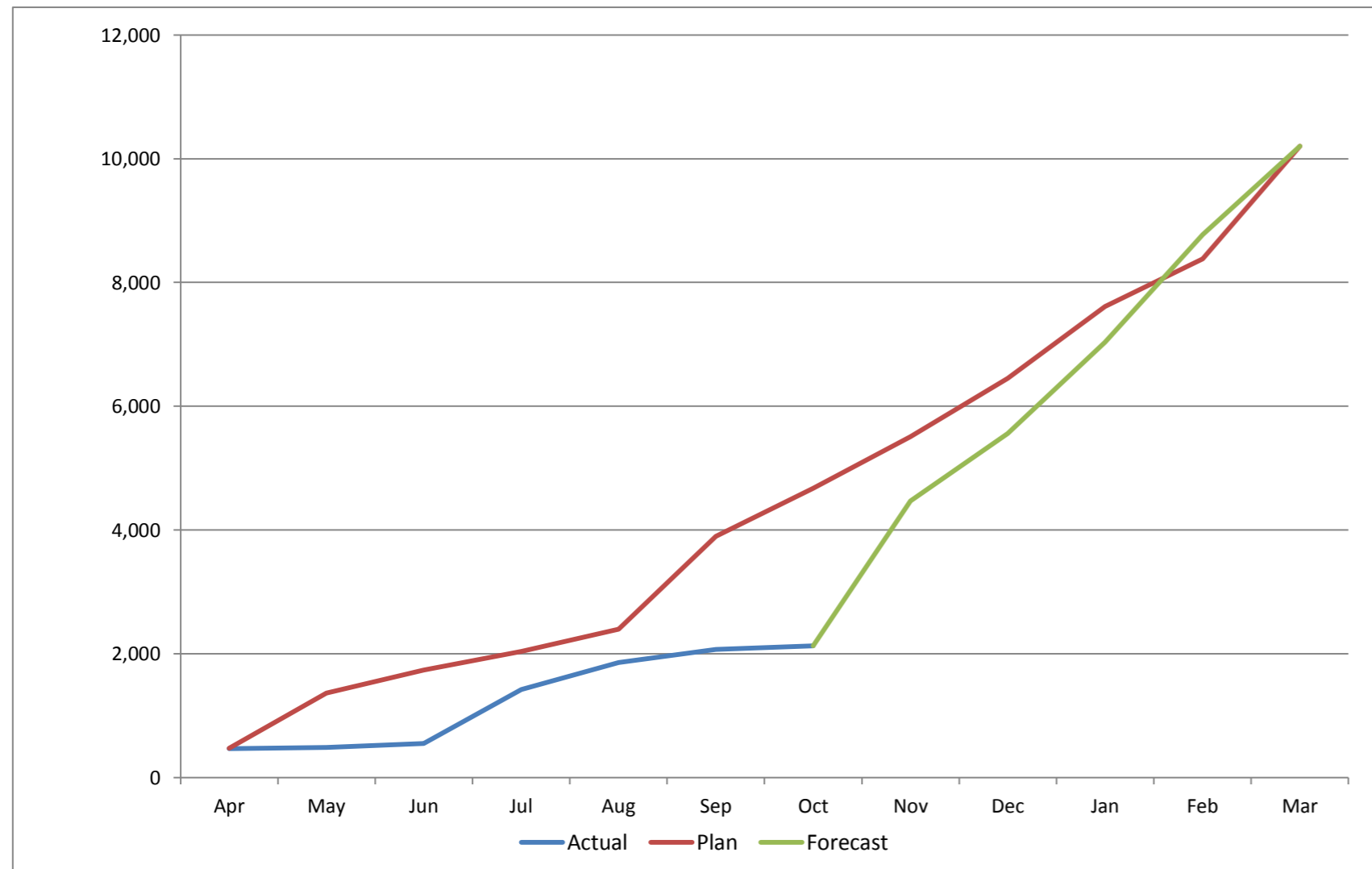
Action needed to meet the cash target and associated EFL comprises ensuring that all income is invoiced as soon as possible, and reducing expenditure in line with the CIP.

## 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	625	229	396	1,805	1,133	672	5,618	5,618	-
IT	810	25	165	-140	150	457	-307	810	810	-
Equipment	1,514	125	85	40	1,118	278	840	1,514	1,514	-
Business Cases	336	0	0	0	0	0	0	336	336	-
Leases	1,922	0	-421	421	1,598	260	1,338	1,922	1,922	-
<b>Total</b>	<b>10,200</b>	<b>775</b>	<b>58</b>	<b>717</b>	<b>4,671</b>	<b>2,128</b>	<b>2,543</b>	<b>10,200</b>	<b>10,200</b>	<b>-</b>

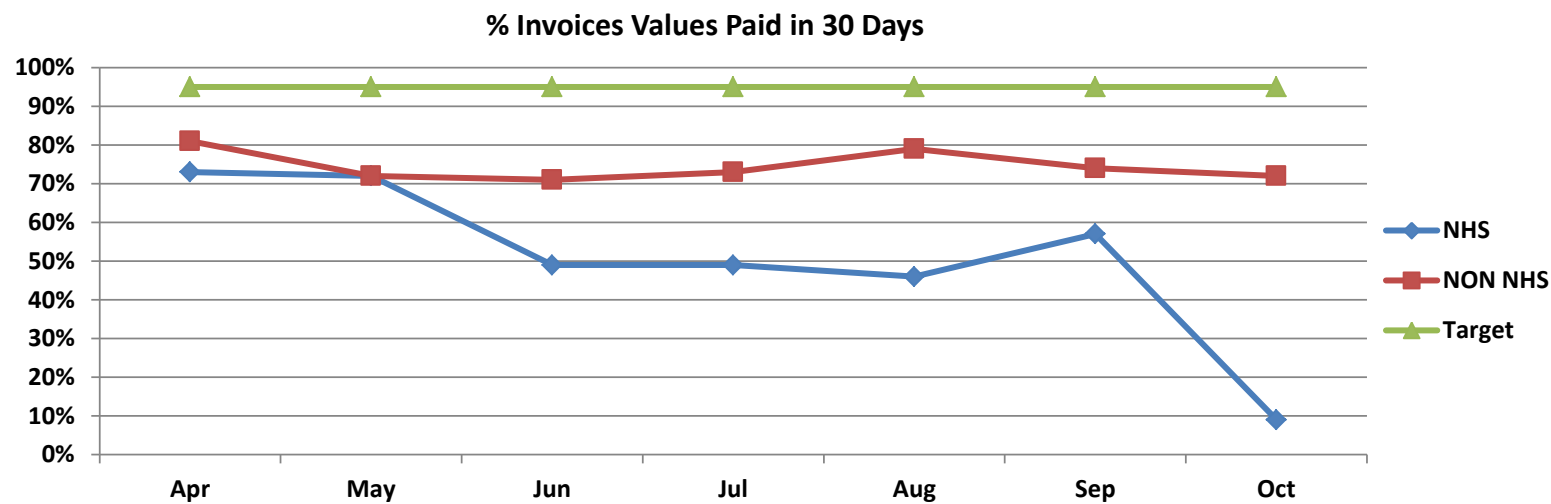
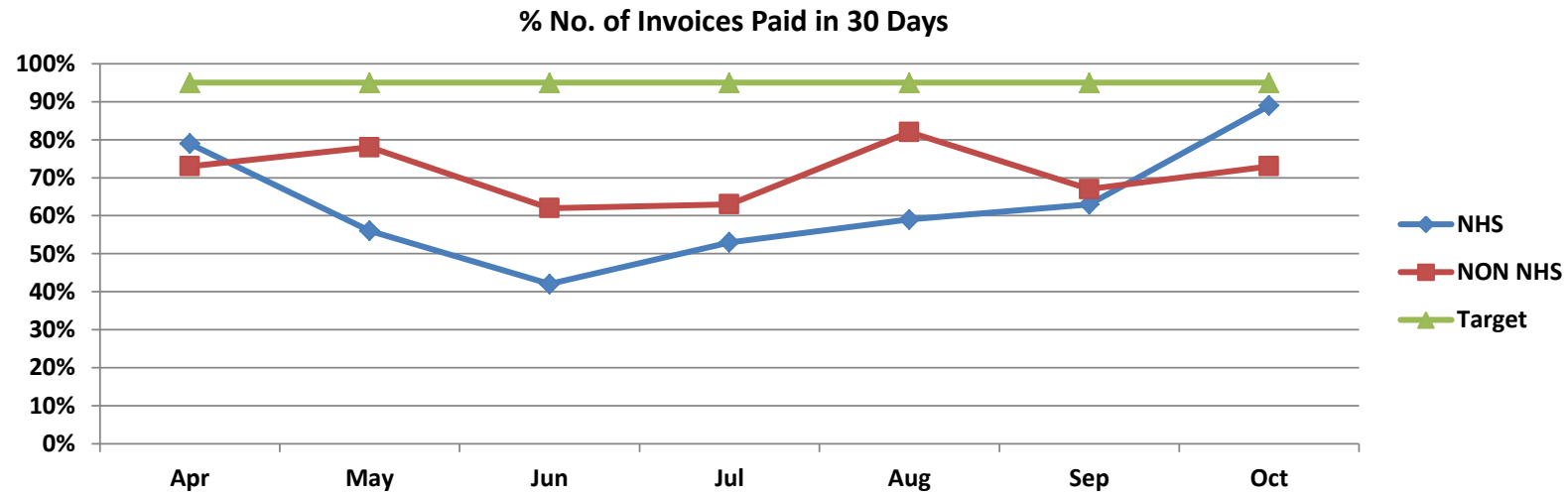
CRL	10,200
Variance	<u><u>0</u></u>

## Spend against Capital Programme



Commentary
- The Capital Accountant meets regularly with project managers and monthly at the Capital Monitoring Group (CMG) to report progress against plan.
- The year to date actuals are showing an underspend against plan due to delays & changes to the capital programme to meet the Trust's priorities. The CMG is still forecasting to spend the £10.2m as planned.
- There was an adjustment on Leases in month because we had previously accounted for the MRI scanner as planned, but this was not the case as the MRI scanner has now been delayed, the same as the CT scanner, which is why there is a variance of £1,338k on Leases.
- The Trust is expecting to spend up to it's 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 poor performance is due to active management of working capital, which is planned to continue during the remainder of the 2014\15 financial year.

Performance against the BPPC deteriorated in the October due to the payment of a backlog of community estates invoices, which then resulted in a restriction of subsequent payment runs.



## Continuity of Services Risk Rating (COSR)

Metric	Definition	Parameters				Actual YTD	Plan Outturn
		1	2	3	4		
Working Capital Balance (£'000) (+/-)						(21,575)	(18,988)
Annual Operating Expenses (£'000) (+)						164,957	271,133
Liquidity Ratio (Days)						(27)	(25)
<b>Liquidity Rating</b>	$\frac{\text{Working Capital Balance} \times 360}{\text{Annual Operating Expenses}}$	<-14	-14	-7	0	<b>1</b>	<b>1</b>
Revenue Available for Debt Service (£'000) (+)						2,887	16,786
Annual Debt Service (£'000) (+)						5,629	10,358
Capital Servicing Capacity (Times)						0.5	1.6
<b>Capital Servicing Capacity Rating</b>	$\frac{\text{Revenue Available for Debt Service}}{\text{Annual Debt Service}}$	<1.25	1.25	1.75	2.50	<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.