

**Summary**  
The Trust is reporting £7.5m year to date deficit at the end of May 2015; this is £1.4m behind the Financial Plan submitted to the Trust Development Authority (TDA). The Trust is currently forecasting delivery of the £19.2m Deficit. The position reflects the Trusts assessment of activity and income levels delivered for the year to date positions. The Trust has shared the forecast income position with Commissioners and these have informed the discussions, which are ongoing. The Trust had agreed Payment by Results (PbR) contracts with both Local Clinical Commissioning Groups and NHS England. Therefore, there is a risk that activity and income performance may be below plan and not all of this income will be secured.

Continuity of Service Risk Rating ( CoSRR) <b>R</b>				Surplus (Deficit) £k <b>A</b>				Cash £k <b>A</b>			
	Liquidity	Capital Servicing	Weighted Average		Plan	Actual / Forecast	Variance		Plan	Actual / Forecast	Variance
Year to Date	3	1	2	Year to Date £k	(6,066)	(7,528)	1,462	Year to Date £k	11,895	23,819	(11,924)
Year End Forecast	2	1	2	Year End Forecast £k	(19,242)	(19,226)	(16)	Year End Forecast £k	3,166	3,166	0
Continuity of Service Risk Rating - The Trust is currently reporting an overall CoSRR rating of 2 for both the Year to Date and Forecast Positions. The deficit position is reducing the Capital Servicing element of the rating to 1.				The Trust is reporting £7.5m deficit to the end of May, this is £1.4m behind the plan. The contract income position is based upon the Trust's assessment of activity levels and income from Commissioners. There are adverse variances on operating costs and profit from the disposal of fixed assets, partly offset by favourable variance on income. The Trust is forecasting to deliver the £19.2m at year end and this is not without risk.				The cash holding is higher than planned as a result of the drawdown of the capital investment loan funding, advance commissioning income received in May for June and a restriction on creditor payments. The Trust has applied for a temporary revenue support loan of £20m and this is expected to be approved and released in July. The year end level of cash holding has been set to align with the TDA 10 days operating expenses which is the maximum cash holding assumed for an organisation with a temporary revenue support loan.			

Income £k <b>A</b>				Operating Costs £k <b>R</b>				Capital £k <b>G</b>			
	Plan	Actual / Forecast	Variance		Plan	Actual / Forecast	Variance		Plan	Actual / Forecast	Variance
Year to Date £k	82,656	83,625	(969)	Year to Date £k	82,859	85,255	2,396	Year to Date £k	10,484	8,880	1,604
Year End Forecast £k	507,898	507,898	0	Year End Forecast £k	490,650	490,694	44	Year End Forecast £k	82,396	87,982	(5,586)
The Trust is reporting overachievement of income of £1m to the end of May - against the plan that delivers a £19m deficit. Income performance is £3m down against a plan that delivers a breakeven position.				Overall year to date operating costs are overspent by £2.4m. Most of this relates to Pay which is overspent by £1.7m and is largely from the increased reliance of agency staff within nursing. Non-pay is overspent by £0.7m and this includes increased costs of excluded items that are recaptured through income. Non-delivery of CIP plans is also contributing to the adverse variance.				3Ts Decant work is well underway and the programme continues to assume completion within the financial year and provide a start on site for the demolition phase in January 2016. Contractual discussions and market testing continues and a GMP is being sought from Laing O'Rourke by mid July 2015. The variance relates to the re-phasing in the forecast expenditure on 3Ts bringing forward expenditure originally planned for 2016-17. Expenditure on operational capital schemes is mainly on schemes that were started in 2014-15 and have carried over into the current year. The plan has been set, as in previous years, with an element of over programming, to allow for slippage and changed priorities in year.			

Cost Improvement Plans £k <b>A</b>				Key Performance Metrics <b>A</b>				Key Risks:
	Plan	Actual / Forecast	Variance		Year to Date	Forecast	Outturn	
Year to Date £k	2,472	1,651	821	NHS Financial Performance	<b>R</b>	<b>A</b>		Trust's elective activity is behind plan. The efficiency programme requires focus, particularly with a number of schemes scheduled to start in the latter part of the year. The early efficiency programme slippage needs to be recovered. Spending on temporary staffing in the booking hub, medical & nursing staffing, and the contract for hotel services require tighter control. The Trust is also reviewing its locum rates and pursuing overseas nursing recruitment in order to mitigate increasing staffing costs. The actions are included in a Financial Recovery Plan.
Year End Forecast £k	25,642	25,642	0	Financial Efficiency	<b>R</b>	<b>A</b>		
The Trust is currently £0.9m behind plan for the efficiency programme. The continued operational pressures and use of additional capacity has resulted in delays in some schemes.				Underlying Surplus / Deficit	<b>R</b>	<b>R</b>		
				Capital and Cash	<b>A</b>	<b>A</b>		
				Trust Overall RAG Rating	<b>R</b>			
				The Trust has an overall RAG rating of RED.				

The Trust is reporting £7.5m year to date deficit at the end of May 2015; this is £1.5m behind the agreed Financial Plan submitted to the Trust Development Authority (TDA). The Trust is currently forecasting to the planned deficit of £19.2m by the end of the year. The position reflects the Trusts assessment of activity and income levels delivered for the year to date position and includes an element of resilience funding to deliver performance targets. The Trust had agreed Payment by Results (PbR) contracts with both Local Clinical Commissioning Groups and NHS England.

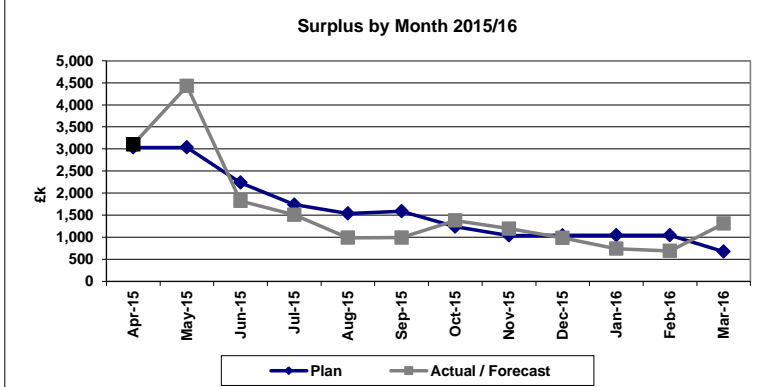
	Plan £k	Actual £k	Variance £k	Year End Forecast	Plan £k	Forecast £k	Variance £k
<b>(Surplus)/Deficit</b>	<b>6,066</b>	<b>7,528</b>	<b>1,462</b>	<b>(Surplus)/Deficit</b>	<b>19,242</b>	<b>19,226</b>	<b>(16)</b>

The Trust has an overall position that is behind plan. Income is showing an overall positive variance of £1m. This relates to the income expected for the activity that has been seen in the first two months. Pay costs are overspent by £1.7m and non-pay costs overall are overspent by £0.7m. The overspend on pay mainly relates to the high use of agency across the trust, particularly within nursing.

The Trust is forecasting delivery within the deficit of £19.2m submitted to the TDA. However there are still risks associated with this, due to the Trust's income expectations being significantly higher than commissioners, and the level of efficiency targets to be achieved. The forecast outcome is dependent on an expenditure run rate reduction over remainder of financial year, fines and penalties are not applied or are reinvested, and delivery of CIPs. The Trust's forecast income levels assume the full delivery of planned activity.

	Plan £k	Actual £k	Variance £k		Plan £k	Actual £k	Variance £k
Income	(82,656)	(83,625)	(969)	Income	(507,898)	(507,898)	0
Pay	52,012	53,674	1,662	Pay	313,388	313,432	44
Non-Pay	30,847	31,581	734	Non-Pay	177,262	177,262	(0)
<b>EBITDA *</b>	<b>203</b>	<b>1,630</b>	<b>1,427</b>	<b>EBITDA *</b>	<b>(17,248)</b>	<b>(17,204)</b>	<b>44</b>
<b>EBITDA %</b>	<b>-0.2</b>	<b>-1.9</b>		<b>EBITDA %</b>	<b>3.4</b>	<b>3.4</b>	
Profit / Loss on Disposal of Fixed Assets	(42)	(90)	(48)	Profit / Loss on Disposal of Fixed Assets	(42)	(42)	-
Interest Payable	634	696	62	Interest Payable	4,314	4,309	(5)
Interest Receivable	(12)	(10)	2	Interest Receivable	(72)	(67)	5
Depreciation	3,988	3,991	3	Depreciation	24,500	24,399	(101)
Impairments	-	-	-	Impairments	15,500	15,500	-
Public Dividend Capital	1,455	1,455	-	Public Dividend Capital	8,727	8,700	(27)
<b>Net (Surplus) / Deficit</b>	<b>6,226</b>	<b>7,672</b>	<b>1,447</b>	<b>Net (Surplus) / Deficit</b>	<b>35,679</b>	<b>35,595</b>	<b>(84)</b>
Reverse Impairment	-	-	-	Reverse Impairment	(15,500)	(15,500)	-
Other Adjustments	(92)	(144)	(52)	Other Technical Adjustments	(534)	(534)	-
Reverse IFRS technical charge	(68)	-	68	Reverse IFRS technical charge	(403)	(335)	68
<b>Performance against Control Total</b>	<b>6,066</b>	<b>7,528</b>	<b>1,462</b>	<b>Performance against Control Total</b>	<b>19,242</b>	<b>19,226</b>	<b>(16)</b>
	<b>Surplus %</b>	<b>-7.3</b>	<b>-9.0</b>	<b>Surplus %</b>	<b>-3.8</b>	<b>-3.8</b>	

\* EBITDA Earnings before Interest Taxation Depreciation and Amortisation



The plan reflects the May 2015 TDA submission and is based on release of funding by the DH for 3Ts and achievement of the planned control total for the year.

	Plan £k	Actual £k	Variance £k
<b>Cash Balance</b>	<b>11,895</b>	<b>23,819</b>	<b>11,924</b>

	Plan £k	Actual £k	Variance £k
<b>Cash Balance</b>	<b>3,166</b>	<b>3,166</b>	<b>(0)</b>

The May cash holding is above plan because of the drawdown of loan capital investment loan funding, advance commissioning income received in May for June and a restriction on creditor payments.

The plan and forecast cash holding has been aligned to the TDA 10 days operating expenses level.

Year to Date	Plan £k	Actual £k	Variance £k
EBITDA	(203)	(1,630)	(1,427)
Non Cash I&E Items	-	-	-
Movement in Working Capital	(17,597)	1,391	18,988
Provisions	159	131	(28)
<b>Cashflow from Operations</b>	<b>(17,641)</b>	<b>(108)</b>	<b>17,533</b>
Capital Expenditure	(9,620)	(8,611)	1,009
Cash receipt from asset sales	616	238	(378)
<b>Cashflow before financing</b>	<b>(26,645)</b>	<b>(8,481)</b>	<b>18,164</b>
PDC Received	-	-	-
PDC Repaid	-	-	-
Dividends Paid	-	-	-
Interest on Loans and leases	(431)	(431)	-
Interest received	12	10	(2)
Drawdown on debt	13,768	7,530	(6,238)
Repayment of debt	(204)	(204)	-
<b>Cashflow from financing</b>	<b>13,145</b>	<b>6,905</b>	<b>(6,240)</b>
<b>Net Cash Inflow / (Outflow)</b>	<b>(13,500)</b>	<b>(1,576)</b>	<b>11,924</b>
Opening Cash Balance	25,395	25,395	-
<b>Closing Cash Balance</b>	<b>11,895</b>	<b>23,819</b>	<b>11,924</b>

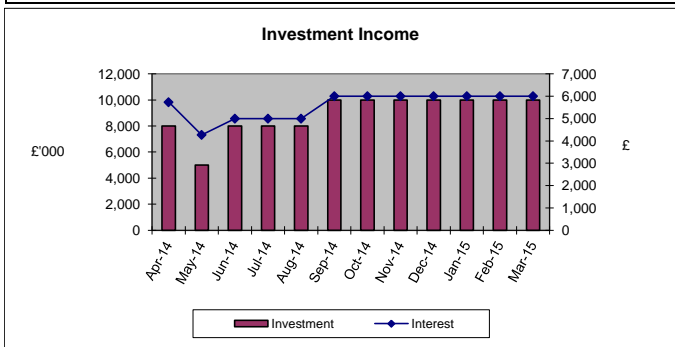
Year End Forecast	Plan £k	Forecast £k	Variance £k
EBITDA	17,248	17,204	(44)
Non Cash I&E Items	-	-	-
Movement in Working Capital	(7,366)	(4,924)	2,442
Provisions	(43)	(71)	(28)
<b>Cashflow from Operations</b>	<b>9,839</b>	<b>12,209</b>	<b>2,370</b>
Capital Expenditure	(76,352)	(84,388)	(8,036)
Cash receipt from asset sales	616	994	378
<b>Cashflow before financing</b>	<b>(65,897)</b>	<b>(71,185)</b>	<b>(5,288)</b>
PDC Received	28,936	34,522	5,586
PDC Repaid	-	-	-
Dividends Paid	(8,637)	(8,637)	-
Interest on Loans and leases	(4,134)	(4,125)	9
Interest received	72	67	(5)
Drawdown on debt	34,635	34,635	-
Repayment of debt	(7,204)	(7,506)	(302)
<b>Cashflow from financing</b>	<b>43,668</b>	<b>48,956</b>	<b>5,288</b>
<b>Net Cash Inflow / (Outflow)</b>	<b>(22,229)</b>	<b>(22,229)</b>	<b>-</b>
Opening Cash Balance	25,395	25,395	-
<b>Closing Cash Balance</b>	<b>3,166</b>	<b>3,166</b>	<b>(0)</b>

The balance of the Decant loan (£1.6m) and the second tranche of the Main Scheme loan (£5.9m) were drawn down in month, but the planned draw down of the Radiotherapy Compact Linac loan was deferred.

The full year plan assumes the planned control total is achieved, strategic funding is received from the DH to match the 3Ts expenditure profile and temporary revenue support is agreed to underpin the planned deficit.

Creditor payments have been slowed down pending clarity over the funding streams and cashflow over the next few months. This together with the loan drawdowns and advance funding of some commissioning income for June has resulted in a higher than planned cash holding in May.

Capital investment loans were approved last year for part of the 3Ts investment but a further £14.5m is required to support the remainder of the planned programme this year as PDC or loans. An additional £20m temporary PDC has been approved by the TDA as short term revenue support funding and is included in the forecast PDC received for the year.



**Risks**  
The cashflow is based on the assumption that the forecast control total is achieved and the Trust is paid for the agreed level of performance.

The rolling cashflow spans two financial years and starts with the current month's actual results which are forecast forward another eleven months, to provide a full forward year cashflow forecast.

Year To Date	Plan £k	Actual £k	Variance £k	Year End Forecast	Plan £k	Actual £k	Variance £k	Year End Forecast 16/17	Plan £k
	11,895	23,819	11,924		3,166	3,166	-		3,166

	May-15 £k	Jun-15 £k	Jul-15 £k	Aug-15 £k	Sep-15 £k	Oct-15 £k	Nov-15 £k	Dec-15 £k	Jan-16 £k	Feb-16 £k	Mar-16 £k	Apr-16 £k
	Act	For	For	For	For	For	For	For	For	For	For	For
EBITDA	(1,478)	1,275	1,616	2,126	1,775	1,792	1,938	2,101	2,216	2,255	1,739	82
Non Cash I&E Items	-	-	-	-	-	-	-	-	-	-	-	-
Movement in Working Capital	13,067	(23,339)	679	641	(5,451)	1,712	(58)	6,446	6,051	5,532	1,472	8,497
Provisions	4	-	16	2	(31)	135	(10)	(23)	-	-	(291)	4
<b>Cashflow from Operations</b>	<b>11,593</b>	<b>(22,064)</b>	<b>2,311</b>	<b>2,769</b>	<b>(3,707)</b>	<b>3,639</b>	<b>1,870</b>	<b>8,524</b>	<b>8,267</b>	<b>7,787</b>	<b>2,920</b>	<b>8,583</b>
Capital Expenditure	(4,298)	(4,364)	(5,301)	(10,427)	(5,860)	(10,587)	(5,373)	(8,520)	(8,794)	(9,252)	(7,299)	(4,781)
Cash receipt from asset sales	238	-	-	-	756	-	-	-	-	-	-	-
<b>Cashflow before financing</b>	<b>7,533</b>	<b>(26,428)</b>	<b>(2,990)</b>	<b>(7,658)</b>	<b>(8,811)</b>	<b>(6,948)</b>	<b>(3,503)</b>	<b>4</b>	<b>(527)</b>	<b>(1,465)</b>	<b>(4,379)</b>	<b>3,802</b>
PDC Received	-	-	15,000	6,930	-	5,000	2,006	-	5,586	-	-	-
PDC Repaid	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	(4,452)	-	-	-	-	-	(4,185)	-
Interest on Loans and leases	(216)	(215)	(216)	(215)	(704)	(215)	(216)	(215)	(216)	(215)	(1,267)	(216)
Interest received	4	5	5	5	6	6	6	6	6	6	6	6
Drawdown on debt	7,530	6,238	-	-	20,867	-	-	-	-	-	-	-
Repayment of debt	(102)	(101)	(102)	(102)	(2,661)	(102)	(102)	(101)	(102)	(102)	(3,827)	(102)
<b>Cashflow from financing</b>	<b>7,216</b>	<b>5,927</b>	<b>14,687</b>	<b>6,618</b>	<b>13,056</b>	<b>4,689</b>	<b>1,694</b>	<b>(310)</b>	<b>5,274</b>	<b>(311)</b>	<b>(9,273)</b>	<b>(312)</b>
<b>Net Cash Inflow / (Outflow)</b>	<b>14,749</b>	<b>(20,501)</b>	<b>11,697</b>	<b>(1,040)</b>	<b>4,245</b>	<b>(2,259)</b>	<b>(1,809)</b>	<b>(306)</b>	<b>4,747</b>	<b>(1,776)</b>	<b>(13,652)</b>	<b>3,490</b>
Opening Cash Balance	9,071	23,819	3,319	15,015	13,975	18,220	15,961	14,152	13,847	18,593	16,818	3,166
<b>Closing Cash Balance</b>	<b>23,819</b>	<b>3,319</b>	<b>15,015</b>	<b>13,975</b>	<b>18,220</b>	<b>15,961</b>	<b>14,152</b>	<b>13,847</b>	<b>18,593</b>	<b>16,818</b>	<b>3,166</b>	<b>6,656</b>

Overall the Trust is forecasting to meet the income plan and is reporting a year to date position of £1m above plan. The Trust is assuming that CCGs will reinvest the income lost through contract penalties and pay for more than the planned level of activity and this carries a risk. The Trust's estimate of activity related income for 2015/16 is significantly higher than Commissioners. This relates mainly to Commissioner demand management schemes and repatriated activity. Therefore, there is a significant risk of securing the levels of planned income.

Year To Date	Plan £k	Actual £k	Variance £k
Total Income	(82,656)	(83,625)	(969)

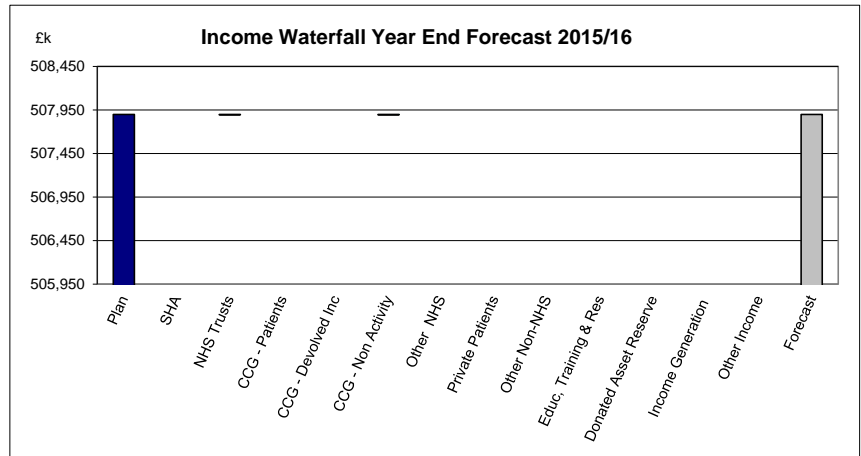
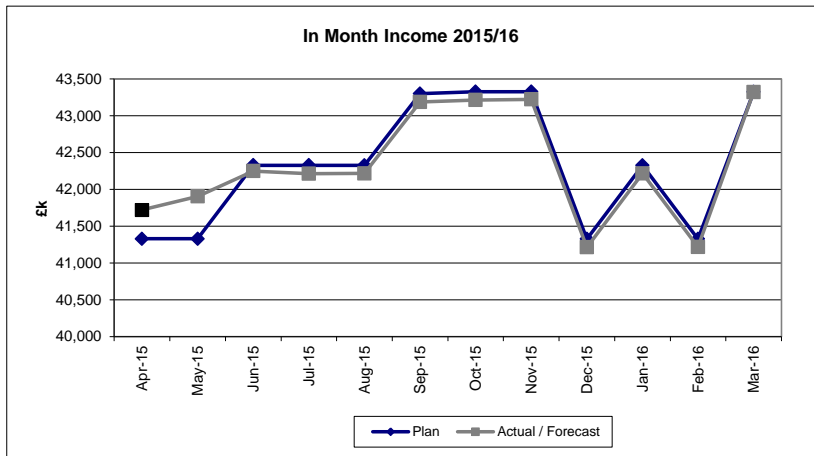
Year End Forecast	Plan £k	Forecast £k	Variance £k
Total Income	(507,898)	(507,898)	0

Overall the Trust is reporting over-achievement Year to Date of £1m. The surplus against commissioner plans previously reported continues as YTD activity is above plan. R&D income is behind plan but this is expected to recover during the year.

The Trust is forecasting to meet the income plan. The position assumes we will meet the activity targets through the year.

Year To Date	Plan £k	Actual £k	Variance £k
<b>Income</b>			
NHS Trusts	(1,395)	(1,300)	95
Clinical Commissioning Groups	(71,504)	(73,090)	(1,586)
Other NHS	(10)	0	10
Private Patients	(741)	(729)	13
Other Non-NHS	(1,452)	(1,343)	110
<b>Income From Activities</b>	<b>(75,072)</b>	<b>(76,461)</b>	<b>(1,389)</b>
Education, Training and Research	(4,989)	(4,479)	510
Transfers from Donated Asset Reserve	0	0	0
Income Generation	(136)	(136)	0
Other Income	(2,459)	(2,550)	(91)
<b>Other Operating Income</b>	<b>(7,584)</b>	<b>(7,164)</b>	<b>420</b>
<b>Total Income</b>	<b>(82,656)</b>	<b>(83,625)</b>	<b>(969)</b>

Year End Forecast	Plan £k	Forecast £k	Variance £k
<b>Income</b>			
NHS Trusts	(8,054)	(8,054)	0
Clinical Commissioning Groups	(440,794)	(440,794)	(1)
Other NHS	(58)	(58)	(0)
Private Patients	(4,832)	(4,832)	0
Other Non-NHS	(8,688)	(8,688)	0
<b>Income From Activities</b>	<b>(462,426)</b>	<b>(462,426)</b>	<b>0</b>
Education, Training and Research	(29,561)	(29,561)	0
Transfers from Donated Asset Reserve	0	0	0
Income Generation	(780)	(780)	0
Other Income	(15,131)	(15,131)	(0)
<b>Other Operating Income</b>	<b>(45,472)</b>	<b>(45,472)</b>	<b>0</b>
<b>Total Income</b>	<b>(507,898)</b>	<b>(507,898)</b>	<b>0</b>



**Risks**

Overall the Trust is reporting a £2.4m overspend against operating costs. This mostly relates to Pay expenditure which is overspent by £1.7m and non-pay expenditure is overspent by £0.7m. Non-delivery of planned efficiencies is the main driver of the overspend, although this is expected to recover during the year.

Year To Date				Year End Forecast			
	Plan £k	Actual £k	Variance £k		Plan £k	Forecast £k	Variance £k
Pay	52,012	53,674	1,662	Pay	313,388	313,432	44
Non Pay	30,847	31,581	734	Non Pay	177,262	177,262	(0)
<b>Operational Costs</b>	<b>82,859</b>	<b>85,255</b>	<b>2,396</b>	<b>Operational Costs</b>	<b>490,650</b>	<b>490,694</b>	<b>44</b>

The Trust is overspent by £2.4m on operating costs compared to plan, partly offset by a positive variance on income. There is an overall overspend on pay budgets of £1.7m. The main overspends are in Nursing and Midwifery (£0.6m), Other Healthcare (£0.3m) and Administrative and Clerical (£0.4m) with the remainder being due to the non-delivery of efficiencies. The nursing overspend is from the additional agency shifts that have been booked and worked, particularly in May. Within Other Healthcare there is still an issue with cover in Imaging. The Administration & Clerical overspend is due to the additional investment required in the central booking hub, including the validation team, to respond to operational pressures. There is currently an underspend within Medical Staff from vacancies in a number of areas (largely due to posts funded for site reconfiguration). The Trust is £0.7m overspent on Non Pay budgets, which relates to rechargeable drugs and devices, where there is an offset with income, and the non-delivery of the efficiency targets. This is offset by underspends on clinical supplies and services and drugs. NB the negative Other Staff budget is where CIPs are to be reallocated to staff groups.

The Trust is currently forecasting to meet the NHS reported expenditure of £490.7m. This assumes that pay expenditure is reduced from the current levels and that the efficiency targets are met.

Year To Date				Full Year			
	Plan £k	Actual £k	Variance £k		Plan £k	Forecast £k	Variance £k
<b>Pay</b>				<b>Pay</b>			
Management	2,335	2,084	(251)	Management	13,765	13,765	0
Medical and Dental Staff	16,998	16,372	(627)	Medical and Dental Staff	99,268	99,268	(0)
Nursing & Midwifery	20,850	21,491	641	Nursing & Midwifery	122,793	122,837	44
Other Healthcare	7,412	7,731	320	Other Healthcare	44,318	44,318	(0)
Ancillary Staff	104	107	3	Ancillary Staff	7,646	7,646	0
Administrative & Clerical	5,038	5,407	369	Administrative & Clerical	30,062	30,062	(0)
Maintenance Staff	485	457	(28)	Maintenance Staff	2,881	2,881	(0)
Other Staff	(1,210)	24	1,235	Other Staff	(7,346)	(7,346)	(0)
<b>Total Pay</b>	<b>52,012</b>	<b>53,674</b>	<b>1,662</b>	<b>Total Pay</b>	<b>313,388</b>	<b>313,432</b>	<b>44</b>
<b>Non-Pay</b>				<b>Non-Pay</b>			
Services from Other NHS Bodies	1,215	1,252	37	Services from Other NHS Bodies	7,285	7,285	(0)
Purchase of Healthcare from Non NHS Bodies	1,011	1,175	164	Purchase of Healthcare from Non NHS Bodies	5,561	5,561	(0)
Drugs & Medical Gases	9,748	9,154	(594)	Drugs & Medical Gases	59,042	59,042	0
Supplies and Services - Clinical	9,614	8,454	(1,160)	Supplies and Services - Clinical	57,478	57,478	0
Supplies and Services - General	2,868	3,048	180	Supplies and Services - General	9,472	9,472	(0)
Establishment Expenses	978	1,285	307	Establishment Expenses	6,121	6,121	-
Transport Expenses	175	165	(10)	Transport Expenses	1,162	1,162	(0)
Premises	3,521	3,270	(251)	Premises	21,170	21,170	(0)
Education and Training	740	647	(93)	Education and Training	4,556	4,556	(0)
Clinical Negligence Premium	2,710	2,710	-	Clinical Negligence Premium	16,257	16,257	-
Other Non-Pay/Reserves	(1,732)	421	2,153	Other Non-Pay/Reserves	(10,841)	(10,841)	0
<b>Total Non-Pay</b>	<b>30,847</b>	<b>31,581</b>	<b>734</b>	<b>Total Non-Pay</b>	<b>177,262</b>	<b>177,262</b>	<b>(0)</b>
<b>Total Expenditure</b>	<b>82,859</b>	<b>85,255</b>	<b>2,396</b>	<b>Total Expenditure</b>	<b>490,650</b>	<b>490,694</b>	<b>44</b>

# Finance Report Month 02 2015/16

# Statement of Financial Position

The Trust Statement of Financial position is produced on a monthly basis, and reflects changes in the asset values, as well as movement in liabilities. The plan is the TDA plan submitted in May 2015.

	1 April 15		Year to Date		Notes		Full Year		Notes	
	Actual	Plan	Actual	Variance			Plan	Forecast		Variance
	£k	£k	£k	£k			£k	£k		
Property, Plant and Equipment	329,657	333,830	334,611	781	1	Property, Plant and Equipment	367,251	372,904	5,653	1
Intangible Assets	461	466	455	-		Intangible Assets	436	425	(11)	
Other Assets	3,974	2,891	2,905	14		Other Assets	2,868	2,882	14	
<b>Non Current Assets</b>	<b>334,092</b>	<b>337,187</b>	<b>337,971</b>	<b>795</b>		<b>Non Current Assets</b>	<b>370,555</b>	<b>376,211</b>	<b>5,656</b>	
Inventories	7,178	7,529	7,027	(502)		Inventories	6,905	6,703	(202)	
Trade and Other Receivables	40,773	53,092	41,510	(11,582)	2	Trade and Other Receivables	36,883	44,174	7,291	
Cash and Cash Equivalents	25,395	11,895	23,819	11,924	3	Cash and Cash Equivalents	3,166	3,166	-	2
Non Current Assets Held for Sale	574	-	505	505		Non Current Assets Held for Sale	-	-	-	
<b>Current Assets</b>	<b>73,920</b>	<b>72,516</b>	<b>72,861</b>	<b>345</b>		<b>Current Assets</b>	<b>46,954</b>	<b>54,043</b>	<b>7,089</b>	
Trade and Other Payables	(61,342)	(54,557)	(63,805)	(9,248)	2	Trade and Other Payables	(49,573)	(57,080)	(7,507)	
Borrowings	(5,829)	(6,453)	(5,829)	624		Borrowings	(6,795)	(6,795)	-	3
Other Financial Liabilities	-	-	-	-		Other Financial Liabilities	-	-	-	
Provisions	(388)	(398)	(388)	10		Provisions	(163)	(156)	7	
Other Liabilities	-	-	-	-		Other Liabilities	-	-	-	
<b>Current Liabilities</b>	<b>(67,559)</b>	<b>(61,408)</b>	<b>(70,022)</b>	<b>(8,614)</b>		<b>Current Liabilities</b>	<b>(56,531)</b>	<b>(64,031)</b>	<b>(7,500)</b>	
Borrowings	(69,843)	(82,783)	(77,169)	5,614		Borrowings	(96,006)	(96,006)	-	3
Trade and Other Payables	-	(1,118)	(1,118)	-		Trade and Other Payables	(1,118)	(1,118)	-	
Provisions	(1,927)	(1,937)	(1,925)	12		Provisions	(1,914)	(1,902)	12	
<b>TOTAL ASSETS EMPLOYED</b>	<b>268,683</b>	<b>262,457</b>	<b>260,598</b>	<b>(1,848)</b>		<b>TOTAL ASSETS EMPLOYED</b>	<b>261,940</b>	<b>267,197</b>	<b>5,257</b>	
<b>Financed by:</b>						<b>Financed by:</b>				
Public Dividend Capital	(236,123)	(236,123)	(236,123)	-		Public Dividend Capital	(265,059)	(270,645)	(5,586)	4
Retained Earnings	17,131	17,131	17,866	735		Retained Earnings	17,131	17,866	735	
Surplus/(Deficit) for Year	-	6,226	7,672	1,446		(Surplus)/Deficit for Year	35,679	35,595	(84)	
Revaluation Reserve	(49,691)	(49,691)	(50,013)	(322)		Revaluation Reserve	(49,691)	(50,013)	(322)	
<b>TOTAL TAXPAYERS EQUITY</b>	<b>(268,683)</b>	<b>(262,457)</b>	<b>(260,598)</b>	<b>1,859</b>		<b>TOTAL TAXPAYERS EQUITY</b>	<b>(261,940)</b>	<b>(267,197)</b>	<b>(5,257)</b>	

1. Capital plan and actual are more or less in line. The 3Ts work started last year is continuing at pace and the operational capital programme expenditure relates mainly to schemes started in last year as well.

2. Trade and other receivables compares favourably to plan but the lower balance disguises some legacy debts which relate to the finalisation of the year end commissioning outturn. Higher trade and other payables reflect a slight restriction on creditor payments to protect against post year end uneven funding streams, and the first two month's deficit.

3. The cash holding is higher than plan because of the late drawdown of the capital investment loan in month and the advance payment of commissioning monies at the end of the month.

1. The capital plan assumes DH release of the 3Ts main scheme funding as PDC in the year. The variance from plan represents an increase in spend on 3Ts as a result of drawing forward planned expenditure from 2016-17.

2. The year end level of cash holding has been set to align with the TDA's level of 10 day operating expenses.

3. The full year planned borrowings assumes that the remainder of the Decant and 3Ts loans will be drawn down in year (£13.5m), together with new loan for the Radiotherapy Compact Linac and the Radiotherapy East Development (£21.1m).

5. The PDC in year change is a combination of funding assumed for 3Ts (£14.5m) and the revolving temporary PDC revenue support (£20m).



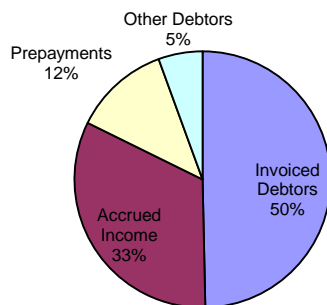


The Trust debtors is a mixture of invoiced debtors, accrued income and prepayments. The level of invoiced debtors has decreased by £9m since the end of April but overdue debts (those > 30 days old) have increased by £3.4m. The significant increases relate to the year end contract finalisation.

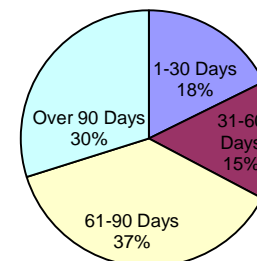
Invoiced Debtors	Within	1 Month	2 Months	3 Months	Total	Current	Prior	Notes	Other Receivables	Current	Prior		
	Terms	Overdue	Overdue	Overdue								Month	Month
	1-30 Days	31-60	61-90	Over 90								Over 30	Over 30
	Days	Days	Days	Days	Days	Days							
	£k	£k	£k	£k		£k	£k				£k		
CCG's	2,342	126	9,956	3,495	15,919	13,577	13,595	1	Accrued Income				
Trusts	393	224	401	276	1,294	901	1,103	2	Work In Progress	3,978	3,978		
Other NHS	1,933	3,468	119	2,529	8,049	6,116	2,665	3	CCG Service Level Agreements	7,042	540		
Other Debtors	277	415	179	1,417	2,288	2,011	1,845	4	Injury Cost Recovery Fund	1,776	1,880		
Private Patients	162	88	143	696	1,089	927	938	5	Other	3,974	5,214		
Overseas	6	19	6	209	240	234	215		<b>Total Accrued Income</b>	<b>16,770</b>	<b>11,612</b>		
<b>Total Invoiced Debtors</b>	<b>5,113</b>	<b>4,340</b>	<b>10,804</b>	<b>8,622</b>	<b>28,879</b>	<b>23,766</b>	<b>20,361</b>		Prepayments				
Provision for Bad Debts (including RTA Provision)					(3,351)				Maintenance & Other Contracts	5,690	6,516		
Accrued Income					16,770				NHS Litigation	554	277		
Prepayments					6,244				Other	0	0		
Other Debtors					2,864				<b>Total Prepayments</b>	<b>6,244</b>	<b>6,793</b>		
<b>Total Trade &amp; Other Receivables</b>					<b>51,406</b>								

- CCGs. The overdue debt is significantly larger than normal as a result of the year end finalisation of contract income figures. The Winter Surge debts reported in previous months are included in this and are part of the year end reconciliation. The NCA over 30 day debtors balance has improved by £20,000, falling to £454,000, and the over 90 days has increased slightly to £111,000 from £89,000.
- Trusts. The over 90 days has remained relatively constant at £276,000. Although the local organisations are continuing to pay on a more timely basis than previously, 84% (£232k) of the over 90 day balance remains with these organisations. It is a priority area for the Trust to resolve.
- Other NHS. The over 90 days balance shows a significant deterioration, with no movement on the two old debts for breast screening unit activity (£427k) and EPR funding (£627k), and contract finalisation holding up settlement of the majority of these balances.
- The value of other overdue debts has decreased by a small amount - £11k. The largest individual debt (£668k) relates to the intercompany account with the subsidiary company and this will be cleared in June.
- Private Patient overdue debts have increased slightly by £19k.

Trade and Other Receivables



Invoiced Debtors Ageing



The capital report shows Strategic and Operational capital expenditure for year to date and full year forecasts compared to the TDA submitted plan.

	Plan	Actual	Variance	Year End Forecast		
	£k	£k	£k	Plan	Forecast	Variance
<b>Strategic Capital</b>	<b>6,593</b>	<b>6,261</b>	<b>332</b>	<b>48,518</b>	<b>54,104</b>	<b>(5,586)</b>
<b>Operational Capital</b>	<b>3,891</b>	<b>2,619</b>	<b>1,272</b>	<b>33,878</b>	<b>33,878</b>	<b>-</b>
<b>Total</b>	<b>10,484</b>	<b>8,880</b>	<b>1,604</b>	<b>82,396</b>	<b>87,982</b>	<b>(5,586)</b>

Strategic Capital. Decant work is well underway and the programme continues to assume completion within the financial year and provide a start on site for the demolition phase in January 2016. Paediatric Audiology's decant into RACH is still on hold pending the resolution of the location of CIRU which is not as yet impacting on the Decant or Main Scheme programmes. Contractual discussions and market testing continues and a GMP is being sought from Laing O'Rourke by mid July 2015.

Operational Capital - Most of the expenditure relates to schemes that were started in 2014-15 and have carried over into the current year.

Strategic Capital - The spend in 2015/16 has increased to recognise timing of the next phase of design work and also electrical infrastructure work to enable cranes to be utilised without impacting upon operational needs. This has increased the forecast expenditure by £5.6m for the year, but will be matched by PDC or loan funding to the same value. Contractual discussions and market testing continues and a GMP is being sought from Laing O'Rourke by mid July 2015.

Operational Capital - The operational capital programme is a mixture of schemes approved and started last year and new schemes for which cases are to be submitted for approval this year. This has meant that schemes have continued in April and May whilst new schemes are being progressed through the approval process.

The plan has been set with an over programming factor to allow for slippage and changed priorities in year.

	Plan	Actual	Variance		Plan	Forecast	Variance
	£k	£k	£k		£k	£k	£k
<b>Income - (CRL excluding donated income)</b>	<b>(12,749)</b>	<b>(13,680)</b>	<b>931</b>	<b>Income - (CRL excluding donated income)</b>	<b>(76,495)</b>	<b>(82,081)</b>	<b>5,586</b>
<b>Strategic Capital</b>				<b>Strategic Capital</b>			
3Ts Project Team	147	158	(11)	3Ts Project Team	815	815	-
3Ts Main Scheme - Design and Works	2,692	2,565	127	3Ts Main Scheme - Design and Works	9,122	14,708	(5,586)
3Ts Decant (incl St Marys)	3,754	3,538	216	3Ts Decant (incl St Marys)	17,454	17,454	-
Radiotherapy Compact LINAC	-	-	-	Radiotherapy Compact LINAC	6,238	6,238	-
Radiotherapy	-	-	-	Radiotherapy East	14,889	14,889	-
<b>Total Strategic Capital</b>	<b>6,593</b>	<b>6,261</b>	<b>332</b>	<b>Total Strategic Capital</b>	<b>48,518</b>	<b>54,104</b>	<b>(5,586)</b>
<b>Operational Capital</b>				<b>Operational Capital</b>			
<b>Major Projects (&gt;£1m)</b>				<b>Major Projects (&gt;£1m)</b>			
Windows, Roof & Internal Refurb - SxEH	50	169	(119)	Windows, Roof & Internal Refurb - SxEH	2,132	2,132	-
Electronic Patient Record	340	129	211	Electronic Patient Record	2,038	2,038	-
Electrical Substation - TKT Services	-	-	-	Electrical Substation - TKT Services	2,300	2,300	-
Replacement MRIs	1,020	366	654	Replacement MRIs	4,334	4,334	-
Site Reconfiguration Neuro	1,156	798	358	Site Reconfiguration Neuro	1,925	1,925	-
Compact LINACS	-	48	(48)	Compact LINACS	2,948	2,948	-
Additional Theatre Provision PRH	-	3	(3)	Additional Theatre Provision PRH	1,500	1,500	-
Pathology HUB	-	-	-	Pathology HUB	1,000	1,000	-
<b>Small Projects (&lt;£1m)</b>				<b>Small Projects (&lt;£1m)</b>			
Medical Equipment Replacement	215	449	(234)	Medical Equipment Replacement	7,407	7,407	-
IM&T Infrastructure	60	185	(125)	IM&T Infrastructure	1,777	1,777	-
Estates Infrastructure	72	394	(322)	Estates Infrastructure	5,678	5,678	-
Service Development	978	78	900	Service Development	839	839	-
<b>Total Operational Capital</b>	<b>3,891</b>	<b>2,619</b>	<b>1,272</b>	<b>Total Operational Capital</b>	<b>33,878</b>	<b>33,878</b>	<b>-</b>
<b>(Under)/Overspend against CRL</b>	<b>(2,265)</b>	<b>(4,800)</b>	<b>2,535</b>	<b>(Under)/Overspend against CRL</b>	<b>5,901</b>	<b>5,901</b>	<b>-</b>

The efficiency programme is behind plan for the year to date position. However, it is expected to recover this position and to deliver the full year position.

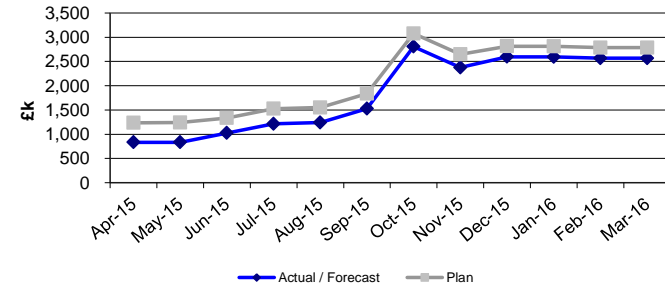
Cost Improvement Plans	Plan	Year to Date Forecast	Variance	Plan	Year End Forecast	Variance
	£k	£k	£k	£k	£k	£k
<b>Cost Improvement Plans</b>	<b>2,472</b>	<b>1,651</b>	<b>(821)</b>	<b>25,642</b>	<b>25,642</b>	<b>(0)</b>

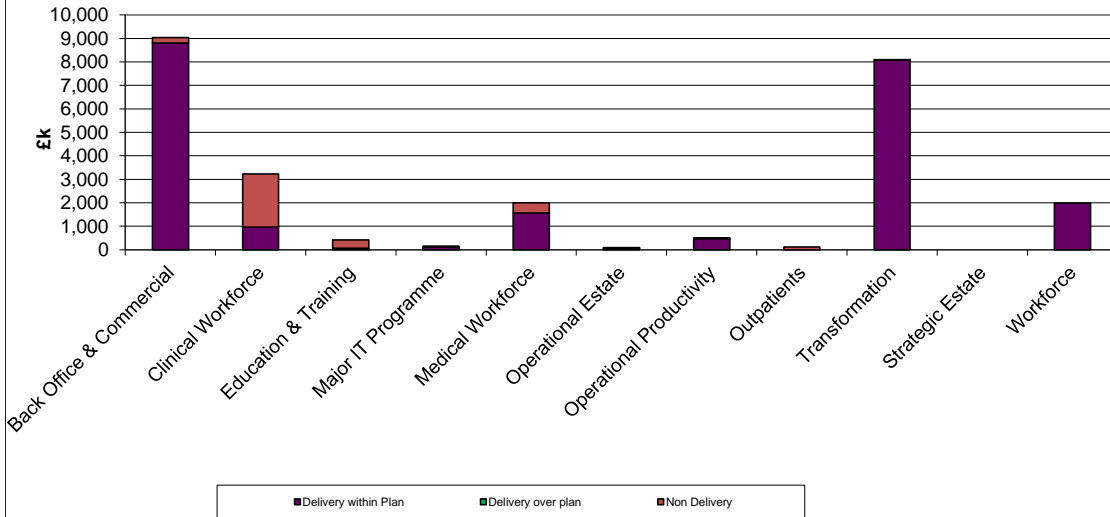
Themes	Plan	Year To Date Actual	Variance	Plan	Year End Forecast	Variance
	£k	£k	£k	£k	£k	£k
Back Office & Commercial	743	512	(231)	9,038	9,038	0
Clinical Workforce	333	-	(333)	3,233	3,233	-
Education & Training	10	10	-	416	416	0
Major IT Programme	19	(0)	(20)	151	151	-
Medical Workforce	342	200	(142)	1,997	1,997	-
Operational Estate	19	-	(19)	91	91	(0)
Operational Productivity	61	35	(26)	504	504	(0)
Outpatients	40	-	(40)	120	120	-
Transformation	580	570	(10)	8,098	8,098	0
Strategic Estate	-	-	-	-	-	-
Workforce	325	325	-	1,994	1,994	-
<b>Efficiency Plan Total</b>	<b>2,472</b>	<b>1,651</b>	<b>(821)</b>	<b>25,642</b>	<b>25,642</b>	<b>(0)</b>

The efficiency programme is behind plan year to date due to operational pressures which has resulted in a delays in the development of schemes.

Cost Improvement Plans In Month 2015/16  
£k



Cost Improvement Plans By Theme Year End Forecast 2015/16



Cost Improvement Plans Year End Forecast 2015/16

