

17/18 Financial Plan Update Appendix 1 – Selected Detail

Trust Board Meeting
30th March 2017



Submitted Plan I&E (£m)

Income			
Patient Activity	(509.4)		
Other Income	(39.0)		
		(548.3)	
Operating Expenditure			
Pay	349.9		
Non-pay	217.7		
Charges to Op Exp for IFRIC 12 schemes	1.5		
Depreciation	22.1		
Amortisation	0.0		
Impairments	15.5		
		606.8	
Net			58.4
Non-operating Expenditure			
Finance income		(0.0)	
Finance expense		10.1	
PDC		7.0	
			17.0
(Surplus) / Deficit			75.5
Adjustments			
Changes in Market Price		(15.5)	
Capital donations/grants I&E impact		(0.3)	
			(15.8)
Adjusted (Surplus)/Deficit			59.7

This includes a requirement to deliver £19.0m of CIP

Cost Pressures / Investments

Item	£m
Items included in submitted plan:	
- 16/17 in-year Pay investments (above original 16/17 plan)	6.3
- FYE of 16/17 Pay investments	1.1
- 16/17 recurrent Non-pay above 16/17 plan (net of PbR excluded items)	5.3
- Reserves for 16/17 Pay cost pressures (expenditure above planned levels)	6.0
- Approved Business Cases (e.g. Acute Floor Medical Staffing, Neuro Theatres)	3.7
- Other investments (e.g. Newhaven Downs, Hospital @ Home)	5.4
	<u>27.9</u>
Emerging costs not included in submitted plan:	
- Stroke Business Case	0.3
- Major Trauma requirements in light of NHS report	TBC
- Maintenance on tomotherapy machines	0.2
- Capacity to deliver DD activity plan	TBC
	<u>TBC</u>

CIP (£m)

- Gross opportunity: £33.6m, targeted: £19.0m

Category	Item	Gross	Targeted	Abdo	AF	Cancer	CV	CCS	Child ren's	H&N	MSK	Neuro	Periop	Spec Med	Wom en's	CFO	CEO	CNO	COO	MDO	S&C	Centrally held	TBC	
Pay																								
Medical Staffing	Non-delivery of 16/17 CIP	(2.84)	(1.42)	(0.13)	(0.22)	(0.06)	(0.16)	(0.08)	(0.15)	(0.10)	(0.07)	(0.13)	(0.14)	(0.13)	(0.05)									
	Over spends	(2.62)	(0.87)	(0.24)	(0.21)				(0.04)	(0.01)	(0.02)	(0.01)	(0.12)					(0.02)						(0.22)
	Underspends / vacancy factor	(2.88)	(1.99)																					(1.99)
Nursing Staffing	Non-delivery of 16/17 CIP	(0.93)	(0.47)	(0.03)	(0.02)	(0.03)	(0.02)	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	(0.11)	(0.04)	(0.05)	(0.00)		(0.02)	(0.01)	(0.04)	(0.01)			
	Over spends	(4.87)	(2.43)	(0.07)	(0.23)									(0.01)				(0.29)						(1.84)
	Underspends / vacancy factor	(3.41)	(2.56)																					(2.56)
Pay Other Healthcare	Underspends / vacancy factor	(1.20)	(0.93)																					(0.93)
Management	Review of Corporate roles	(1.00)	(0.50)																					(0.50)
	Underspends / vacancy factor	(0.30)	(0.30)																					(0.30)
Admin and Clerical	Underspends / vacancy factor	(2.10)	(1.40)																					(1.40)
Other Staff Groups	Underspends / vacancy factor	(0.36)	(0.36)																					(0.36)
Length of Stay	Per previous PODs 40% of 2.57m	(2.57)	(1.00)																					(1.00)
Sub-total		(25.08)	(14.23)	(0.47)	(0.67)	(0.09)	(0.18)	(0.09)	(0.21)	(0.13)	(0.10)	(0.16)	(0.36)	(0.18)	(0.10)	(0.00)	0.00	(0.33)	(0.01)	(0.04)	(0.01)		(7.54)	(3.55)
Non-pay																								
Procurement	ROI based opportunity	(8.00)	(4.11)	(0.17)	(0.15)	(0.09)	(0.80)	(0.26)	(0.12)	(0.11)	(0.36)	(0.17)	(0.22)	(0.14)	(0.08)	(0.89)	(0.03)	(0.06)	(0.16)	(0.21)	(0.10)			
Medicines Management	5% of non-PbR excluded drugs	(0.56)	(0.50)	(0.03)	(0.05)	(0.04)	(0.08)	(0.06)	(0.04)	(0.03)	(0.02)	(0.03)	(0.03)	(0.06)	(0.02)	(0.00)		(0.00)		(0.00)	(0.00)			
Pathology	Pathology JV Non-pay savings		(0.18)					(0.18)																
Sub-total		(8.56)	(4.79)	(0.20)	(0.20)	(0.13)	(0.88)	(0.49)	(0.16)	(0.14)	(0.38)	(0.20)	(0.25)	(0.20)	(0.10)	(0.89)	(0.03)	(0.07)	(0.16)	(0.21)	(0.10)	0.00	0.00	
Total		(33.64)	(19.01)	(0.67)	(0.87)	(0.22)	(1.07)	(0.58)	(0.37)	(0.27)	(0.48)	(0.36)	(0.61)	(0.37)	(0.20)	(0.89)	(0.03)	(0.39)	(0.17)	(0.25)	(0.11)		(7.54)	(3.55)

16/17 Pay Underspends

- £11m+ of Pay underspends reported as non-recurrent CIP in 16/17
- Opportunity: review requirement for posts and disestablish where appropriate

16/17 Non-recurrent Pay CIP Forecast at Month 11							£000s	
Clin / Corp	Directorate	Medical & Dental	Nursing & Midwifery - other areas	Nursing & Midwifery - templated	Other Healthcare	A&C	Grand Total	
Clinical	Abdominal Surgery & Medicine Directorate		221	267	1	106	594	
	Acute Floor Directorate	784	79	495	1	41	1,401	
	Cancer Directorate		29	39	256	0	325	
	Cardiovascular Directorate	334	160	311	80	91	976	
	Central Clinical Services Directorate	438	96		437	230	1,201	
	Children's Services Directorate		93	414	61		568	
	Head & Neck Directorate		0	0	38		38	
	Musculoskeletal Directorate		19	416	47	89	570	
	Neurosciences & Stroke Services Directorate	475	20		102	24	621	
	Perioperative Directorate		33		0	103	137	
	Speciality Medicine Directorate	801	344	211	0	52	1,408	
	Women's Services Directorate		236	10	16	34	295	
	Corporate	Chief Executive's Office					76	76
		Chief Financial Officer	34	4		26	476	540
Chief Nurse's Office			251		67	180	498	
Chief Operating Officer		19	10		6	771	806	
Corporate Affairs						29	29	
Medical Director's Office		311	75			274	660	
Strategy & Change		93	201		49		343	
Grand Total		3,290	1,872	2,163	1,185	2,575	11,085	