

TRUST BOARD REPORT

Meeting Date:	5th November 2018
Title:	Report of the Chief Financial Officer - Month 6
Executive Summary	This paper reports the in-month, year-to-date and forecast financial position for the Trust as at Month 6. The paper also reports on delivery against financial targets.
Or Report of	
Action requested	<input type="checkbox"/> Make a decision <input type="checkbox"/> Approve <input checked="" type="checkbox"/> Receive for assurance <input type="checkbox"/> Received and noted If the item has already been approved by a body with delegated powers of approval from the Board such as a Committee of the Board, then the item would be received and noted.
For the attention of the Board	N/A
Assure	N/A
Advise	N/A
Alert	N/A
Author + Contact Details	Kevin Stringer, Chief Financial Officer - 01902 695954 kevin.stringer@nhs.net
Links to Trust Strategic Objectives	Maintain financial health – Appropriate investment to patient services
Resource implications	N/A
CQC Domains	Well-led: the leadership, management and governance of the organisation make sure it's providing high-quality care that's based around individual needs, that it encourages learning and innovation, and that it promotes an open and fair culture.
Equality and Diversity Impact	N/A
Risks: BAF/TRR	N/A
Risk: Appetite	N/A
Public or Private	Public
Other formal bodies involved	Finance and Performance Committee
References	N/A
NHS Constitution	In determining this matter, the Board should have regard to the Core principles contained in the Constitution of: Equality of treatment and access to services High standards of excellence and professionalism Service user preferences Cross community working Best Value Accountability through local influence and scrutiny

Report of the Chief Financial Officer

Finance Report
September 2018 - Month 6



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Summary - Key Messages

Financial Plan

The reported year to date I&E position*:

	Year to Date		
	Plan £'000	Actual £'000	Variance £'000
Surplus/ (Deficit)	(7,766)	(7,754)	12
Achieved PSF	3,995	2,797	(1,199)
Control Total Surplus/ (Deficit)	(3,771)	(4,957)	(1,187)

The Trust is behind the year to date financial plan at month six by £1,187k, which is made up of £1,199k unachieved PSF and £12k favourable plan on all other budgets.

Income shows a favourable variance to plan of £4.9m year to date, however, it should be noted that there was a one-off benefit in September of £1.2m which relates to income provisions. Expenditure is adverse to plan by £5.2m year to date which is predominately due to pay expenditure exceeding the budget.

The shortfall on PSF income is due to the Q1 and Q2 A&E element that was not achieved.

Financial Risks

This financial year is expected to be one of the most challenging years that the Trust has experienced.

The Trust has identified a number of risks in relation to the forecast outturn. The material risks are:

- 1) A high activity and income plan.
- 2) A low contingency compared to previous years.
- 3) A £25m CIP target and a £9.8m vacancy factor, both of which have only been partially delivered in quarter two.
- 4) The nationally agreed pay award which is a cost pressure of c. £0.7m.
- 5) Agreeing funding for the AEC/ frailty model of care and/ or securing transition funding for the 2017/18 ward closure (£1.1m).
- 6) Confirmation of the £6m funding for MSFT support.
- 7) Additional cost pressures due to A&E department closure overnight at Princess Royal, Telford. **NEW**

CIP and Vacancy Factor

In month six there has been an over performed by £0.15m against the in-month CIP plan of £1.69m. Year to date shows an achievement of £4.95m against a plan of £7.47m. Of the CIP delivered to date, there is a £1.48m recurrent full year effect. The non-delivery of recurrent and cash releasing CIP continues to be an issue.

The vacancy factor target for month six is £0.9m (18/19 Factor only). There was an under recovery of £0.5m.

Forecast

The forecast outturn for the year is under review and will be discussed initially with the Finance and Performance Committee.

Cash

At the 30th September 2018 the Trust had a cash balance of £9.3m which is £0.2m below the plan.

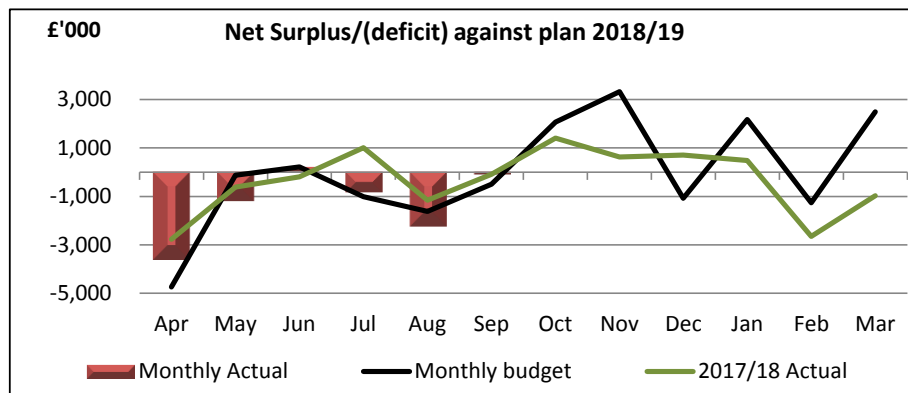
Charity

Reported quarterly.

* Unless stated otherwise, all numbers and analysis in this report will exclude provider sustainability funding (PSF).

Summary Charts - Surplus/ Deficit (excluding Provider Sustainability Funding)

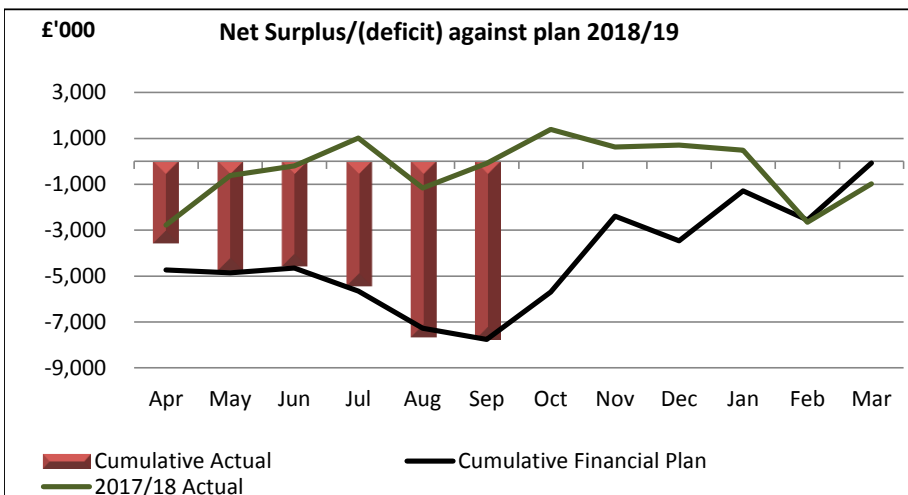
In-Month Net Surplus



In month six the Trust reported an in-month deficit of £0.11m, against an in-month plan of £0.5m deficit, this is a favourable variance of £0.39m.

The in-month deficit was mainly due to expenditure above plan of £0.52m. The biggest driver of this is an in-month pay overspend of £1.2m.

The adverse variances were offset by an over recovery of patient income of £0.6m, unutilised reserves of £0.42m and above plan cost improvement savings of £0.15m.



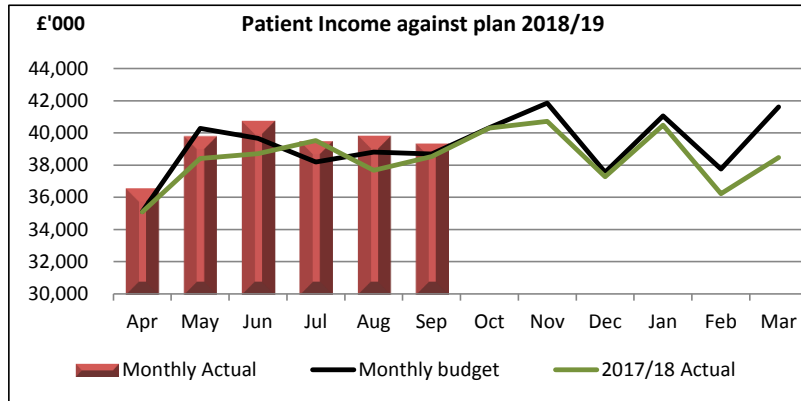
At month six the Trust is adverse to plan with a year to date deficit of £7.75m against a planned deficit of £7.77m.

It should also be noted that £3.37m of earmarked reserves are not spent at the end of month six and this funding has been used to support the financial position. This funding will not be available to be drawn down later in the year.

A detailed view of the in-month and year-to-date performance figures can be found in the I&E account in appendix one.

Summary Charts - Income

Patient Income*

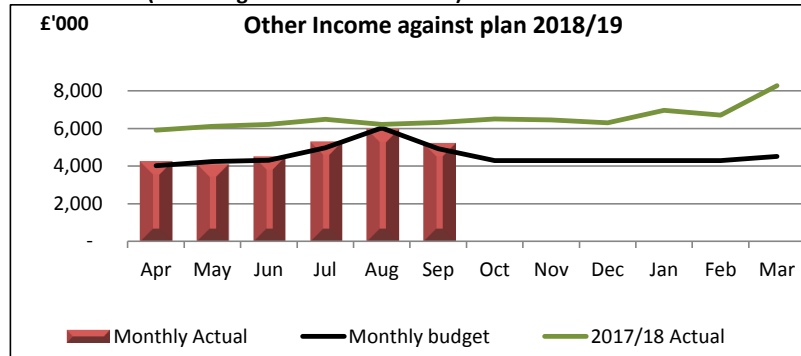


In month six, patient contract income is £39.3m which is an over performance against plan of £0.63m.

The income performance in September was a relatively low month in activity terms at £38.1m. The position includes a release of prior year provisions of £0.8m and a revision of in-year provisions of £0.4m.

Further detail on patient income is on page 13.

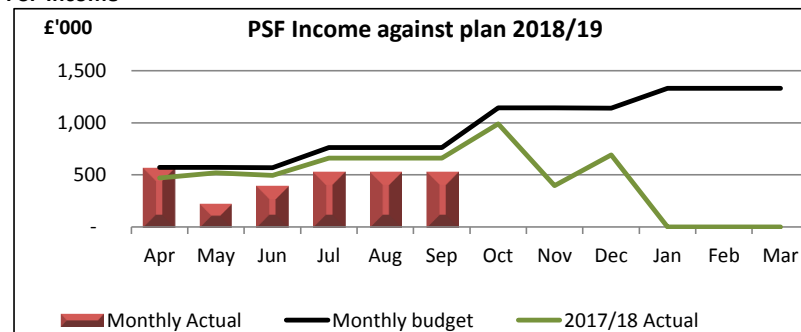
Other Income (excluding CRN and PSF income)



Other income is over plan in month six by £0.26m.

Other patient care income and directorate income were both under plan by £0.03m and £0.11m respectively.

PSF Income



Provider Sustainability Funding income is below plan in month six by £0.23m.

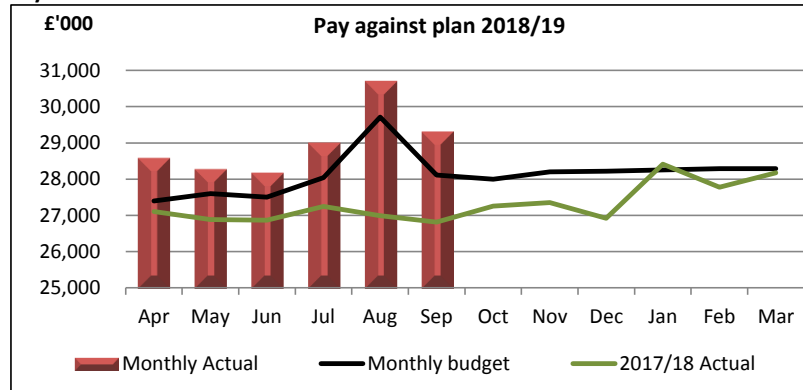
At month six the financial target has been met but the A&E target was not achieved.

Footnote:

* There will be budgetary adjustments made every month to fund variances on pass through items such as drugs and devices. Budgetary adjustments will also be made in relation to contract variations that are made in year.

Summary Charts - Expenditure

Pay



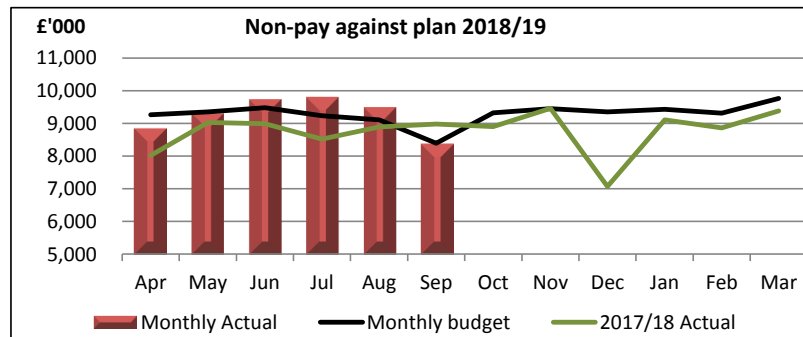
Pay is overspent in month by £1.2m against plan.

- Division 1 is overspent by £0.57m.
- Division 2 is overspent by £0.6m.
- Division 3 is overspent by £0.01m.
- Estates & Facilities break-even and Corporate services is overspent by £0.02m.

The Division 1 overspend is due to £0.4m underachieved vacancy factor, and £0.14m agency overspend.

The Division 2 overspend is due to £0.12m underachieved vacancy factor and £0.37m due to medics including agency covering vacancies and additional staffing providing support across the division.

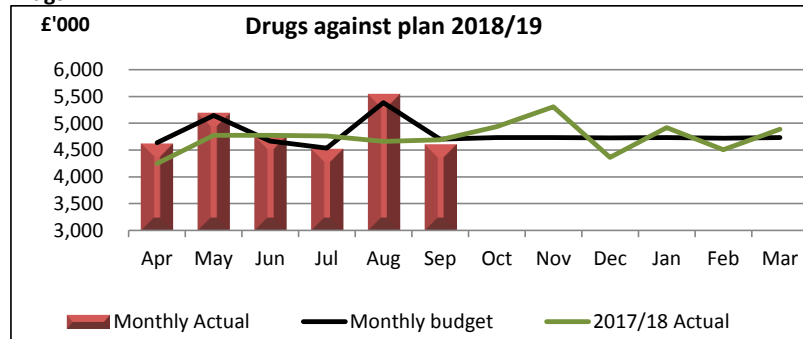
Non-pay



Non pay is underspent against plan by £0.18m.

- Division 1 is overspent by £0.03m.
- Division 2 is underspent by £0.03m.
- Division 3 is overspent by £0.09m.
- Estates & Facilities is underspent by £0.23m.
- Corporate services is overspent by £0.09m.

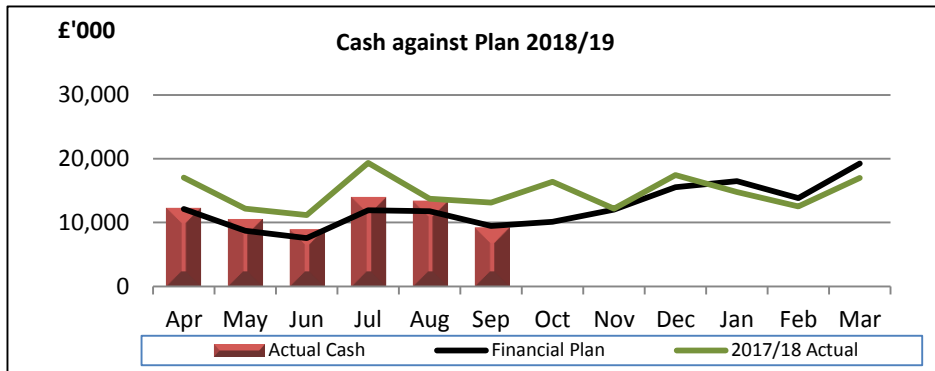
Drugs



Drugs are underspent in month by £0.92m.

Summary Charts - Cash and Capital

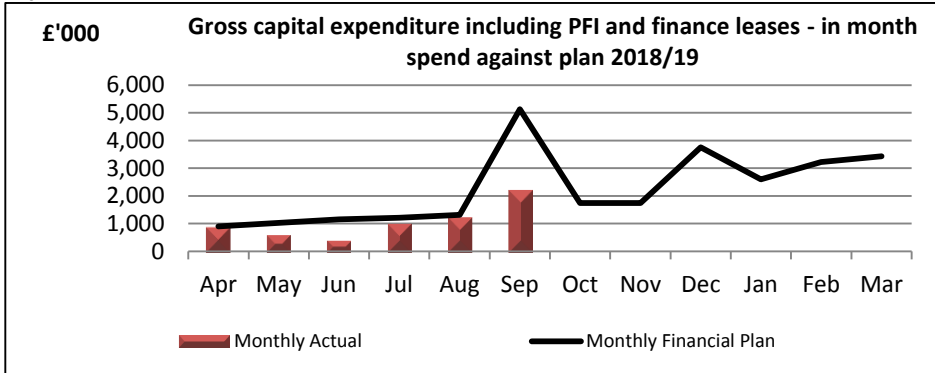
Cash



The cash balance as at 30th September 2018 is £9.3m, £0.2m below the plan at month six. The key drivers for this are:

- higher income received of £13.4m (of which £1.2m related to 17/18) offset against higher payroll costs (£9.7m) and higher than plan payment runs (£3.4m)
- PDC payment not yet received for Stroke (£3.0m) and the liner accelerator (£1.7m) these are now forecast for December and November respectively. This has been offset by lower than planned capital cash settlement, resulting in cash benefit £4.2m; mainly due to capital programme being slightly behind plan

Capital



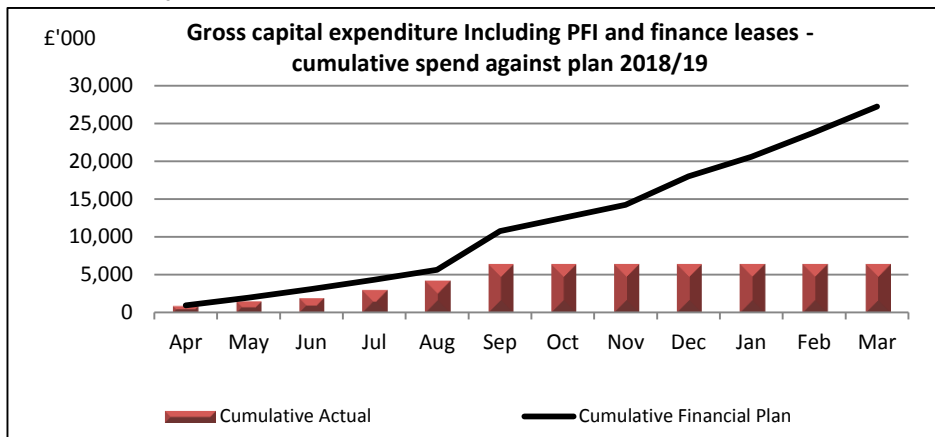
Capital expenditure as at 30th September 2018, including PFI & finance leases, is £6.4m against a plan of £10.7m. The £10.7m plan figure includes £2m planned PFI additions that have not yet occurred.

The capital resource limit (CRL) for the year is anticipated to be £29.9m.

The CRL figure is made up of planned estates development programmed spend of £22.5m plus an additional £0.5m relating to Cladding Replacement (ACM), Winter funding of £1.9m and PFI additions of £5m.

Further detail on capital performance and plan is provided in the report of the Head of Estates Development, presented to the Finance and Performance Committee.

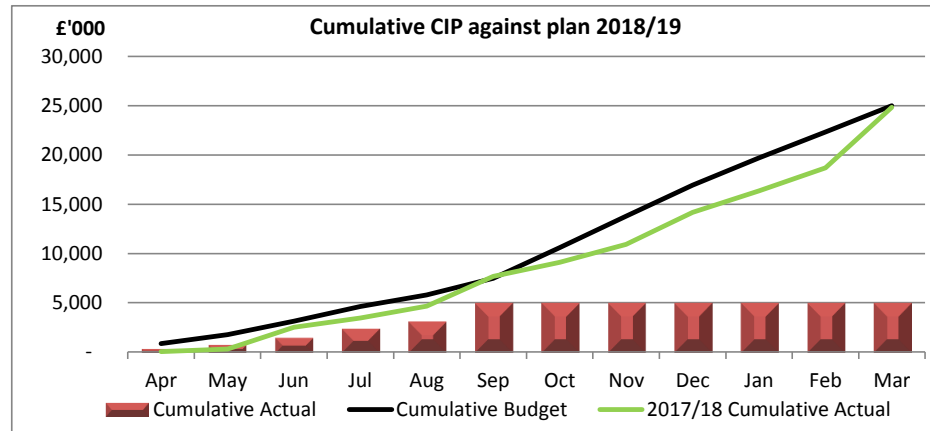
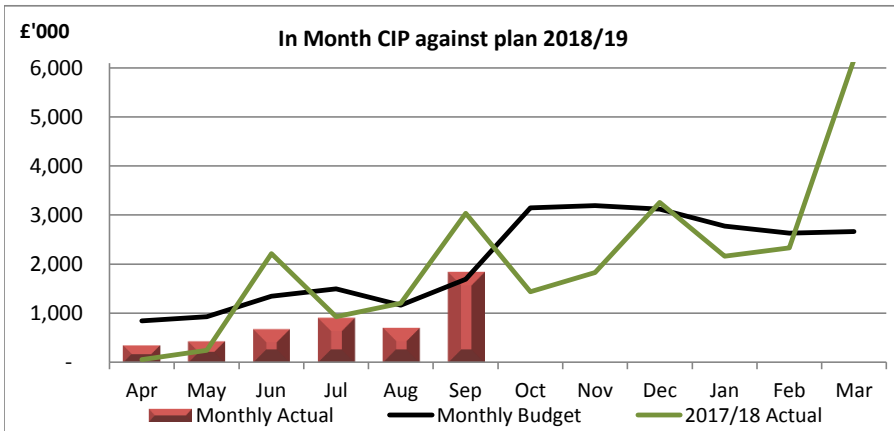
Cumulative capital



Cost Improvement Plan

Year-to-Date Delivery

The charts below show the in-month and cumulative delivery of CIP against the month-on-month plan:



- At month six, the Trust has achieved £4.95m of CIP savings, compared to budgeted plan of £7.47m which is an achievement of 66% of the year to date target.

Annual Plan

The cost improvement plan target for the year is £25m. The table below shows what has been identified and delivered:

	Annual Plan £000	Blue (withdrawn from budgets) £000	Still to be achieved Categorised by Risk Rating				
			Green £000	Yellow £000	Amber £000	Red £000	Total £000
Division 1	9,920	1,396	0	284	113	8,127	8,524
Division 2	6,290	944	0	173	0	5,172	5,345
Division 3	4,248	706	0	160	558	2,823	3,542
Estates & Facilities	2,892	1,221	0	83	0	1,588	1,672
Corporate	1,650	1,088	0	249	59	253	562
Trustwide	0	1,407	0	0	0	(1,407)	(1,407)
Total 2018/19 Schemes	25,000	6,762	0	950	731	16,557	18,238
Recurrent (FYE)	15,000	1,483	0	2,561	0	10,956	13,517

- At the end of month six, £6.76m of annual budgets have been removed which is an overall achievement of 27% of the annual budgeted target, with £1.48m being the recurrent full year effect.

- The Trust has profiled its CIP internally to achieve 12% in Q1, 17% in Q2, 38% in Q3 and 32% in Q4.

Financial Targets

1) Single Oversight Framework

	Measure	Annual Plan		YTD achievement		Forecast achievement		Definitions:
		Performance	Rating	Performance	Rating	Performance	Rating	
Capital Service Cover rating	Multiples	2.693	1	1.235	4	2.463	2	Degree to which the provider generated income covers its financial obligations.
Liquidity rating	Days	-0.592	2	-11.192	3	-0.598	2	Cash plus trade debtors less trade creditors expressed as days of current year operating expenses.
I&E margin	%	2.0%	1	-1.8%	4	1.4%	1	I&E surplus or deficit/ total revenue.
I&E margin: distance from financial plan	%	0%	1	-0.4%	2	-0.6%	2	Year to date actual I&E surplus or deficit/ year to date planned I&E surplus or deficit.
Agency rating	%	-2.7%	1	-8.90%	1	-2.08%	1	Distance from provider's agency cap.
Overrides			None				None	
Overall risk rating after any overrides			1		3		2	

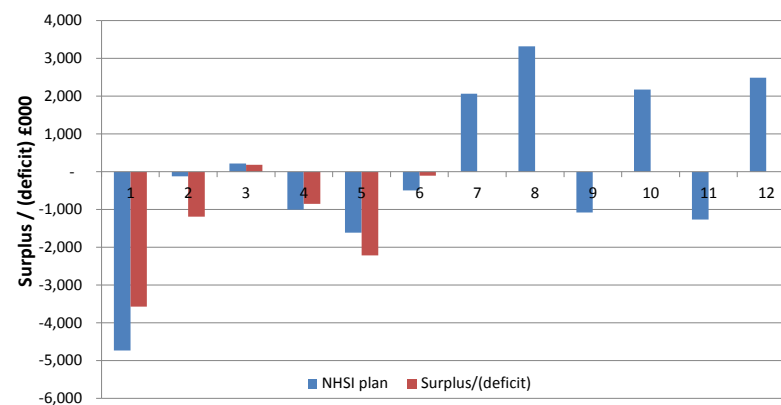
2) Performance Against Financial Limits

The performance against financial limits* is set out below:

	Target (£'000)	Performance (£'000)	RAG
I&E target performance (excl PSF) Month 6	(7,766)	(7,754)	AMBER
CIP Target Month 6	5,843	4,951	RED
Anticipated Capital Resource Limit (annual)	29,905	29,905	GREEN
External Financing Limit (annual)	4,854	4,854	GREEN
Capital Cost Absorption Rate (annual)	3.5%	3.5%	GREEN

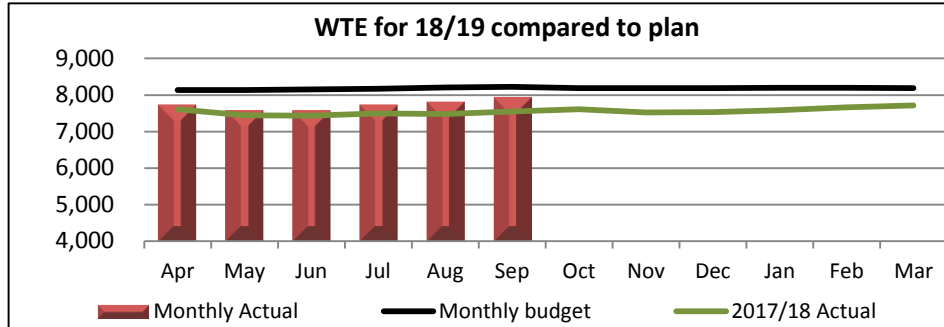
*The financial limits (targets) included in this section of the report are taken from the Trust's annual operating plan which is used by NHSI to monitor performance. The Trust has a more ambitious internal CIP profile.

Surplus/ (deficit) (excl. PSF) compared to NHSI plan :



Further Analysis - Pay

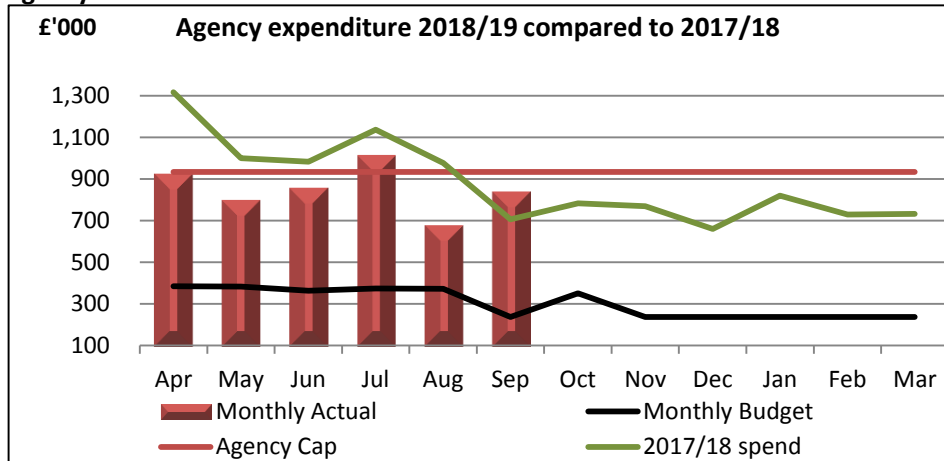
WTE



In month six there are 7,927 WTEs in post, against a plan of 8,222 WTE, which is a increase of 123 from month five.

There were 86 vacant posts in Division 1, over established by 2 posts in Division 2 and 54 vacant posts in Division 3, Estates and Facilities has 71, Corporate has 77 vacant posts, and Black Country Pathology has 11 vacant posts.

Agency

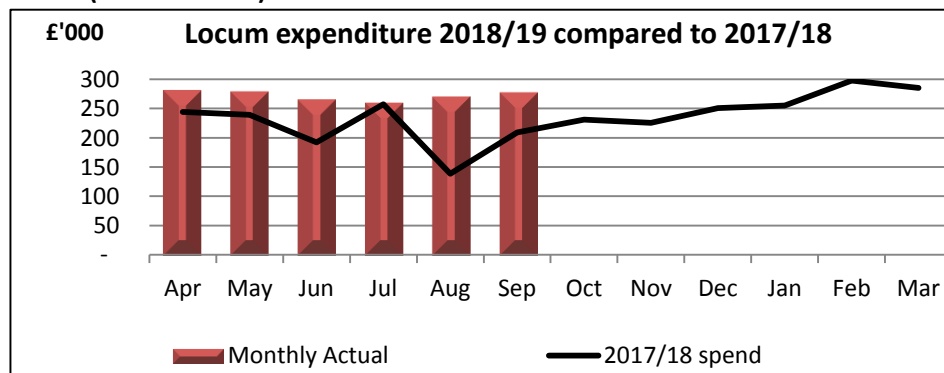


In month six agency expenditure of £0.83m was incurred which is a £1.6m increase compared to month five.

The key areas of spend were Oncology & Clinical Haem £0.19m, Emergency Services Group £0.19m, Orthopaedics £0.15m, Rehab & Ambulatory £0.07m and Children's Services £0.05m.

The agency cap for 2018/19 is £11.2m.

Locum (Medical Bank)

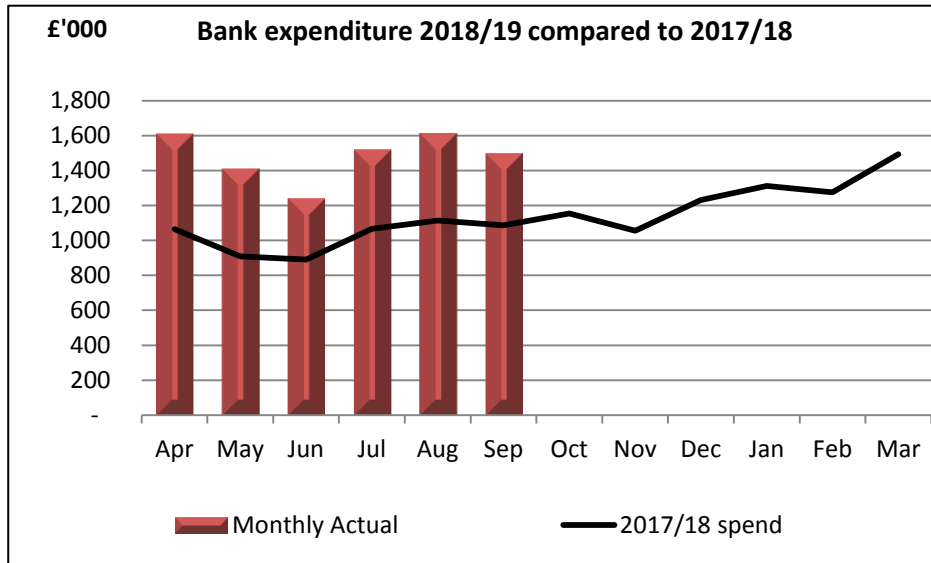


In month six locum expenditure was £0.28m, an increase of £7k from month five.

The in month expenditure mainly occurred in Emergency Services 61k, Dermatology £44k, Cardiology £37k and General Surgery £33k.

Further Analysis - Pay (2)

Bank



In month six bank expenditure was £1.5m an reduction of £0.1m compared to month five.

The main areas of expenditure are: Emergency Services Group £0.27m, Hotel Services £0.19m, Medical Services £0.16m, Rehab & Ambulatory £0.15m, General Surgery £0.13m and Critical Care £0.12m.

Patient Activity & Income Month 6 2018/19

Summary

- The Trust is above plan against income by £4.9m YTD, with Month 6 being £0.63m above plan.
- The income relating to cost per case activities is above plan by £2.13m.
- The income is £7.69m higher than the same period of last year.
- The Forecast is shown as break even as although income is above plan the planned levels of growth have been phased into later periods of the year.

Total Patient Income

	Actual/		Variance
	Plan	Forecast	
	£000's	£000's	£000's
In Month M6	£38,694	£39,324	£630
Year-to-Date M1 - M6	£230,747	£235,631	£4,883
Year-End Forecast	£470,897	£470,897	£0

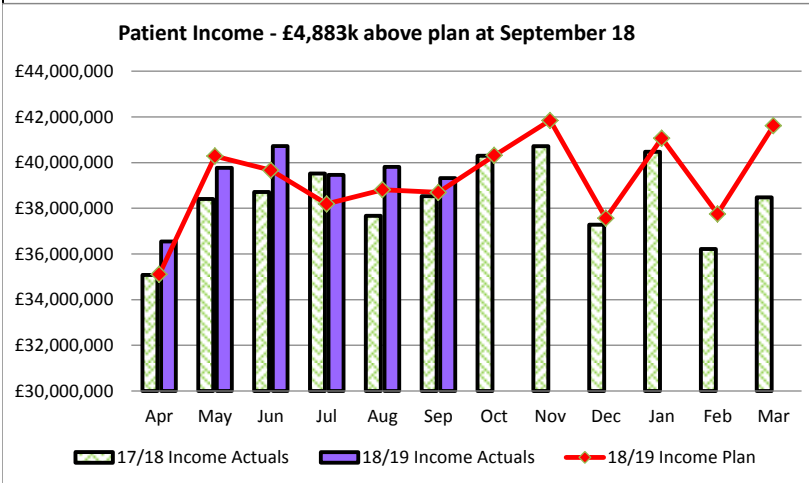


Table 2:- Income Split & Underlying Position

	£000's			
	FYE Plan	YTD Plan	YTD Actual	YTD Var
Activity Based Income				
Inpatient (Elective & Non Elective)	144,767	69,800	71,733	1,933
Day Case	39,806	19,640	18,638	(1,002)
Outpatient (First, FUP, OPPROC)	75,191	36,453	36,119	(335)
A&E	17,873	8,599	9,106	508
Direct Access (Pathology, Radiology)	8,443	4,205	4,299	94
Critical Care (Adult, Neonatal)	16,589	8,121	8,572	451
Other Activity Based Income	45,449	22,078	22,559	480
Sub Total Income relating Activities	348,119	168,896	171,026	2,130
Pass-through	54,133	27,637	27,548	(90)
Block Contracts	17,439	8,771	8,780	9
CQUIN	7,648	3,824	3,687	(137)
Community (Activity & CQUIN)	38,795	19,237	19,108	(130)
Adjustments/Other	4,763	2,382	5,482	3,100
Total Patient Income	470,897	230,747	235,631	4,883
Less Non Recurrent				
CCH Transitional Funds	(6,000)	(3,000)	(3,000)	0
CC2H Transitional Funds	(1,107)	(554)	(554)	0
Urgent Care Centre Transitional Funds	(1,000)	(500)	(500)	0
Other (Fine, Reads, MRET Return/Old Year etc)	0	0	(3,466)	(3,466)
Underlying Patient Income	462,790	226,694	228,111	1,417

Table 1:- Financial values by CCG, NHS England and Local Authority

	£000's			
	FYE Plan	YTD Plan	YTD Actual	YTD Var
CCG Income	342,804	171,185	169,794	(1,391)
NHSE Income	105,154	52,347	51,224	(1,123)
Local Authority Income	8,223	4,131	4,131	1
Non Contract/Prov to Prov/Other	14,716	3,084	10,481	7,397
Overall Contracted Income	470,897	230,747	235,631	4,883

Patient Activity & Income Month 6 2018/19

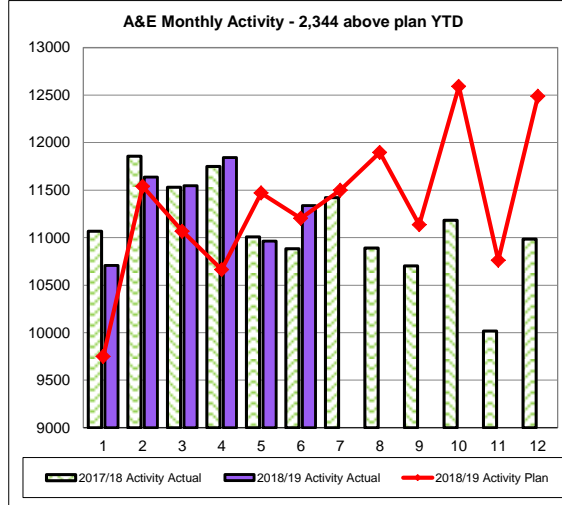
Income by Point of Delivery

A&E Attendances G			
	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£1,472	£1,514	£42
Year-to-Date M1 - M6	£8,599	£9,106	£508
Year-End Forecast	£17,873	£17,873	£0

- A&E activity is above the plan YTD but is 59 attendances lower YTD than the same period of last year. The income YTD is £237k higher than the same period of last year.

- The activity and income would suggest a more complex case mix of patients are attending the A&E Department.

- The activity will continue to be monitored.



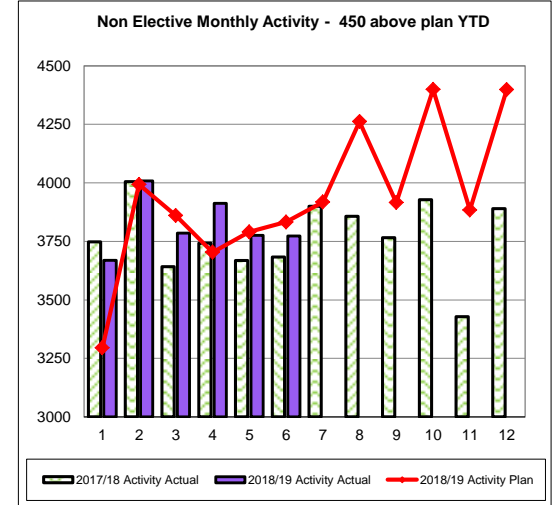
Non Elective Admissions (incl XBDs & MRET) A			
	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£9,112	£9,077	(£35)
Year-to-Date M1 - M6	£53,940	£55,323	£1,383
Year-End Forecast	£112,527	£112,527	£0

- The NEL activity is 480 spells and £2,215k higher than the same period of 2017/18.

- Trauma & Orthopaedics remains the biggest over performance at 233 spells and £1,383k.

- Paediatrics has the biggest under performance at 688 spells and £469k.

- Up to Month 6 there is a deduction of £889k for the NEL Emergency Threshold.



Day Cases R			
	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£3,201	£3,072	(£129)
Year-to-Date M1 - M6	£19,640	£18,638	(£1,002)
Year-End Forecast	£39,806	£39,806	£0

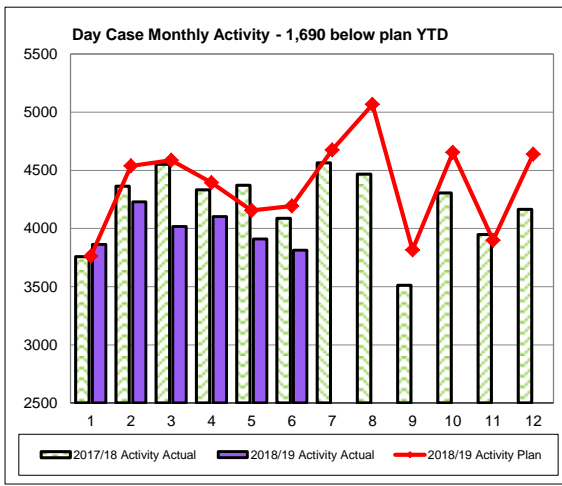
- The cumulative Day Case activity is 1,690 case below plan and £1,002k below plan. The performance continues to be investigated.

- The cumulative activity at month 6 is 1,486 cases and £889k lower than the same period of last year.

- Clinical Haematology has the biggest YTD under performance at 578 cases below plan and £476k. The performance is currently under investigation.

- General Surgery is also showing a large under performance at Month 6 at 333 cases below plan and £315k.

- Orthopaedics is under performing by 136 cases and £133k.



Elective Admissions (incl XBDs) G			
	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£2,655	£2,845	£190
Year-to-Date M1 - M6	£15,860	£16,410	£550
Year-End Forecast	£32,240	£32,240	£0

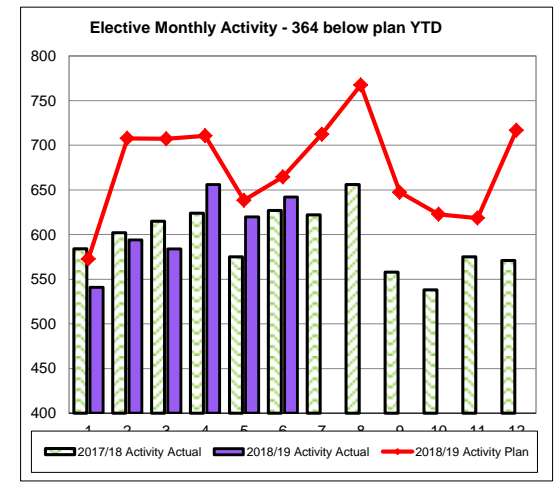
- Elective activity is 364 spells below the plan YTD but income is £550k above plan YTD.

- The activity is 8 spells higher than the same period last year with income £1,191k higher which suggests a richer case mix of activity is being seen.

- Cardiology has the biggest under performance at 130 spells and £394k.

- Urology remains under plan at 188 spells and £333k

- The under performing areas are off set by a significant over performance in T&O at 170 spells and £1,249k.

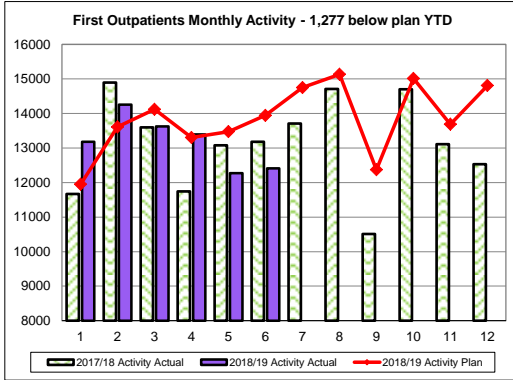


Income by Point of Delivery

	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£2,180	£1,926	(-£254)
Year-to-Date M1 - M6	£12,487	£12,295	(-£192)
Year-End Forecast	£25,875	£25,875	£0

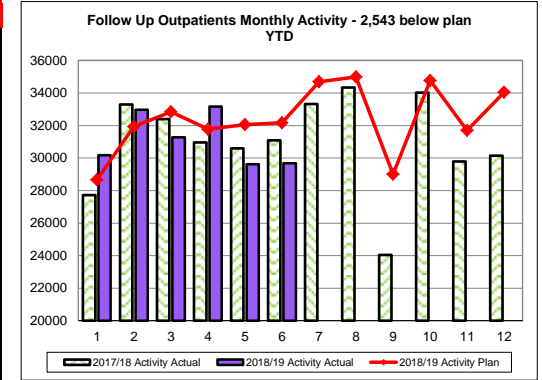
- The activity in Month 6 is 1,277 appointments below plan.
 - The biggest specialties below plan are Ophthalmology at 1,089 and Women's & Neonatal at 979 under plan.
 - Children's Services continues to be the highest over performing Directorate at 1,968 and £347k.
 - First Outpatient appointments are higher YTD than the same period last year by 851 at £319k.

Activity by Point of Delivery



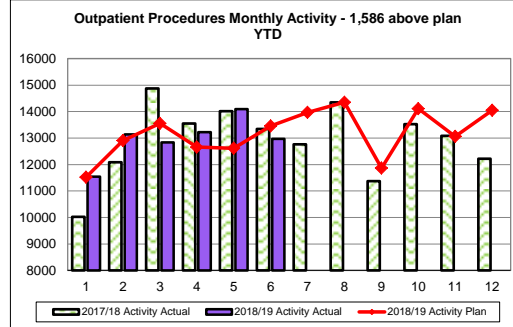
	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£2,309	£2,133	(-£176)
Year-to-Date M1 - M6	£13,571	£13,326	(-£245)
Year-End Forecast	£27,934	£27,934	£0

- The Month 6 follow up appointments are 2,543 below plan at £245k.
 - Follow Up Outpatients are 974 higher YTD than the same period last year and income is £60k higher, this relates to the year on year increase in First Outpatients.
 - The below plan areas are Dermatology, Women's & Neonatal, Critical Care and Ophthalmology.
 - Oncology and Occupational Therapy are areas significantly above plan.



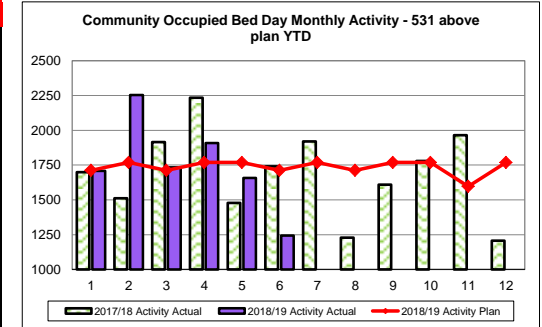
	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£1,812	£1,744	(-£68)
Year-to-Date M1 - M6	£10,395	£10,497	£102
Year-End Forecast	£21,383	£21,383	£0

- The Month 6 Outpatient Procedure activity is 1,097 above plan at £102k.
 - Ophthalmology has the biggest in month over performance at 1,391 at £148k
 - Outpatient Procedure activity is 255 lower YTD than the previous year and income is £201k higher.



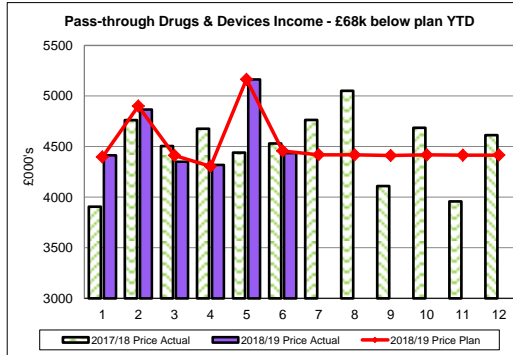
	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£3,177	£3,076	(-£101)
Year-to-Date M1 - M6	£19,237	£19,108	(-£130)
Year-End Forecast	£38,795	£38,795	£0

- Work ongoing with Wolverhampton CCG in regard to an additional £650k investment into the Community Contract. The quarter 2 review is due to take place in October.
 - District Nursing activity is 11,469 below plan. New monitoring reports have been developed and review meetings are taking place.
 - Phlebotomy activity is 4,843 above plan



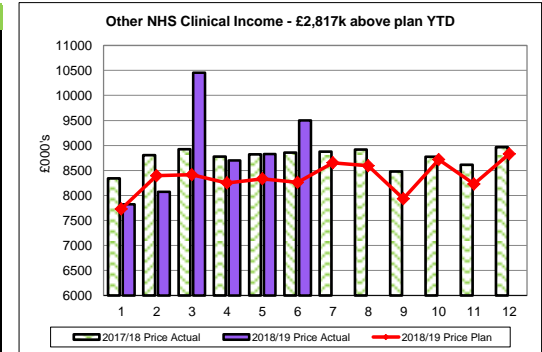
	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£4,456	£4,435	(-£21)
Year-to-Date M1 - M6	£27,637	£27,548	(-£90)
Year-End Forecast	£54,133	£54,133	£0

- The under performance in Drugs & Devices relates to the Zero Cost National Procurement initiative where high cost devices are now being commissioned centrally for the whole NHS. RWT can now order some devices at a zero cost and as such there is no value to pass-through to Commissioners. Any under performance of income is off set by an under spend in costs.



	Plan	Actual/ Forecast	Variance
	£000's	£000's	£000's
In Month M6	£8,319	£9,501	£1,182
Year-to-Date M1 - M6	£49,381	£53,380	£3,999
Year-End Forecast	£100,331	£100,331	£0

- This section relates to all other income not previously described. There is a mixture of some activity based services such as Critical Care, Renal Dialysis and Direct Access services.
 - This section also includes any technical adjustments such as Transitional Funding, Fines, Readmissions and adjustments in regard to reconciliation.





Charitable Funds

2018/19 Q2 Information

The table below shows a draft summary for information relating to the value and movement in The Royal Wolverhampton NHS Trust Charity Funds for the period 1st July 2018 to 30th September 2018. The more significant income items over £2k and spend over £4k have been detailed below along with a comparative summary table for the previous 12 months.

Opening balance 1 July 2018 £'000	Donations £'000	Investment Income £'000	Expenditure £'000	Realised Gains/(Losses) as at 30 Sept 2018 £'000	Closing balance 30 Sept 2018 £'000
2,711	123	24	(113)	0	2,745

INCOME	EXPENDITURE	PREVIOUS 12 MONTHS AT A GLANCE				
		Summary	2017/18 Q2	2017/18 Q3	2017/18 Q4	2018/19 Q1
<ul style="list-style-type: none"> • Ophthalmology - £49k – WEI League of Friends (disbanded) • NNU - £3k – WARRANT • Stroke - £4k – WARRANT • Breast Care -£4k – Garden Party • NNU - £4k – Various Fundraisers • NX General Purpose - £59k – Legacy 	<ul style="list-style-type: none"> • Maternity - £7k – Bladder Scanner • ENT - £8k – Ear Surgery Equipment • Haematology - £6k – Air Filter Units for wards • Cardiac - £21k – Ultrasound system • NNU - £13k – Video Laryngoscope • Paediatrics - £5k – Airvo Opiflow Systems • Apportioned Costs • Trust Administration and Fundraising Recharge - £27k 	Opening Balance Bfwd	2,471	2,570	2,619	2,642
		Income	215	171	553	174
		Expenditure	(116)	(123)	(452)	(105)
		Gains/(Losses)	0	1	(78)	
		Closing Balance Cfwd	2,570	2,619	2,642	2,711

Appendix A:

Income and Expenditure Account

September 2018 - Month 6								
<i>Adverse in (brackets)</i>								
2017/18 Actual to date	Current Month Plan	Current Month Actual	Current Month Variance		Annual Budget	Plan to Date	Actual to Date	Variance to Date
£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
Income								
227,937	38,694	39,324	630	Patient Activity Income	470,897	230,747	235,631	4,883
630	96	115	19	Other Patient Care Income	1,154	577	688	111
8,243	1,326	1,678	352	Education, Training & Research Income	15,326	8,245	9,052	807
13,657	2,302	2,302	0	CRN: West Midlands	27,726	13,784	13,784	0
114	364	363	(1)	Non Patient Care Other Income	4,690	2,347	2,395	48
496	70	36	(34)	Private Patient Income	821	427	451	24
14,126	3,136	3,030	(107)	Income on Directorate Budgets	33,277	17,305	17,085	(220)
265,203	45,989	46,848	859	Total Income	553,891	273,431	279,084	5,653
Expenditure								
161,901	28,116	29,311	(1,195)	Directorate Expenditure Budgets - Pay	337,625	168,371	174,064	(5,693)
52,857	8,392	8,374	18	Directorate Expenditure Budgets - Non Pay	111,436	54,821	55,546	(724)
27,477	4,701	4,609	92	Directorate Expenditure Budgets - Drugs	57,455	29,075	29,244	(169)
13,657	2,302	2,302	(0)	CRN: West Midlands	27,726	13,784	13,784	(0)
0	252	0	252	Activity Changes/Service Dev./Cost Pressures Reserves	7,000	898	0	898
0	164	0	164	Inflation and Contingency Reserves	2,039	2,467	0	2,467
0	151	0	151	Cost Improvement Savings	(18,238)	(2,520)	0	(2,520)
255,892	44,078	44,596	(518)	Total Expenditure	525,042	266,896	272,638	(5,742)
9,311	1,911	2,252	341	EBITDA Surplus/(Deficit)	28,848	6,535	6,446	(89)
21	0	0	0	Profit/(Loss) on Asset Disposals	0	0	0	0
0	0	0	0	Impairments of Fixed Assets	0	0	0	0
(7,541)	(1,353)	(1,310)	43	Depreciation	(16,282)	(7,984)	(7,862)	122
16	3	12	8	Interest Receivable	40	20	50	30
(855)	(170)	(171)	(1)	Interest Payable	(2,030)	(1,014)	(1,037)	(23)
(4,840)	(905)	(905)	0	PDC Dividends (Cost of Capital)	(10,880)	(5,440)	(5,440)	0
0	0	0	0	Unwinding of Discount	0	0	0	0
(3,887)	(514)	(123)	391	Net Surplus/(Deficit) before PSF income	(304)	(7,882)	(7,842)	40
Adjustments as per NHSI reported position								
110	19	16	(3)	Depreciation on donated assets	233	116	103	(14)
(40)	0	0	0	Donated Asset Income	0	0	(15)	(15)
0	0	0	0	Remove Impairments	0	0	0	0
(3,818)	(495)	(107)	388	Adjusted Financial Performance as NHSI (before PSF income)	(71)	(7,766)	(7,754)	12
3,463	761	533	(228)	PSF Income	11,415	3,995	2,797	(1,199)
(355)	266	426	160	Adjusted Financial Performance as NHSI (after PSF income)	11,344	(3,771)	(4,957)	(1,187)

Statement of Financial Position

Calculated Debtor Days for the year to date are:-

	M6 Actual	M6 Plan	M5 Actual
Total	13.17	11.58	14.71
Being:-			
NHS	13.96	12.55	14.32
Non NHS	9.24	5.83	16.66

The Public Sector Payment Policy sets out a target for payment of 95%, in value and volume, to be paid within 30 days of receipt. The Trust's performance against this target is:

	M6 18/19	Cumulative
- Value	65%	65%
- Volume	34%	40%
	M5 18/19	Cumulative
- Value	61%	65%
- Volume	32%	41%

In month, there has been an improvement within the figures for PSPP. Although as a whole, the 2018/19 performance on PSPP appears to have significantly deteriorated, this is not the case. Rather the Trust has reviewed the methodology and changed the practice of adding 5 days to the payment window to account for postage. The Trust is now measuring 30 days from the date of receipt in the department.

	<u>Sep 2018</u> <u>Plan</u>	<u>Sep 2018</u> <u>Actual</u>	<u>Aug 2018</u> <u>Actual</u>	<u>Movement</u> <u>in Month</u>	<u>March 2018</u> <u>Actual</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
NON CURRENT ASSETS					
Property, Plant and Equipment - Tangible Assets	332,324	330,200	329,277	923	331,547
Intangible Assets	936	1,006	1,037	(31)	1,115
Trade and Other Receivables Non Current	0	0	0	0	0
TOTAL NON CURRENT ASSETS	333,260	331,206	330,314	892	332,662
CURRENT ASSETS					
Inventories	6,357	6,578	6,333	245	6,357
Trade and Other Receivables	33,349	34,746	36,182	(1,436)	35,571
Other Current Assets	0	0	0	0	0
Cash and cash equivalents	9,490	9,289	13,421	(4,132)	16,982
TOTAL CURRENT ASSETS	49,196	50,613	55,936	(5,323)	58,910
Non Current Assets Held for Sale	800	800	800	0	800
TOTAL ASSETS	383,256	382,619	387,050	(4,431)	392,372
CURRENT LIABILITIES					
Trade & Other Payables	(47,445)	(53,692)	(58,134)	4,442	(56,176)
Liabilities arising from PFIs / Finance Leases	(1,979)	(1,979)	(1,979)	0	(1,979)
Provisions for Liabilities and Charges	(6,219)	(5,037)	(5,255)	218	(6,206)
TOTAL CURRENT LIABILITIES	(55,643)	(60,708)	(65,368)	4,660	(64,361)
NET CURRENT ASSETS / (LIABILITIES)	(6,447)	(10,095)	(9,432)	(663)	(5,451)
TOTAL ASSETS LESS CURRENT LIABILITIES	327,613	321,911	321,682	229	328,011
NON CURRENT LIABILITIES					
Other Liabilities	(4,300)	(4,292)	(4,470)	178	(5,299)
Provision for Liabilities and Charges	(581)	(581)	(581)	0	(594)
TOTAL NON CURRENT LIABILITIES	(4,881)	(4,873)	(5,051)	178	(5,893)
TOTAL ASSETS EMPLOYED	322,732	317,038	316,631	407	322,118
FINANCED BY TAXPAYERS EQUITY					
Public Dividend Capital	237,452	232,753	232,753	0	232,753
Retained Earnings	17,735	16,578	16,202	376	21,655
Revaluation Reserve	67,355	67,517	67,486	31	67,520
Donated Asset Reserve	0	0	0	0	0
Government Grant Reserve	0	0	0	0	0
Other Reserves	190	190	190	0	190
TOTAL TAXPAYERS EQUITY	322,732	317,038	316,631	407	322,118

Cash Flow as at 30th September 2018

	September	September	September	September
	Plan £'000	Actual £'000	Variance £'000	In Month Movement £'000
OPERATING ACTIVITIES				
Total Operating Surplus/(Deficit)	2,532	1,347	(1,185)	1,440
Depreciation	7,984	7,862	(122)	1,310
Fixed Asset Impairments	0	0	0	0
Donated Assets received credited to revenue but non-cash	0	0	0	0
Interest Paid	(1,032)	(1,037)	(5)	(171)
Dividends Paid	(5,671)	(5,650)	21	(5,650)
Release of PFI /Deferred Credit	0	0	0	0
(Increase)/Decrease in Inventories	0	(221)	(221)	(245)
(Increase)/Decrease in Trade/Receivables	2,223	827	(1,396)	1,470
Increase/(Decrease) in Trade/Payables	(4,000)	332	4,332	(1,160)
Increase/(Decrease) in Provisions	0	(1,182)	(1,182)	(218)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING	2,036	2,278	242	(3,224)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	19	50	31	11
Payment for Property, Plant and Equipment	(13,247)	(9,014)	4,233	(740)
Payment for Intangible Assets	0	0	0	0
Proceeds of disposal of assets held for sale (PPE)	0	0	0	0
Proceeds from Disposals	0	0	0	0
NET CASH INFLOW/(OUTFLOW) FROM INVESTING	(13,228)	(8,964)	4,264	(729)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	(11,192)	(6,686)	4,506	(3,953)
FINANCING				
New Public Dividend Capital Received	4,699	0	(4,699)	0
Capital Element of Finance Lease and PFI	(999)	(1,008)	(9)	(179)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	3,700	(1,008)	(4,708)	(179)
INCREASE/(DECREASE) IN CASH	(7,492)	(7,694)	(202)	(4,132)
CASH BALANCES				
Opening Balance at 1st April 2018	16,982	16,982	0	
Opening Balance at 1st September 2018				13,421
Closing Balance at 30th September 2018	9,490	9,289	(201)	9,289