

Summary

The Trust is reporting £3.8m year to date deficit at the end of February 2015; this is £5.3m behind the agreed Financial Plan submitted to the Trust Development Authority (TDA). The Trust is currently forecasting delivery of the £2.1m control total surplus. 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 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. The Trust has modelled several forecast scenarios including a breakeven position.

<p>Continuity of Service Risk Rating (CoSRR) G</p> <table border="1"> <thead> <tr> <th></th> <th>Liquidity</th> <th>Capital Servicing</th> <th>Weighted Average</th> </tr> </thead> <tbody> <tr> <td>Year to Date</td> <td>4</td> <td>3</td> <td>3</td> </tr> <tr> <td>Year End Forecast</td> <td>2</td> <td>3</td> <td>3</td> </tr> </tbody> </table> <p>Continuity of Service Risk Rating - The Trust is currently reporting an overall CoSRR rating of 3 as per the plan for both the Year to Date and Forecast Positions.</p>					Liquidity	Capital Servicing	Weighted Average	Year to Date	4	3	3	Year End Forecast	2	3	3	<p>Surplus (Deficit) £k A</p> <table border="1"> <thead> <tr> <th></th> <th>Plan</th> <th>Actual / Forecast</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Year to Date £k</td> <td>1,488</td> <td>(3,842)</td> <td>5,329</td> </tr> <tr> <td>Year End Forecast £k</td> <td>2,126</td> <td>2,126</td> <td>0</td> </tr> </tbody> </table> <p>The Trust is reporting £3.8m deficit to the end of February, this is £5.3m 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 achieve the control total Surplus of £2.1m at year end and this is not without risk.</p>					Plan	Actual / Forecast	Variance	Year to Date £k	1,488	(3,842)	5,329	Year End Forecast £k	2,126	2,126	0	<p>Cash £k A</p> <table border="1"> <thead> <tr> <th></th> <th>Plan</th> <th>Actual / Forecast</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Year to Date £k</td> <td>19,501</td> <td>16,994</td> <td>2,507</td> </tr> <tr> <td>Year End Forecast £k</td> <td>18,307</td> <td>20,193</td> <td>(1,887)</td> </tr> </tbody> </table> <p>The cash holding is £3m lower than planned. The plan included advance funding for 3Ts capital expenditure of £8m in February. This has not been forthcoming and debtors remain higher than planned with no reduction in creditor payments. The year end level of cash holding has been reduced slightly to agree to the forecast EFL level but remains in line with Monitor's risk rating levels and to provide an acceptable level for the Trust at the year end. The achievement of the EFL target is dependent on settlement of the final commissioning invoices in March and the Trust's outturn for the year.</p>					Plan	Actual / Forecast	Variance	Year to Date £k	19,501	16,994	2,507	Year End Forecast £k	18,307	20,193	(1,887)
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	Plan £k	Actual £k	Variance £k
(Surplus)/Deficit	(1,488)	3,842	5,329

Year End Forecast			
	Plan £k	Forecast £k	Variance £k
(Surplus)/Deficit	(2,126)	(2,126)	(1)

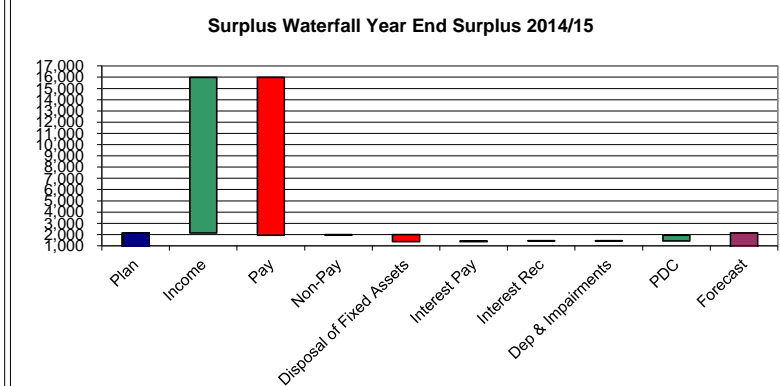
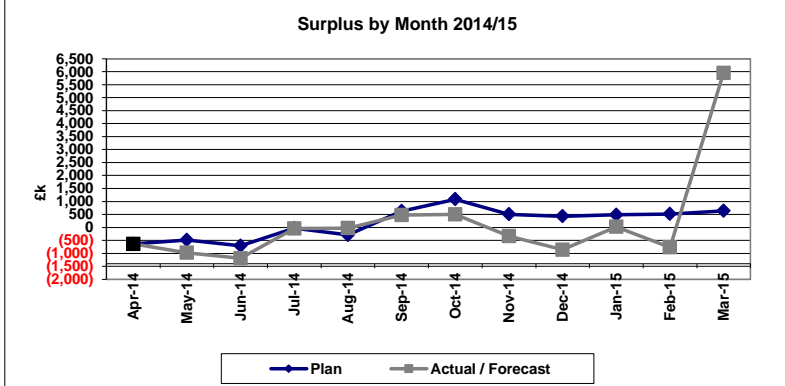
The Trust has an overall position that is behind plan. Income is showing an overall positive variance of £9.5m. This relates to Education and Research and additional Resilience and RTT funding to deliver improved performance. The Trust is behind plan on planned activity which is having an impact on waiting lists. Pay costs are overspent by £11.8m and non-pay costs overall are overspent by £3.2m. The overspend on pay mainly relates to Administration and Clerical staff in the booking hub, Medical staffing due to use of locums and Nursing agency staff to cover sickness and vacancies, and to deliver the Trust's performance targets. The underperformance on Profit from the Disposal of Fixed Assets is due to the sale of land at PRH that was planned for April 2014, but completion of the sale happened at the end of March 2014.

The Trust is expecting to deliver the NHS reported planned surplus of £2.1m 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 outturn is dependent on a run rate reduction over remainder of financial year, payment of RTT and winter pressures funding by commissioners, fine and penalties are not applied or are reinvested, and delivery of CIPs. The Trusts forecast income levels assume the full delivery of planned activity. The forecast overspend in interest payable is due to a loan being taken out for Radiotherapy, whereas it was planned that this would be Public Dividend Capital (PDC), this is therefore offset with an underspend on PDC.

	Plan £k	Actual £k	Variance £k
Income	(464,633)	(474,153)	(9,520)
Pay	268,741	280,535	11,794
Non-Pay	163,632	166,807	3,175
EBITDA *	(32,261)	(26,811)	5,449
EBITDA %	6.9	5.7	
Profit / Loss on Disposal of Fixed Assets	(1,375)	(749)	626
Interest Payable	3,225	3,192	(34)
Interest Receivable	(62)	(71)	(9)
Depreciation	21,760	21,720	(40)
Impairments	-	-	-
Public Dividend Capital	7,599	7,153	(446)
Net (Surplus) / Deficit	(1,114)	4,433	5,548
Reverse Impairment	-	-	-
Other Adjustments	(370)	(592)	(222)
Reverse IFRS technical charge	(4)	-	4
Performance against Control Total	(1,488)	3,842	5,329
Surplus %	0.3	-0.8	

* EBITDA Earnings before Interest Taxation Depreciation and Amortisation

	Plan £k	Actual £k	Variance £k
Income	(507,290)	(521,157)	(13,867)
Pay	293,058	307,121	14,063
Non-Pay	178,413	178,352	(61)
EBITDA *	(35,820)	(35,684)	135
EBITDA %	7.1	6.8	
Profit / Loss on Disposal of Fixed Assets	(1,393)	(766)	626
Interest Payable	3,533	3,469	(63)
Interest Receivable	(68)	(74)	(6)
Depreciation	23,870	23,870	0
Impairments	11,500	11,500	-
Public Dividend Capital	8,106	7,612	(494)
Net (Surplus) / Deficit	9,728	9,926	198
Reverse Impairment	(11,500)	(11,500)	-
Other Technical Adjustments	(340)	(553)	(213)
Reverse IFRS technical charge	(14)	-	14
Performance against Control Total	(2,126)	(2,126)	(1)
Surplus %	0.4	0.4	



The plan reflects the April 2014 TDA submission and is based on release of funding by the DH for 3Ts and achievement of the planned surplus for the year.

	Plan £k	Actual £k	Variance £k
Cash Balance	19,501	16,994	(2,507)

Year End Forecast			
	Plan £k	Actual £k	Variance £k
Cash Balance	18,307	20,193	1,887

2015-16 Plan £k
18,281

The February cash holding is below plan because of the high level of debtors.

The forecast cash holding has been adjusted slightly to match the year end EFL, which is £380,000 less than plan.

TDA plan cashflow for 2015-16

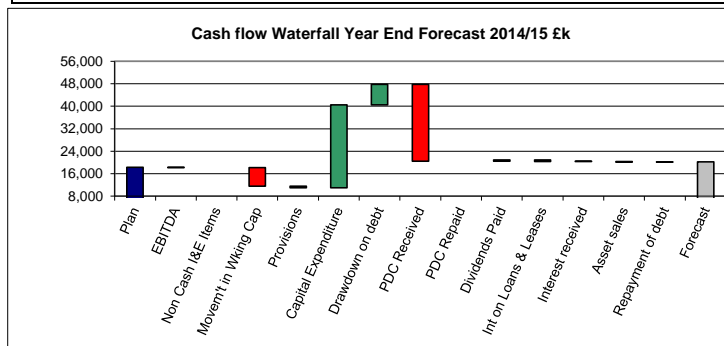
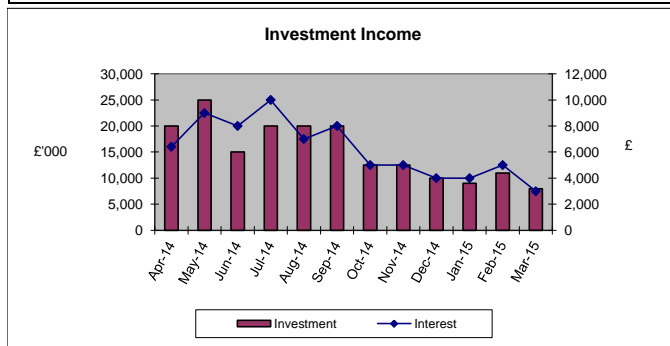
Year to Date			
	Plan £k	Actual £k	Variance £k
EBITDA	32,246	26,809	(5,437)
Non Cash I&E Items	-	-	-
Movement in Working Capital	(6,870)	(19,858)	(12,988)
Provisions	(1,529)	(1,821)	(292)
Cashflow from Operations	23,847	5,130	(18,717)
Capital Expenditure	(64,426)	(27,717)	36,709
Cash receipt from asset sales	3,807	3,248	(559)
Cashflow before financing	(36,772)	(19,339)	17,433
PDC Received	27,459	150	(27,309)
PDC Repaid	-	-	-
Dividends Paid	(4,148)	(3,902)	246
Interest on Loans and leases	(2,507)	(2,664)	(157)
Interest received	63	73	10
Drawdown on debt	16,460	23,730	7,270
Repayment of debt	(3,230)	(3,230)	-
Cashflow from financing	34,097	14,157	(19,940)
Net Cash Inflow / (Outflow)	(2,675)	(5,182)	(2,507)
Opening Cash Balance	22,176	22,176	-
Closing Cash Balance	19,501	16,994	(2,507)

Year End Forecast			
	Plan £k	Forecast £k	Variance £k
EBITDA	35,820	35,662	(157)
Non Cash I&E Items	-	-	-
Movement in Working Capital	1,450	(5,069)	(6,519)
Provisions	(1,129)	(1,717)	(588)
Cashflow from Operations	36,141	28,876	(7,264)
Capital Expenditure	(71,361)	(41,935)	29,426
Cash receipt from asset sales	3,970	3,764	(206)
Cashflow before financing	(31,250)	(9,295)	21,956
PDC Received	27,459	150	(27,309)
PDC Repaid	-	-	-
Dividends Paid	(8,201)	(7,708)	493
Interest on Loans and leases	(2,803)	(3,372)	(569)
Interest received	68	78	10
Drawdown on debt	16,460	23,730	7,270
Repayment of debt	(5,602)	(5,566)	36
Cashflow from financing	27,381	7,312	(20,069)
Net Cash Inflow / (Outflow)	(3,869)	(1,983)	-
Opening Cash Balance	22,176	22,176	-
Closing Cash Balance	18,307	20,193	1,887

2015-16 Plan £k
45,429
-
7,680
205
53,314
(98,306)
-
(44,992)
17,673
-
(7,800)
(6,216)
72
49,570
(8,233)
45,066
74
20,193
20,267

The cash holding remains lower than plan because of the high level of accrued income and invoiced debtors with no compensating reduction to creditor payments. The delays and slippage on the capital plan have helped to mitigate the impact on cash flow.

The full year plan assumed that both the strategic and operational capital programmes were completed in full and that the necessary funding was released by the DH to fund 3Ts. The forecast strategic capital expenditure has been revised monthly to reflect the delays. The plan assumed 3Ts strategic funding as PDC loans for the whole of this year (shown as PDC received). The funding source has changed back to a capital investment loan. The drawdown on debt is the balance of the 3Ts decant loan and the 3Ts loan; the first tranche of the Radiotherapy loan has been re-profiled into the next financial year. The changed funding route has impacted on the forecast interest and dividends payable, with interest increasing and dividends decreasing.



Risks

The cashflow is based on the assumption that the forecast surplus is achieved and the Trust is paid for the agreed level of performance.

Finance Report Month 11 2014/15

Rolling Cashflow

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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. The eleven month's forecast includes forecasts for 15/16 from the latest TDA plan submission.

Year To Date	Plan £k	Actual £k	Variance £k	Year End Forecast	Plan £k	Actual £k	Variance £k	Year End Forecast 15/16	Plan £k
	19,501	16,994	(2,507)		18,307	20,193	-		18,000

	Feb-15 £k	Mar-15 £k	Apr-15 £k	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
	Act	For	For	For	For	For	For	For	For	For	For	For
EBITDA	2,557	8,853	2,482	2,480	2,509	2,486	2,483	2,423	2,537	2,537	2,481	2,554
Non Cash I&E Items	-	-	-	-	-	-	-	-	-	-	-	-
Movement in Working Capital	4,437	14,789	7,427	(8,047)	1,823	(2,982)	2,228	(3,088)	2,421	1,727	5,855	(2,773)
Provisions	(1,141)	104	(20)	8	19	(31)	(2)	(8)	90	(237)	-	-
Cashflow from Operations	5,853	23,746	9,889	(5,559)	4,351	(527)	4,709	(673)	5,048	4,027	8,336	(219)
Capital Expenditure	(3,783)	(14,218)	(7,826)	(4,775)	(14,450)	(6,951)	(12,122)	(1,777)	(18,804)	(6,427)	(7,846)	(4,781)
Cash receipt from asset sales	316	516	-	-	0	-	-	-	-	-	-	-
Cashflow before financing	2,386	10,044	2,063	(10,334)	(10,099)	(7,478)	(7,413)	(2,450)	(13,756)	(2,400)	490	(5,000)
PDC Received	-	-	-	-	7,205	-	-	-	-	5,250	-	5,218
PDC Repaid	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Paid	-	(3,806)	-	-	-	-	-	(3,900)	-	-	-	-
Interest on Loans and leases	(158)	(708)	(215)	(216)	(215)	(216)	(215)	(2,048)	(215)	(216)	(215)	(216)
Interest received	5	5	6	6	6	6	6	6	6	6	6	6
Drawdown on debt	-	-	7,552	-	14,889	-	6,238	20,891	-	-	-	-
Repayment of debt	(122)	(2,336)	(102)	(102)	(101)	(102)	(102)	(3,094)	(102)	(102)	(102)	(102)
Cashflow from financing	(275)	(6,845)	7,241	(312)	21,784	(312)	5,927	11,855	(311)	4,938	(311)	4,906
Net Cash Inflow / (Outflow)	2,111	3,199	9,304	(10,646)	11,685	(7,790)	(1,486)	9,405	(14,067)	2,538	179	(94)
Opening Cash Balance	14,884	16,994	20,193	29,497	18,851	30,536	22,746	21,260	30,665	16,598	19,136	19,315
Closing Cash Balance	16,994	20,193	29,497	18,851	30,536	22,746	21,260	30,665	16,598	19,136	19,315	19,221

Overall the Trust is forecasting a surplus against the Income plan of £13.9m, and a year to date position of £9.5m above plan. This is an improvement of £0.4m in the year to date position, but a reduction of £0.3m on the year end position. 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 Trusts estimate of activity related income for 2014/15 is significantly higher than Commissioners. (Circa £25m). 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	(464,633)	(474,153)	(9,520)

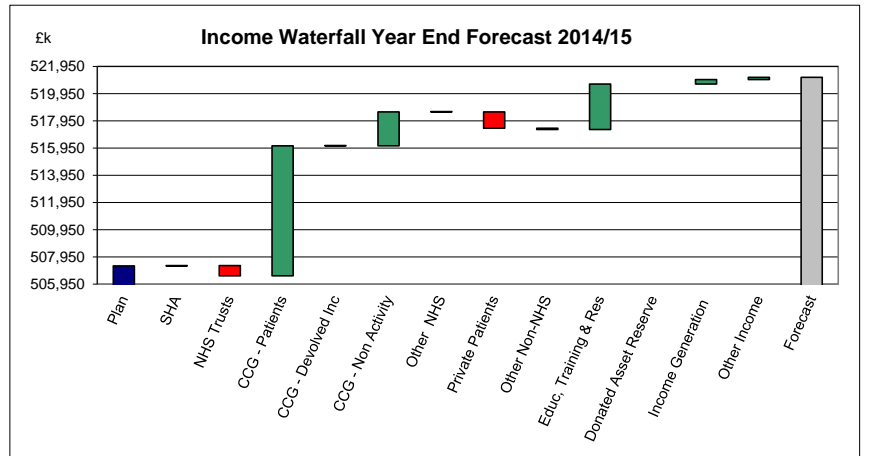
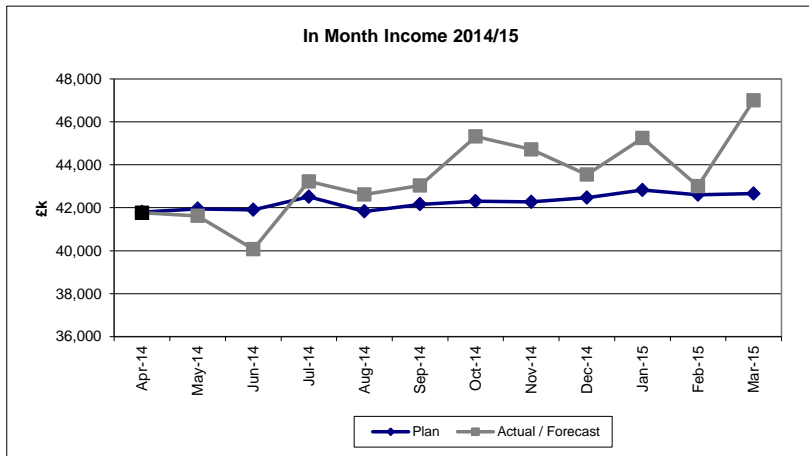
Year End Forecast	Plan £k	Forecast £k	Variance £k
Total Income	(507,290)	(521,157)	(13,867)

Overall the Trust is reporting over-achievement Year to Date of £9.5m. This is an improvement of £0.4m due to small changes across all income categories. The shortfall against commissioner plans especially NHSE previously reported continues although YTD activity is increasing. Income from private patients continues behind plan and the shortfall against Other Non NHS income increased in month due to increased pharmacy trading.

The Trust is reporting a surplus in the income position of £13.9m, a reduction to the position against budget of £0.3m. The reduction is due mainly to a revision to the income expected for distinction awards. The position is driven by a combination of additional RTT and winter pressure funding, reinvestment of fines and penalties and a contribution from Education and Research. The private patient forecast shortfall has remained at £1.2m as cardiology activity continues to go to London and the department cannot provide capacity for the work.

Year To Date	Plan £k	Actual £k	Variance £k
Income			
NHS Trusts	(6,735)	(6,042)	693
Clinical Commissioning Groups	(403,759)	(411,464)	(7,706)
Other NHS	(53)	(53)	0
Private Patients	(4,863)	(3,883)	980
Other Non-NHS	(8,214)	(8,120)	93
Income From Activities	(423,624)	(429,575)	(5,951)
Education, Training and Research	(25,717)	(28,462)	(2,745)
Transfers from Donated Asset Reserve	0	0	0
Income Generation	(716)	(1,031)	(315)
Other Income	(14,576)	(15,085)	(509)
Other Operating Income	(41,009)	(44,578)	(3,568)
Total Income	(464,633)	(474,153)	(9,520)

Year End Forecast	Plan £k	Forecast £k	Variance £k
Income			
NHS Trusts	(7,356)	(6,612)	745
Clinical Commissioning Groups	(440,736)	(452,804)	(12,068)
Other NHS	(58)	(58)	0
Private Patients	(5,421)	(4,211)	1,210
Other Non-NHS	(8,939)	(8,847)	91
Income From Activities	(462,510)	(472,544)	(10,034)
Education, Training and Research	(28,082)	(31,426)	(3,344)
Transfers from Donated Asset Reserve	0	0	0
Income Generation	(781)	(1,104)	(324)
Other Income	(15,916)	(16,082)	(166)
Other Operating Income	(44,779)	(48,613)	(3,833)
Total Income	(507,290)	(521,157)	(13,867)



Risks

PbR Contracts have been agreed with both local Clinical Commissioning Groups and NHS England. There is difference of circa £25m between Commissioning Plans and the Trusts assessment of Activity related income for 2014/15. This relates mainly to Demand Management Schemes and planned repatriation of activity.

The Trust has seen an increase in Emergency admissions and is behind plan for Elective Activity year to date. The Trust is currently assuming payment of the planned levels in the forecast.

The Trust is assuming that income from penalties will be reinvested by CCG's.

The additional funding for RTT and winter pressures assumes a very low marginal cost for delivering the additional activity

Year End Forecast			
	Plan	Forecast	Variance
	£k	£k	£k
Pay	293,058	307,141	14,083
Non Pay	178,413	178,352	(61)
Operational Costs	471,470	485,492	14,022

The Trust is reporting to overspend on operating costs by £14.0m, associated with the additional income forecasted. This level of operating costs would enable the Trust to deliver it control total surplus of £2.1m, assuming the level of income forecasted is achieved. There is however a significant risk with regard to this.

Full Year			
	Plan	Forecast	Variance
	£k	£k	£k
Pay			
Management	12,453	12,628	174
Medical and Dental Staff	92,258	96,783	4,525
Nursing & Midwifery	113,328	119,827	6,498
Other Healthcare	43,290	43,835	545
Ancillary Staff	774	586	(189)
Administrative & Clerical	27,940	30,347	2,407
Maintenance Staff	2,925	2,877	(48)
Other Staff	88	259	171
Total Pay	293,058	307,141	14,083
Non-Pay			
Services from Other NHS Bodies	7,543	7,244	(299)
Purchase of Healthcare from Non NHS Bodies	5,995	6,197	202
Drugs & Medical Gases	51,154	52,515	1,361
Supplies and Services - Clinical	50,669	54,449	3,780
Supplies and Services - General	16,817	16,219	(599)
Establishment Expenses	6,208	6,545	337
Transport Expenses	893	1,035	141
Premises	19,606	19,569	(36)
Education and Training	4,188	3,932	(256)
Clinical Negligence Premium	10,489	10,490	2
Other Non-Pay/Reserves	4,851	157	(4,694)
Total Non-Pay	178,413	178,352	(61)
Total Expenditure	471,470	485,492	14,022

12,681
96,424
119,067
43,838
581
30,263
2,893

Finance Report Month 11 2014/15

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 April 2014.

	1 April 14		Year to Date		Notes		Full Year		Notes	
	Actual	Plan	Actual	Variance			Plan	Forecast		Variance
	£k	£k	£k	£k			£k	£k		
Property, Plant and Equipment	297,951	343,480	304,015	(39,465)	1	Property, Plant and Equipment	336,515	304,991	(31,524)	1
Intangible Assets	408	375	386	-		Intangible Assets	372	383	11	
Other Assets	4,450	5,419	3,876	(1,543)		Other Assets	4,871	3,876	(995)	2
Non Current Assets	302,809	349,274	308,277	(41,008)		Non Current Assets	341,758	309,250	(32,508)	
Inventories	6,507	5,754	6,971	1,217		Inventories	6,754	6,971	217	
Trade and Other Receivables	36,426	33,040	64,127	31,087	2	Trade and Other Receivables	34,776	39,970	5,194	
Cash and Cash Equivalents	22,176	19,501	16,494	(3,007)	3	Cash and Cash Equivalents	18,307	17,926	(381)	3
Non Current Assets Held for Sale	2,766	833	539	(294)		Non Current Assets Held for Sale	688	41	(647)	
Current Assets	67,875	59,128	88,131	29,003		Current Assets	60,525	64,908	4,383	
Trade and Other Payables	(60,029)	(56,171)	(71,083)	(14,912)	2	Trade and Other Payables	(63,129)	(56,819)	6,310	
Borrowings	(5,264)	(5,637)	(6,247)	(610)		Borrowings	(5,396)	(6,006)	(610)	
Other Financial Liabilities	-	-	-	-		Other Financial Liabilities	-	-	-	
Provisions	(693)	(700)	(304)	396		Provisions	(218)	(168)	50	2
Other Liabilities	-	-	-	-		Other Liabilities	-	-	-	
Current Liabilities	(65,986)	(62,508)	(77,634)	(15,126)		Current Liabilities	(68,743)	(62,993)	5,750	
Borrowings	(52,244)	(65,101)	(71,761)	(6,660)	3	Borrowings	(62,970)	(69,666)	(6,696)	4
Trade and Other Payables	(867)	(867)	(867)	-		Trade and Other Payables	(867)	(867)	-	
Provisions	(2,929)	(2,670)	(1,771)	899		Provisions	(3,314)	(1,771)	1,543	2
TOTAL ASSETS EMPLOYED	248,658	277,256	244,375	(32,892)		TOTAL ASSETS EMPLOYED	266,389	238,861	(27,528)	
Financed by:						Financed by:				
Public Dividend Capital	(235,973)	(263,432)	(236,123)	27,309	3	Public Dividend Capital	(263,432)	(236,123)	27,309	5
Retained Earnings	18,928	18,928	18,864	(64)		Retained Earnings	18,928	18,864	(64)	
Surplus/(Deficit) for Year	-	(1,139)	4,433	5,572		(Surplus)/Deficit for Year	9,728	9,947	219	
Revaluation Reserve	(31,613)	(31,613)	(31,549)	64		Revaluation Reserve	(31,613)	(31,549)	64	
TOTAL TAXPAYERS EQUITY	(248,658)	(277,256)	(244,375)	32,881		TOTAL TAXPAYERS EQUITY	(266,389)	(238,861)	27,528	

1. The capital plan assumed increased activity on 3Ts from April but work has started considerably later than planned because of the delays to the release of the main scheme loan funding from the DH in December. These delays have had a significant impact on the forecast 3Ts capital expenditure in year; in addition the Operational Capital schemes are taking much longer to progress than originally planned.

2. The adverse variance in trade and other receivables compared to plan relates to the high value of accrued income together with the outstanding Winter Surge monies due from the CCGs. The high value of debtors and the pressure on creditor payments continues to impact on the cash balance which is down on plan by £3m.

3. The cash holding is slowly increasing but this disguises the underlying issues. Debtors are high and capital expenditure is significantly behind plan. Creditors are higher and older than planned but are being managed.

1. The capital plan assumed DH release of the 3Ts main scheme funding early in the year; approval for release of funding didn't take place until December; as a result the 3Ts expenditure has been significantly reduced. Operational capital is also lower than planned.

2. The change in other assets is due to the DH settlement of the back to back debtors early. This also reduces the year end provision.

3. The year end level of cash holding has been set to meet Monitor's risk rating levels and provide an acceptable level for the Trust at the year end.

4. The full year planned borrowings assumed that the Decant loan would be drawn down in full in year and that the 3Ts funding was as PDC rather than as a capital investment loan. With the delays to the funding approval, forecast capital expenditure has been reduced.

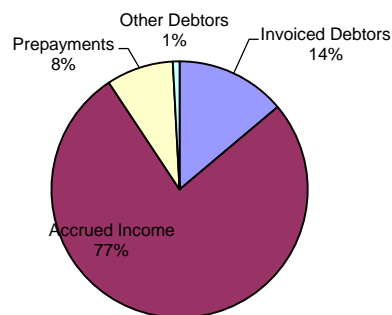
5. The decrease in PDC compared to plan is as a result of the change of funding between PDC (as originally requested) and capital investment loan.

The Trust debtors is a mixture of invoiced debtors, accrued income and prepayments. The level of invoiced debtors has decreased by £2.6m since the end of January and overdue debts (those > 30 days old) have decreased by £725,000.

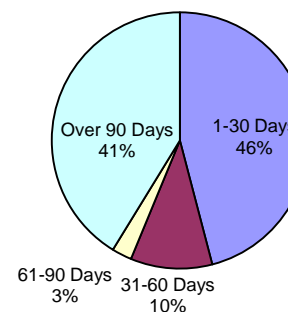
Invoiced Debtors	Within	1 Month	2 Months	3 Months	Total	Current	Prior	Notes	Other Receivables	Current	Prior		
	Terms	Overdue	Overdue	Overdue								Month	Month
	1-30 Days	31-60	61-90	Over 90								Over 30	Over 30
£k	Days	Days	Days	Days	Days	Days	Days	£k	£k				
CCG's	1,071	506	77	970	2,624	1,553	5,229	1	Accrued Income				
Trusts	843	359	42	240	1,484	641	785	2	Work In Progress	3,242	3,242		
Other NHS	1,292	44	91	1,650	3,077	1,785	2,276	3	CCG Service Level Agreements	39,303	30,930		
Other Debtors	1,468	114	41	775	2,398	930	1,208	4	Injury Cost Recovery Fund	892	983		
Private Patients	276	83	22	620	1,001	725	864	5	Other	5,823	8,307		
Overseas	16	9	-	204	229	213	210		Total Accrued Income	49,260	43,462		
Total Invoiced Debtors	4,966	1,115	273	4,459	10,813	5,847	10,572		Prepayments				
Provision for Bad Debts (including RTA Provision)					(1,918)				Maintenance & Other Contracts	3,612	5,550		
Accrued Income					49,260				NHS Litigation	1,815	1,633		
Prepayments					5,427				Other	0	0		
Other Debtors					545				Total Prepayments	5,427	7,183		
Total Trade & Other Receivables					64,127								

1. CCGs. The majority of this overdue debt relates to the Winter Surge invoices. A further £460,000 relates to a shortfall on SLA income from one CCG in respect of the January invoicing. The NCA over 30 day debtors balance has improved by £190,000, falling to £216,000, and over 90 days from £158,000 to £140,000.
2. Trusts. The Trust debtors balances continue to improve with the over 90 days falling by £491,000 when compared to the previous month. The largest overdue debtor balance for an organisation is £185,000. The local organisations, where there have been large legacy balances in the past are, for the moment, fairly current.
3. Other NHS. The over 90 days balance shows an improvement of £270k. The two largest debts previously reported (breast screening unit activity for £427k and EPR funding for £627k) remain under query.
4. The value of other overdue debts has improved by £139k and the largest individual debt (£370k) reported last month has finally been paid over in month after repeated and unnecessary chasing.
5. Private Patient overdue debts have remained relatively stable.

Trade and Other Receivables



Invoiced Debtors Ageing



The capital report has been revised to combine Strategic and Operational capital expenditure for year to date and full year forecasts compared to the TDA submitted plan and to align with the reporting format within the Board report.

	Plan £k	Actual £k	Variance £k	Year End Forecast	Plan £k	Forecast £k	Variance £k
Strategic Capital	32,774	17,168	15,606	Strategic Capital	45,136	20,848	24,288
Operational Capital	25,589	10,430	15,159	Operational Capital	33,417	21,238	12,179
Total	58,363	27,598	30,765	Total	78,553	42,086	36,467

Strategic Capital. The project work has been delayed by the late approval and release of funding. The first modular build for the Decant is expected at the end of March; detailed design work is about to commence on the North Road Building Work and Paediatric Audiology's decant is on hold pending the resolution of the location of CIRU. The main scheme is behind. Some design work and early enabling works will move into 2015/16. The next significant activity is market testing, which is just starting, alongside further engineering discussions to maintain the FBC capital cost. Contractual discussions have also commenced and the GMP is still scheduled for the Summer. Operational Capital - A further £732k has been spent on Operational Capital in February, but there is further slippage on Medical Equipment and Estates projects.

Strategic Capital - The 3Ts expenditure forecast is adjusted each month to reflect the delays to funding and the revised start dates. The current forecast has been reduced by £617k to £20.4m for the year. Work is on going on both the Decant and Main scheme but because of the significant delays to the approval and release of funding the schemes are behind schedule. Operational Capital - The operational programme is behind plan because of slippage on the MRI scanners and several other Estates projects which require access to hospital areas but have not been provided with this access due to the ongoing pressures to services. The fluoro rooms at PRH are complete; the RSCH fluoro room work will cross financial years. Work on the Neuro site reconfiguration is progressing but slower than anticipated because of a change to the scope of work required which has extended the programme timeframe. The forecast capital expenditure shows an increased shortfall on the CRL available of £7.6m, of which £2.8m relates to 3Ts changes. This unutilised CRL will be carried forward into the next financial year.

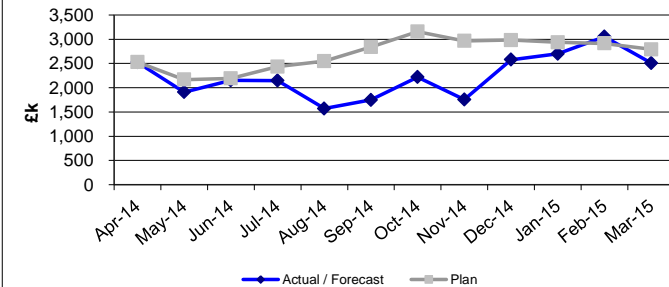
	Plan £k	Actual £k	Variance £k		Plan £k	Forecast £k	Variance £k
Income - (CRL excluding donated income)	(67,265)	(28,963)	(38,303)	Income - (CRL excluding donated income)	(73,903)	(49,650)	(24,253)
Strategic Capital				Strategic Capital			
3Ts Project Team	1,021	887	134	3Ts Project Team	1,115	1,009	106
3Ts Main Scheme - Design and Works	9,369	6,814	2,555	3Ts Main Scheme - Design and Works	17,784	8,179	9,605
3Ts Decant (incl St Marys)	22,384	9,121	13,263	3Ts Decant (incl St Marys)	25,020	11,173	13,847
3rd Cardiac Theatre	-	270	(270)	3rd Cardiac Theatre	1,217	270	947
Radiotherapy	-	76	(76)	Radiotherapy	-	217	(217)
Total Strategic Capital	32,774	17,168	15,606	Total Strategic Capital	45,136	20,848	24,288
Operational Capital				Operational Capital			
Major Projects (>£1m)				Major Projects (>£1m)			
Vascular Centre	2,200	1,950	250	Vascular Centre	2,200	2,200	-
Electronic Patient Record	1,100	959	141	Electronic Patient Record	1,150	1,150	-
MRI Scanners	4,143	32	4,111	MRI Scanners	5,495	1,161	4,334
Desktop and Mobile Computer Equipment	1,159	1,215	(56)	Desktop and Mobile Computer Equipment	1,418	1,418	-
Site Reconfiguration Neuro	2,733	1,729	1,004	Site Reconfiguration Neuro	4,281	2,565	1,716
Fluoro Rooms	1,150	60	1,090	Fluoro Rooms	1,150	900	250
Small Projects (<£1m)				Small Projects (<£1m)			
Medical Equipment Replacement	3,814	612	3,202	Medical Equipment Replacement	7,702	3,021	4,681
IM&T Infrastructure	748	222	526	IM&T Infrastructure	1,456	861	595
Estates Infrastructure	5,839	2,720	3,119	Estates Infrastructure	6,404	4,553	1,851
Service Development	2,703	931	1,772	Service Development	2,161	3,409	(1,248)
Total Operational Capital	25,589	10,430	15,159	Total Operational Capital	33,417	21,238	12,179
(Under)/Overspend against CRL	(8,902)	(1,365)	(7,538)	(Under)/Overspend against CRL	4,650	(7,564)	12,214

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.

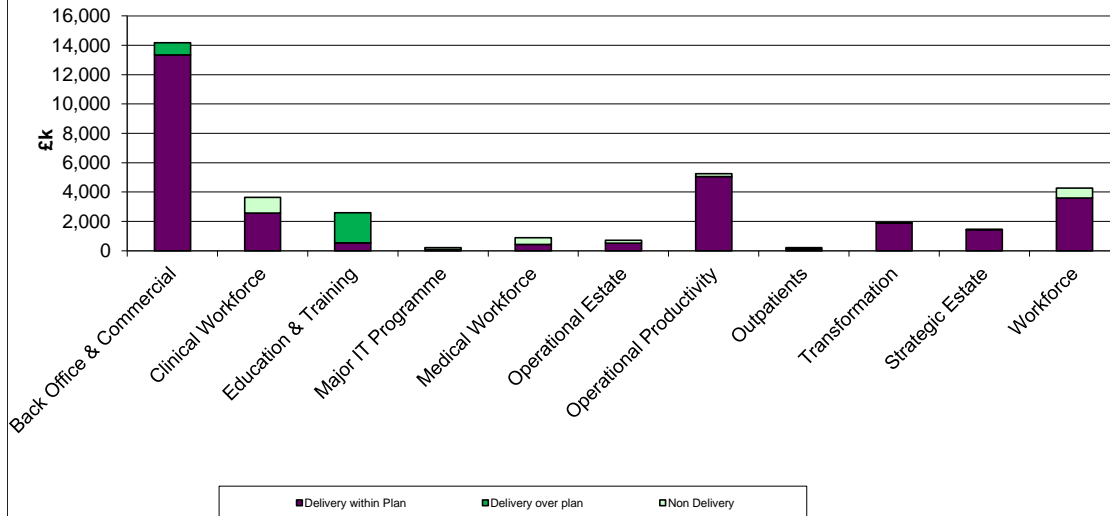
	Year To Date			Year End		
	Plan £k	Forecast £k	Variance £k	Plan £k	Forecast £k	Variance £k
Cost Improvement Plans	29,659	28,509	(1,150)	32,449	32,449	0
Themes	Plan £k	Actual £k	Variance £k	Plan £k	Forecast £k	Variance £k
Back Office & Commercial	12,084	12,474	390	13,341	14,179	837
Clinical Workforce	3,422	2,293	(1,129)	3,642	2,573	(1,069)
Education & Training	452	2,067	1,616	542	2,588	2,046
Major IT Programme	177	88	(89)	209	77	(132)
Medical Workforce	750	375	(375)	900	426	(474)
Operational Estate	648	469	(179)	717	518	(199)
Operational Productivity	4,835	4,070	(764)	5,261	5,056	(206)
Outpatients	205	51	(154)	224	104	(120)
Transformation	1,673	1,670	(3)	1,890	1,890	(0)
Strategic Estate	1,415	1,214	(200)	1,447	1,447	0
Workforce	3,999	3,737	(261)	4,276	3,592	(684)
	29,659	28,509	(1,150)	32,449	32,449	0
Efficiency Plan Total	29,659	28,509	(1,150)	32,449	32,449	0

The efficiency programme is behind plan for the year to date. There are some deviations across Themes - **Clinical Workforce** is due to non-delivery of the Nursing workstream; **Medical Workforce** is due to the use of agency and locum caused by vacancies within substantive posts; **Operational Productivity** is associated with A&C overspend in the booking hub and slippage in Site Reconfiguration and Patient Flow project schemes. These are partially mitigated by over performance in Education (R&D), Medicines Management and Clinical Network workstreams. There are risks with delivery of some of the projects within the workstreams and these are being monitored through the Efficiency Programme Steering Group. Mitigations will need to be identified to ensure full delivery of the overall efficiency target.

Cost Improvement Plans In Month 2014/15 £k



Cost Improvement Plans By Theme Year End Forecast 2014/15



Cost Improvement Plans Year End Forecast 2014/15

