

# Report of the Chief Financial Officer

Finance Report – May 2013  
(Month 2)

Date of meeting 24<sup>th</sup> June 2013



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# Executive Summary

- The Trusts Income and Expenditure position as at Month 2 is a surplus of £1,063k which is (£152k) below the month 2 plan. The detail can be found on page 4.
- The Trust's operating position (Earnings before interest, taxation, depreciation and amortisation – EBITDA) is adverse to plan by (£94k).
- Total income at month 2 is £63,964k which is above plan by £163k. This builds in a contingency of £502k in respect of emergency readmissions and non elective threshold adjustments. Contract patient care income for month 2 is under performing by £499k, details can be found on pages 7 – 11. This includes a deduction for emergency threshold at a revised rate yet to be formally agreed by the commissioners
- Directorate expenditure is adverse to plan by (£682k) and is analysed as follows:
  - Pay - (£570k)
  - Non Pay – (£29k)
  - Drugs – (£83k)

Further details on expenditure and performance against budget are provided on pages 13 to 21. An analysis of Reserves is provided at page 27.

- The Trust CIP target for 2013/14 is £21,283k. At month 2 £4,012k has been withdrawn from budgets, which represents 19% of the total. However £411k of this has been achieved non recurrently. Pages 24 to 26 detail the CIP schemes.

- Capital expenditure at the end of May 2013 was £1,569k against plan of £1,944k. Full year Capital Programme Plan spend is £18,676k, excluding PFI/leases. Capital Resource Limit (CRL) is expected to be agreed at TDA Plan level of £20,354k including PFI (Radiology) £2,478k and (£800k) adjustment for the assumed sale of Old Eye Infirmary. Detail can be found on pages 28 and 29 and also, within the Head of Estates Development Capital Programme Board Report.
- The closing cash balance of £23,958k is in line with plan. The Trust has a lower level of debt than planned, but this is offset by higher than planned capital cash spend.
- Compliance Framework performance against Financial Risk Ratings is shown at Page 5. This shows a risk rating of 3.7. out of a possible 5.

Performance against Financial Targets	Target	Performance	RAG
I & E Target Month 2	£1,215k	£978k	Green
CIP Target Month 2	£2,754k	£3,168k	Green
CIP Full Year Forecast	£21,283k	£15,184k	Red
CRL (Year end forecast, includes PFI related additions)	£20,354k	£20,354k	Green
EFL (Year end forecast)	(£5,366k)	(£5,366k)	Green
Capital Cost Absorption Rate (Year end)	3.50%	3.50%	Green

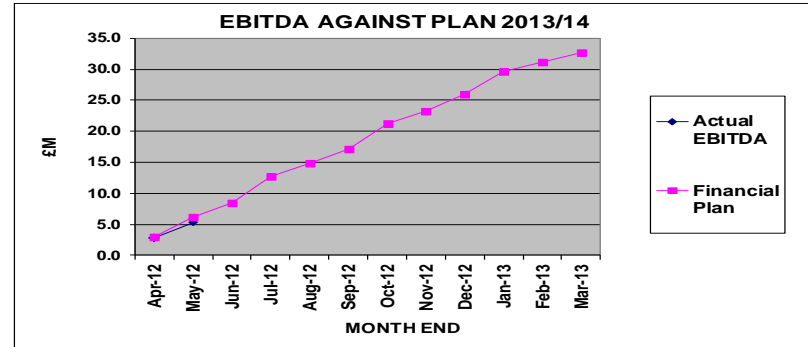
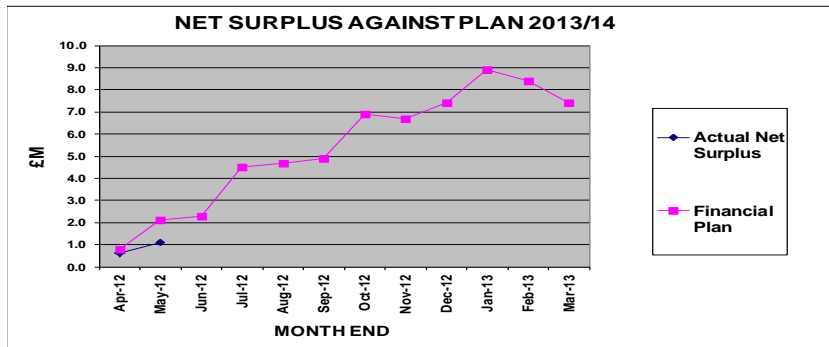
# Income & Expenditure Account

Current Month Plan	Current Month Actual	Current Month Variance		Original Plan	Annual Budget	Plan to Date	Actual to Date	Variance to Date
£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000
			<b>Income</b>					
29,317	28,842	(475)	Patient Activity Income	336,926	346,526	58,292	57,793	(499)
(251)	0	251	Patient Activity Contingency **	0	(3,010)	(502)	0	502
89	123	34	Other Patient Care Income	7,824	1,064	177	214	36
1,275	1,136	(139)	Education, Training & Research Income	10,344	12,847	2,352	2,355	2
8	8	0	Non Patient Care Other Income	0	129	129	129	0
90	166	75	Private Patient Income	1,086	1,111	181	224	43
1,547	1,566	19	Income on Directorate Budgets	16,900	17,447	3,170	3,249	79
<b>32,075</b>	<b>31,841</b>	<b>(235)</b>	<b>Total Income</b>	<b>373,080</b>	<b>376,114</b>	<b>63,800</b>	<b>63,964</b>	<b>163</b>
			<b>Expenditure</b>					
(19,818)	(19,934)	(117)	Directorate Expenditure Budgets - Pay	(231,438)	(234,003)	(39,466)	(40,036)	(570)
(6,799)	(6,853)	(55)	Directorate Expenditure Budgets - Non Pay	(78,266)	(78,213)	(13,536)	(13,565)	(29)
(2,435)	(2,522)	(87)	Directorate Expenditure Budgets - Drugs	(27,930)	(28,043)	(4,965)	(5,048)	(83)
(433)	0	433	Activity Changes/Service Dev./Cost Pressures Reserves	(18,505)	(15,639)	(1,528)	0	1,528
(268)	0	268	Inflation and Contingency Reserves	(5,572)	(4,833)	(583)	0	583
177	0	(177)	Cost Improvement Savings - Current Year	21,284	17,271	1,687	0	(1,687)
<b>(29,575)</b>	<b>(29,309)</b>	<b>266</b>	<b>Total Expenditure</b>	<b>(340,427)</b>	<b>(343,461)</b>	<b>(58,392)</b>	<b>(58,649)</b>	<b>(258)</b>
<b>2,500</b>	<b>2,531</b>	<b>31</b>	<b>EBITDA Surplus/(Deficit)</b>	<b>32,653</b>	<b>32,653</b>	<b>5,409</b>	<b>5,314</b>	<b>(94)</b>
0	0	0	Profit/(Loss) on Asset Disposals	0	0	0	0	0
(45)	0	45	Impairments of Fixed Assets	(539)	(539)	(90)	0	90
(1,250)	(1,352)	(102)	Depreciation	(15,000)	(15,000)	(2,500)	(2,651)	(151)
8	8	(0)	Interest Receivable	100	100	17	16	(1)
(133)	(134)	(1)	Interest Payable	(1,600)	(1,600)	(267)	(263)	3
(677)	(677)	(0)	PDC Dividends (Cost of Capital)	(8,120)	(8,120)	(1,353)	(1,353)	0
0	0	0	Unwinding of Discount	0	0	0	0	0
<b>403</b>	<b>377</b>	<b>(27)</b>	<b>Net Surplus/(Deficit)</b>	<b>7,494</b>	<b>7,494</b>	<b>1,215</b>	<b>1,063</b>	<b>(152)</b>

\*\* Reserve set at budget setting for reduced income due to tariff rules on emergency readmissions and non elective cap

# Financial Risk

Financial Risk Rating						
Ratio KPIs	Annual Plan	Rating	Plan to Date	Actual to Date	Rating	Definitions
EBITDA Achieved	103.5 %	5	103.5 %	103.5 %	5	Based on prior year achievement
EBITDA Margin	8.8 %	3	8.4 %	8.3 %	3	=EBITDA/Total Income
Net Return on Financing	3.0 %	4	3.1 %	2.3 %	4	=(I&E Surplus less PDC dividend, Interest, PFI financing other finance lease costs)/divided by(total debt + balance sheetPFI & Finance leases+Taxpayers equity)
I & E Surplus Margin	2.1 %	4	2.1 %	1.7 %	3	=Net Surplus/(Deficit)/Total Income
Liquidity Ratio	33.0 Days	4	30.0 days	30.2 days	4	= prior year cash plus trade debtors less trade creditors plus working capital facility expressed as days of current year operating expenses
		<b>3.9</b>		<b>Overall Rating</b>	<b>3.7</b>	



Potential financial risk indicators	Risk to RWH?	Action required
Unplanned decrease in EBITDA margin in two consecutive quarters	No	N/A
FRR 2 for any one quarter	No	N/A
Debtors > 90 days past due account for more than 5% of total debtor balances	No	N/A
Two or more changes in Finance Director in a twelve month period	No	N/A
Quarter end cash balance < 10 days of operating expenses	No	N/A
Quarterly self-certification by trust that the financial risk rating (FRR) may be less than 3 in the next 12 months	No	N/A
Working capital facility (WCF) agreement includes default clause	No	N/A
Creditors > 90 days past due account for more than 5% of total creditor balances	No	N/A
Interim Finance Director in place over more than one quarter end	No	N/A
Capital expenditure > 125% of plan for the year to date	No	N/A
Capital expenditure < 75% of plan for the year to date	No	N/A

# Risks

The level of financial risk and mitigations have been assessed. The main risks relate to CIP and contractual issues for which actions are being taken to mitigate against.

Risk	Likelihood of risk	Potential consequence rating	Risk	Current Forecast Risk £000's	Risk after Mitigation £000's	Risk After Mitigation	Mitigating Action
Cost Improvement Programme	Likely	Major	B4	5,762	5,762	B4	1. The level of financial risk of £5.7m relates mainly to schemes not identified 2. Work is continuing in order to highlight further CIP schemes and this is being monitored through the Change Programme Board
Contract income issues- Penalties, Fines, CQUIN, Readmissions, Emergency Threshold	Possible	Moderate	C3	3,277	468	C1	1. The forecast risk is based on previous performance. 2. Systems and processes are in place to ensure timely action is taken to mitigate against the risk. 3. Reserves are held to mitigate against some of these risks

Risk Rating				
	Potential Consequence Rating			
Likelihood Rating	1. Insignificant	2. Minor	3. Moderate	4 Major
A - Almost Certain	Yellow	Yellow	Orange	Red
B - Likely	Yellow	Yellow	Orange	Red
C - Possible	Green	Yellow	Orange	Orange
D - Unlikely	Green	Green	Yellow	Orange
E - Rare	Green	Green	Yellow	Orange

Overall Rating
Low
Medium
High

# SLA and Income: Actual vs. Plan by Specialty

The patient activity income as at month 2 is showing a deficit of £499k . This is influenced by non elective activity , being greater than plan up to the end of May, and a lower level of occupied bed days associated with patients in hospital at the end of May, but not yet discharged (partially completed spells).

Division	Speciality	Month 2 Variance £000	
DIVISION 1	Cardiothoracic/Cardiology	259	1
	Critical Care	108	2
	Drugs & Devices	20	
	General Surgery	-112	3
	GP Direct Access	134	4
	Gynaecology	-1	
	Head and Neck	-134	
	Obstetrics inc Scans	57	
	Ophthalmology	101	
	Other	-44	
DIVISION 1 Total	Trauma & Orthopaedics	-537	5
	Urology	-44	
		<u>-193</u>	
DIVISION 2	Accident & Emergency	-69	
	Clinical Haematology/Oncology	-82	
	Cystic Fibrosis	2	
	Drugs & Devices	-13	
	General Medicine	541	6
	GP Direct Access	-22	
	Nephrology and Dialysis	27	
	Other	-629	7
	Paediatrics	82	
DIVISION 2 Total		<u>-164</u>	
OTHER	Drugs & Devices	0	
	Other	4	
OTHER Total		<u>4</u>	
Patient Activity as per SLAM		<u>-353</u>	
NET 2012-13 over performance		420	8
Partially completed spells and other		-532	9
Community Services		-34	
Patient Activity Income		<u>-499</u>	

- 1. Cardiothoracic/ Cardiology** –the favourable variance against plan is Cardiothoracic non elective activity, which is 26 spells above plan, with an impact of £318k, with a corresponding reduction in cardiothoracic elective activity -£292k ( -33 spells below plan). The remaining over-performance is spread over the speciality,
- 2. Critical Care-** the additional critical care income of £108k, relates to case mix . There is an occupied bed day underperformance against plan of 69 days.
- 3. General Surgery** –Non Elective activity has over performed by 5 spells , with a financial underperformance of £100k. Elective activity has underperformed by 67 spells, with a loss in income of £79k
- 4. G.P. Direct Access-** the over performance is driven by over performance against the obstetric anomaly scan plan by £51k, the radiology direct access plan by £34k, and the pathology plan by £33k.
- 5. Trauma and Orthopaedics-** Non elective activity has over performed by £170k (31spells), but this is offset by underperformance against the elective plan by -£561k (-116 spells ) and planned same day by -£174k (-84 spells).
- 6. General Medicine-** the over performance is driven by non elective activity, a variance against plan of £504k, 291 spells.
- 7. Division 2 – Other -** The main loss is due to the reduction in income relating to the impact of the emergency threshold reduction of - £619k
- 8. Net 2012-13 over performance –** The £420k relates to the estimated impact of the settlements relating to 12-13 contracts, including CQUIN and additional non contracted activity
- 9. Partially Completed Spells and Other -** £425k of the loss against plan is due to the lower than usual level of occupied bed days associated with patients not yet discharged but in a bed at the end of May. There are 1901 less bed days compared to the census at the end of March 2013.

# SLA and Income: Actual vs. Plan by POD\*

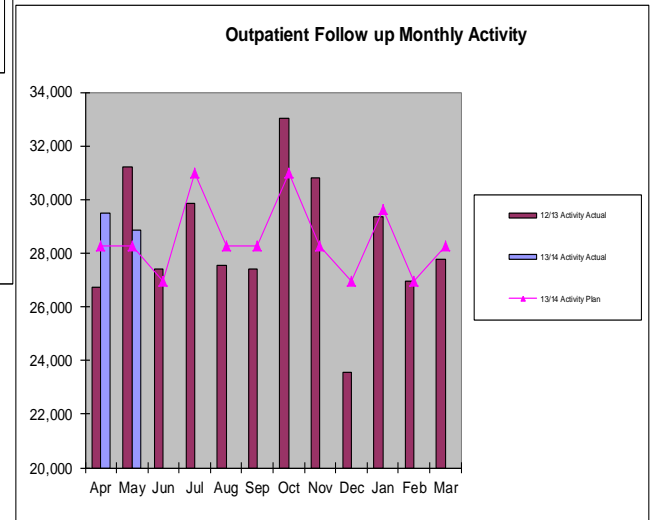
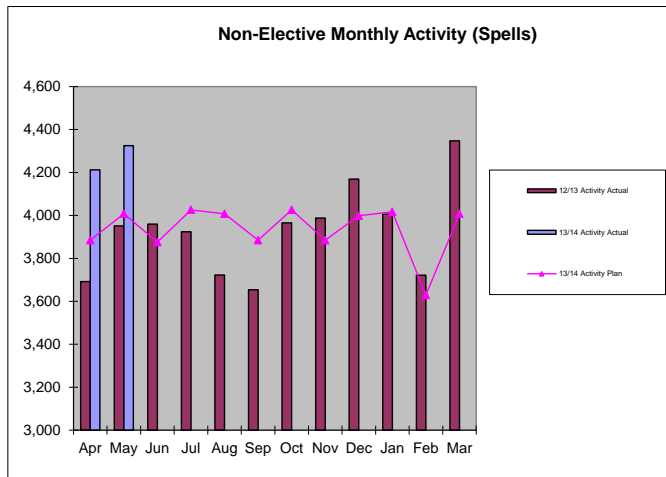
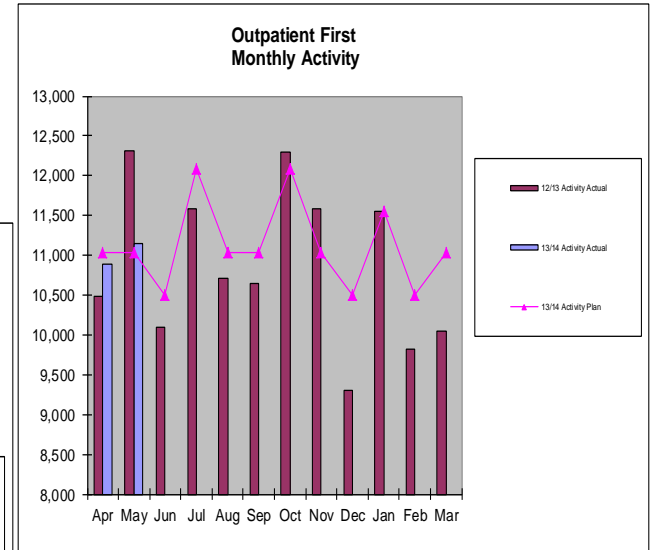
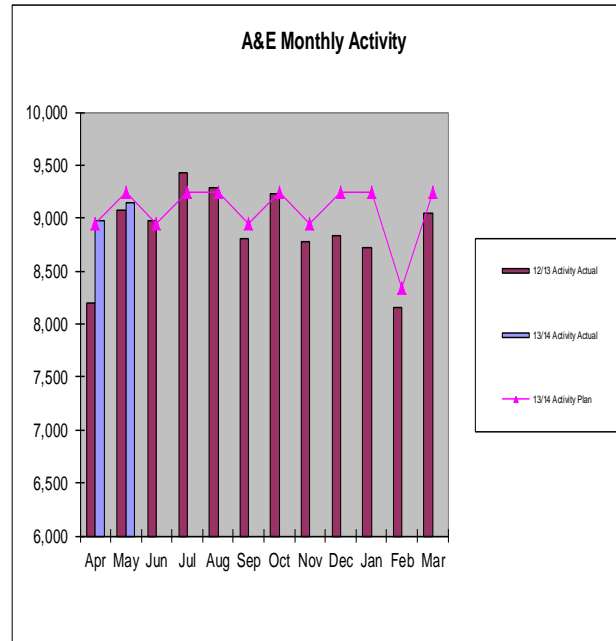
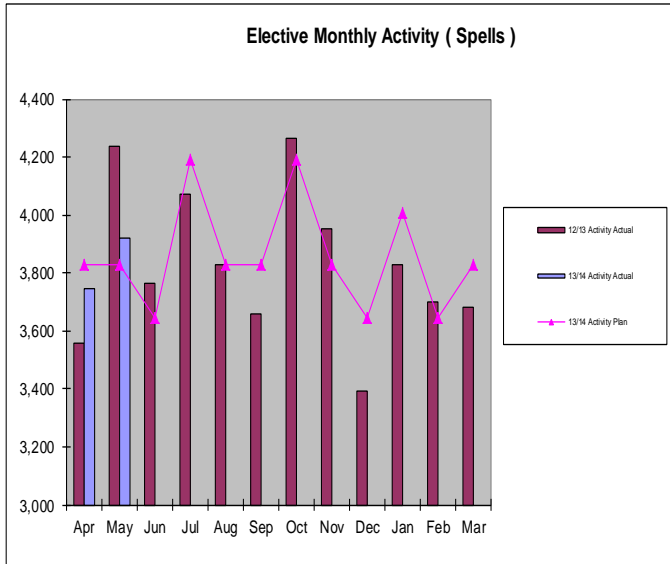
Admission Type	Annual Plan	Variance To Date	% Variance	Annual Price Plan	Variance To Date £	% Variance
	£'000	£'000		£000	£000	%
<b>Accident and Emergency</b>	108,790	(63)	-0.06%	10,769	(18)	-0.16%
<b>Critical Care</b>	20,278	(254)	-1.25%	17,289	(20)	-0.12%
<b>Elective</b>	46,291	12	0.02%	57,720	(953)	-1.65%
<b>Elective Excess Bed Days</b>	3,053	(265)	-8.67%	717	(61)	-8.56%
<b>Direct Access</b>	535,904	11,092	2.07%	5,717	134	2.35%
<b>Non-elective</b>	47,130	665	1.41%	77,728	1,319	1.70%
<b>Non-elective Excess Bed Days</b>	17,702	455	2.57%	4,121	105	2.56%
<b>Outpatient First</b>	133,395	(34)	-0.03%	18,108	77	0.43%
<b>Outpatient Follow Up</b>	342,080	1,777	0.52%	26,141	144	0.55%
<b>Outpatient Procedures</b>	43,701	(765)	-1.75%	7,045	12	0.17%
<b>Renal</b>	83,412	(1,030)	-1.23%	9,195	(100)	-1.08%
<b>Fractions</b>	37,064	(1,020)	-2.75%	6,993	(234)	-3.35%
<b>Drugs/Devices</b>	2,604	41	1.56%	20,387	6	0.03%
<b>Other</b>	44,378	172	0.39%	22,755	(765)	-3.36%
<b>Grand Total</b>	<b>1,465,782</b>	<b>10,782</b>	<b>0.74%</b>	<b>284,686</b>	<b>(354)</b>	<b>-0.12%</b>

For information, Category 'Other' includes: Chemotherapy, Lucentis, Stepdown Beds and the Non Elective Threshold Adjustment.

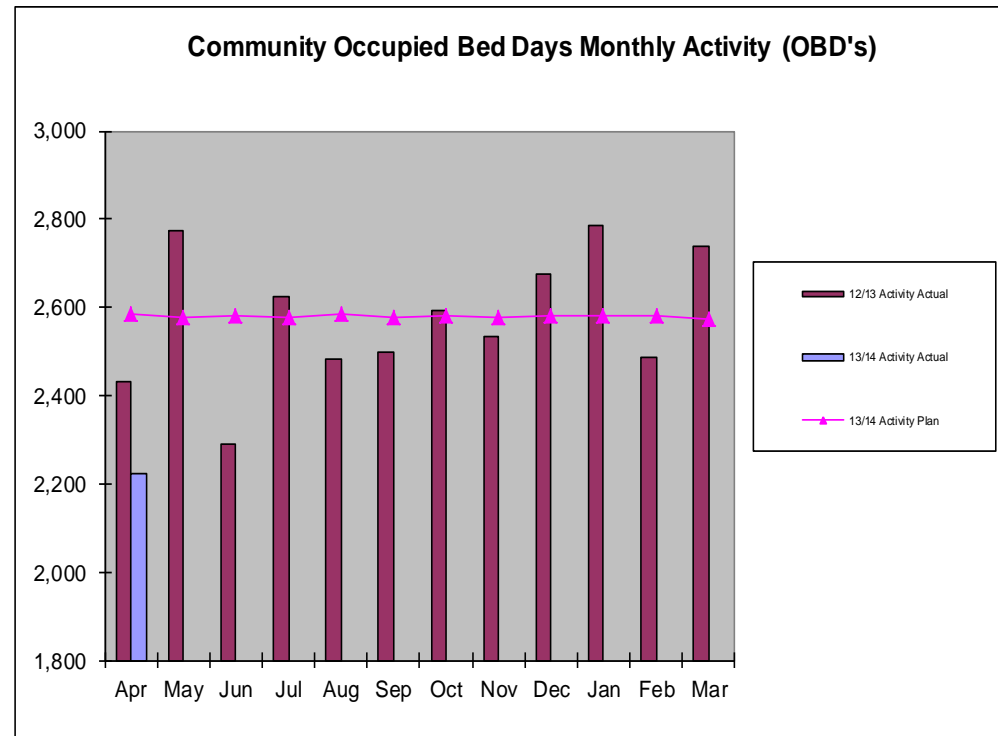
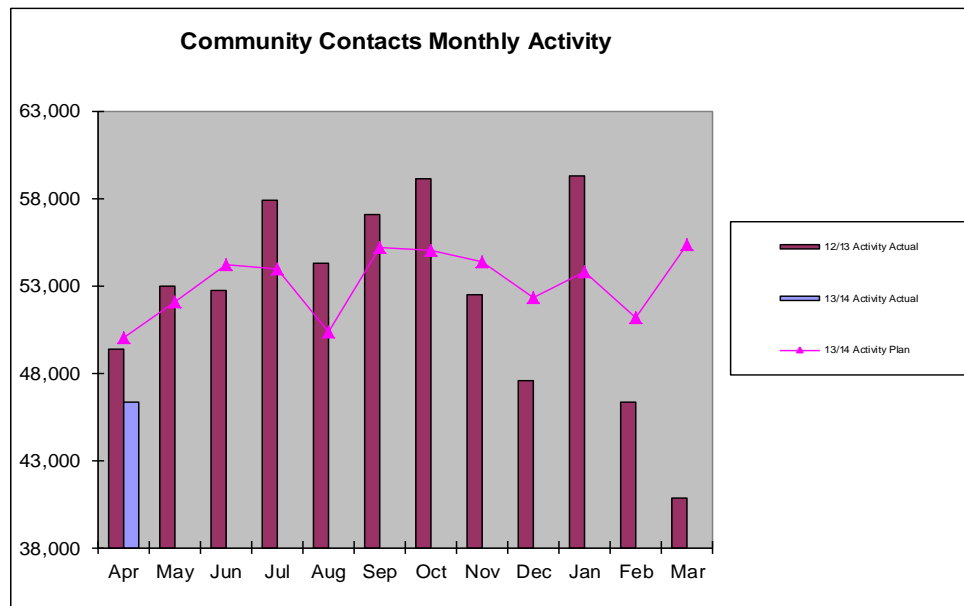
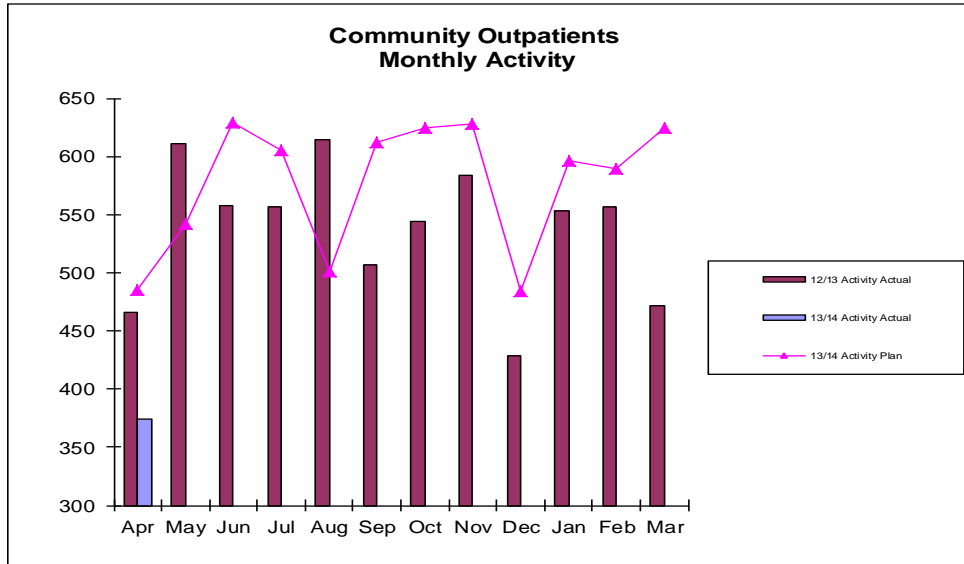
\*POD = Points of Delivery



# Performance against PCT Activity and Income trends



# Community Performance against PCT Activity and Income trends



# SLA and Income: Actual versus Plan by PCT

The table shows the position in relation to Commissioner plans at the end of month 2. Commissioner contracts have outstanding CVO's which are currently included in Anticipated Income, these changes are within the Trusts plans. The revised purchaser analysis reflects the new commissioners for 13-14.

	SLA Annual Plan	Anticipated Income Annual Plan	Plan to Date	Anticipated Income Plan to Date	Actual to date	Variance to Plan	%Variance
Commissioner	£000		£000		£000	£000	
<b>Wolves CCG</b>	137,525	(972)	23,075	(153)	23,070	148	0.6%
<b>South Staffs CCG's</b>	33,307	(189)	5,534	57	5,527	(64)	-1.2%
<b>Walsall CCG</b>	19,556	(134)	3,247	12	3,228	(31)	-1.0%
<b>Dudley CCG</b>	7,564	(43)	1,256	2	1,139	(119)	-9.5%
<b>Other CCG's</b>	8,483	10	1,408	54	1,603	141	10.0%
<b>CCG Acute Services Total</b>	<b>206,433</b>	<b>(1,328)</b>	<b>34,521</b>	<b>(28)</b>	<b>34,566</b>	<b>73</b>	<b>0.2%</b>
<b>Local Authorities</b>	<b>1,260</b>		<b>208</b>		<b>245</b>	<b>36</b>	<b>17.4%</b>
<b>Shared Care agreements</b>	<b>504</b>		<b>83</b>		<b>86</b>	<b>2</b>	<b>2.9%</b>
<b>Anticipated - Income and CVO's</b>	<b>(1,035)</b>	<b>1,035</b>	<b>265</b>	<b>(265)</b>	<b>0</b>	<b>(0)</b>	<b>-0.1%</b>
<b>NCA</b>	<b>1,712</b>		<b>285</b>		<b>336</b>	<b>51</b>	<b>17.8%</b>
<b>National Commissioning Board (Acute )</b>	<b>1,548</b>		<b>258</b>		<b>258</b>	<b>0</b>	<b>0.0%</b>
<b>Specialised services</b>	<b>74,263</b>	<b>293</b>	<b>12,339</b>	<b>293</b>	<b>12,116</b>	<b>(516)</b>	<b>-4.2%</b>
<b>Sub Total</b>	<b>284,686</b>	<b>0</b>	<b>47,960</b>	<b>0</b>	<b>47,607</b>	<b>(354)</b>	<b>-0.7%</b>
<b>Community Services</b>	<b>50,607</b>		<b>8,457</b>		<b>8,423</b>	<b>(34)</b>	<b>-0.40%</b>
<b>GRAND TOTAL</b>	<b>335,293</b>	<b>0</b>	<b>56,417</b>	<b>0</b>	<b>56,030</b>	<b>(388)</b>	<b>-0.7%</b>

# Expenditure by Directorate

## Trust Wide Summary

(£258k) overspend in month, (£682k) overspend ytd

	Manpower WTEs This Month			VARIANCES Cumulative Against Budget											Patient income against budget Variance	
				Pay		Non Pay		Drugs		Total (pre CIP)		CIP	Total (incl CIP)			
	Budget	Actual	% var	£'000	%	£'000	%	£'000	%	£'000	%	£'000	£'000	%	£'000	%
Division 1	2,124	2,024	4.7%	(277)	(1.7%)	(154)	(2.9%)	33	2.9%	(398)	(1.8%)	(854)	(1,253)	(5.8%)	(193)	(2.81%)
Division 2	2,534	2,464	2.8%	(478)	(2.9%)	(54)	(1.9%)	(106)	(2.8%)	(638)	(2.8%)	(594)	(1,232)	(5.5%)	(164)	0.02%
Estates and Facilities	643	607	5.6%	95	3.3%	102	4.5%	(13)		184	3.6%	(290)	(106)	(2.2%)		
Chief Operating Officer	5	4	5.7%	(1)	(0.9%)	3	83.2%	0		2	2.7%	65	67	43.5%		
<b>Total Operations Directorate</b>	<b>5,306</b>	<b>5,100</b>	<b>3.9%</b>	<b>(660)</b>	<b>(1.9%)</b>	<b>(103)</b>	<b>(1.0%)</b>	<b>(86)</b>	<b>(1.7%)</b>	<b>(850)</b>	<b>(1.7%)</b>	<b>(1,674)</b>	<b>(2,523)</b>	<b>(5.1%)</b>	<b>(357)</b>	<b>(2.79%)</b>
Corporate Directorates & Other	756	741	2.0%	90	2.1%	74	2.5%	3	29.4%	167	3.7%	(13)	154	2.1%	(142)	(10.40%)
<b>Total Directorate Expenditure</b>	<b>6,062</b>	<b>5,841</b>	<b>3.6%</b>	<b>(570)</b>	<b>(1.4%)</b>	<b>(29)</b>	<b>0.5%</b>	<b>(83)</b>	<b>(1.7%)</b>	<b>(682)</b>	<b>(1.0%)</b>	<b>(1,687)</b>	<b>(2,369)</b>	<b>(4.0%)</b>	<b>(499)</b>	<b>(1.10%)</b>

Monthly Manpower Figures in WTEs:-	Budget	Actual
April	6,029	5,914
May	6,054	5,841
June		
July		
August		
September		
October		
November		
December		
January		
February		
March		

Note: Wte's are now adjusted to reflect vacancy factor

### Memorandum:

#### Net Trading Position (Income and Cost only)

	This Month		Last Month	
	Pre CIP	Post CIP	Pre CIP	Post CIP
	£'000	£'000	£'000	£'000
Division 1	(3,602)	(4,457)	(3,412)	(4,075)
Division 2	1,087	493	1,433	777
	<b>(2,515)</b>	<b>(3,964)</b>	<b>(1,979)</b>	<b>(3,298)</b>

# Expenditure Commentary

## Trust Wide Summary

(£258k) overspend in month, (£682k) overspend ytd

- The expenditure exception report on pages 14 to 23 provide details on the main areas of adverse movement. An exception is defined as an adverse monthly movement of £100k or more and/or 10%, but above a minimum of £20k.

### Total Operations Expenditure

- The pay overspend includes overspends for Division 1 (£274k), Division 2 (£187k) and being slightly offset by an underspend in Estates & Facilities of £25k. Division 1 over spend relates partially to Waiting List Initiatives in Cardiothoracic, Orthopaedics, and Ophthalmology. In addition Nurse Bank usage covering sickness and maternity leave and agency medical staff covering on call rotas. Division 2 overspend relates to the additional capacity wards and continued use of agency staff to backfill vacancies and long term sick and on the wards the use of nurse bank covering vacancies, maternity leave and sickness. Estates and Facilities underspend relates to vacant posts in Estates Management, Hotel Services, Medical Physics
- On non pay, Division 1 is over spent by (£154k) this is caused mainly by double running costs experienced when moving into the New Pathology Building in month 1 (£86k), in addition to smaller overspends in other Directorates. The non pay position in Division 2 shows an over spend of (£91k), this is mainly due to increased spend on consumables and blood in Emergency and Gastro, wheelchairs and limbs in Rehabilitation. Estates & Facilities are under spent by £33k due to catering, mattress decontamination and bed maintenance
- The drugs underspend relates to £45k in Division 1, partially offset by overspends in Division 2 (£64k) and (£11k) in Estates & Facilities.

### Total Corporate and Trading accounts

- The pay under spend is due to vacancies across several directorates, and a £6k underspend on Trading Accounts.
- The non-pay over spend mainly relates to the Trading Accounts which is off set by income.
- Further details and actions are on the following pages.

### Operations Divisions Expenditure

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(497)	(660)	(163)	(1.87%)
Non pay	84	(103)	(187)	(0.98%)
Drugs	1	(86)	(87)	(1.74%)
<b>Total</b>	<b>(412)</b>	<b>(850)</b>	<b>(438)</b>	<b>(1.68%)</b>

### Corporate and Trading Accounts Expenditure

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	43	90	47	2.12%
Non pay	(58)	74	133	2.45%
Drugs	3	3	0	29.43%
<b>Total</b>	<b>(12)</b>	<b>167</b>	<b>180</b>	<b>0.29%</b>

<b>Total</b>	<b>(424)</b>	<b>(682)</b>	<b>(258)</b>	<b>(1.18%)</b>
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# Expenditure Exception Report

**Total Operational Directorate** (£438k) overspend in month, (£850k) overspend ytd

**Division 1** (£190k) overspend in month, (£398k) overspend ytd

Of the (£398k) overspend the pay overspend (£274k) mainly relates to locum and agency costs for medical staff covering vacancies to ensure compliant rotas (£78k), Waiting List Initiatives (£91k) . There are also overspends on nursing (£92k) due to bank staff covering sickness and maternity leave, being offset by vacancies elsewhere.

The non pay overspend position (£154k) relates to a number of areas where smaller overspends have occurred the more significant areas (General Surgery, Head and Neck and Obstetrics & Gynaecology) are detailed later in this report, offset by small underspends in Radiology, Critical Care, Ophthalmology and Pathology.

The Pay and Non Pay overspends are partially offset by an underspend on drugs (£64k).

## ▪ General Surgery

### Current Position

- Non Pay is overspent due to costs incurred within Theatres. This is due to a reduction in Budget taking place relating to procedures of limited clinical value , but the corresponding loss of activity has not yet been experienced.

### Actions

- The Directorate are currently reviewing the POLCV criteria to ensure the reduction in activity takes place and monitor its impact.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(38)	(67)	(29)	(5.5%)
Non Pay	7	(25)	(31)	(10.1%)
Drugs	(11)	(18)	(8)	(35.8%)
<b>Total</b>	<b>(42)</b>	<b>(110)</b>	<b>(68)</b>	<b>(7.3%)</b>

## Division 1

(£190k) overspend in month, (£398k) overspend ytd

### ▪ Obstetrics & Gynaecology

#### Current Position

- Non Pay is overspent in month primarily due to charges received from Birmingham Women's Hospital in respect of Antenatal Screening. These charges for April and May (£9k) have not been levied on RWT prior to this month and investigatory work is in progress.
- The balance of the overspend is within the Delivery Suite where costs have increased due to the activity case mix in month.

#### Actions

- Work continues to be done to understand the charges incurred and whether these should be paid or the accrual reversed

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(8)	(12)	(3)	(0.5%)
Non Pay	(13)	(37)	(24)	(16.1%)
Drugs	3	(2)	(5)	(3.1%)
<b>Total</b>	<b>(18)</b>	<b>(50)</b>	<b>(32)</b>	<b>(2.0%)</b>

### ▪ Head & Neck

#### Current Position

- Non Pay shows an over spent position due to a number of reasons: £19k due to an accrual not being undertaken in April relating to costs associated with the Dental tender, (this showed as an underspend in April). £2.5k Maintenance Contract which covers one year of cost , £6k Course Fees and the balance £5.5k relates to Procedures of Limited Clinical Value where budget has been removed but the corresponding reduction in activity has not been seen.

#### Actions

- The provision and POLCV is being monitored monthly, the maintenance charge will be spread across the months to which it relates and the course fee payment is being investigated to see if this can be recharged.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(15)	(28)	(13)	(2.4%)
Non Pay	1	(32)	(33)	(15.4%)
Drugs	5	8	3	32.3%
<b>Total</b>	<b>(9)</b>	<b>(52)</b>	<b>(43)</b>	<b>(3.7%)</b>

## Division 2

(£342k) overspend in month, (£638k) overspend ytd

The in month pay position is an overspend of (£187k). The main area of overspend relates to staffing costs associated with ward B7 (£74k), A&E, Stroke, Oncology & Clinical Haematology's and the additional capacity wards use of agency for medical staff to cover vacancies, sickness and maternity leave (£125k). Other overspends relate to Dermatology waiting lists for community activity (£22k). This is offset by underspends in Children's Group, Medical Group and Therapies due to vacancies across the groups.

Non pay is overspent in month by (£91k), this is mainly attributable to overspends within Emergency Group for high spends on consumables, blood products and blood gases (£42k), Rehabilitation due to high spend on wheelchairs and limbs (£36k) and Children's Group due to Health Visitors relocating to children's centres and implementation of a uniform policy (£10k).

The in month drugs position is an overspend of (£64k), occurring mainly in Oncology and Clinical Haematology.

## ▪ A&E

### Current Position

- The overspend in month relates to JMS vacancies being backfilled by agency during May.

### Actions

- JMS vacancies will continue to be monitored.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(60)	(75)	(15)	(6.5%)
Non Pay	(5)	(34)	(28)	(47.8%)
Drugs	(4)	(8)	(4)	(37.6%)
<b>Total</b>	<b>(69)</b>	<b>(117)</b>	<b>(47)</b>	<b>(9.4%)</b>



## Division 2

(£342k) overspend in month, (£638k) overspend ytd

### ▪ Clinical Haematology

#### Current Position

- The pay overspend relates to the use of locum consultants to cover long term sick and activity relating to the Haematology service.
- The non pay underspend relates to blood products expenditure lower than budget due to patient mix.

#### Actions

- The expenditure for the additional locum relating to Haematology Services is being monitored against activity levels.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(36)	(54)	(18)	(12.5%)
Non Pay	6	33	27	22.8%
Drugs	1	(6)	(7)	(1.0%)
<b>Total</b>	<b>(29)</b>	<b>(27)</b>	<b>2</b>	<b>(2.2%)</b>

### ▪ Divisional Management

#### Current Position

- The overspend in month relates to expenditure on the additional capacity wards B7, and JMS vacancies backfilled by agency which is in excess of agreed funding.

#### Actions

- The expenditure on additional capacity continues to be monitored against activity levels. Ward B7 is due to close the 1<sup>st</sup> July 2013.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(108)	(232)	(123)	(40.9%)
Non Pay	(2)	(6)	(5)	(25.6%)
Drugs	(5)	(12)	(8)	
<b>Total</b>	<b>(115)</b>	<b>(250)</b>	<b>(136)</b>	<b>(42.4%)</b>

## Division 2

(£342k) overspend in month, (£638k) overspend ytd

### Renal

#### Current Position

- The under spend within the Renal non pay budget reflects the current activity underperformance.

#### Actions

- Continue to monitor expenditure alongside activity performance.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	3	6	4	0.7%
Non Pay	75	122	47	16.7%
Drugs	7	11	4	10.9%
<b>Total</b>	<b>85</b>	<b>140</b>	<b>55</b>	<b>8.1%</b>

### Dermatology

#### Current Position

- The pay overspend is due to additional payments to consultants for clinics to accommodate community activity.

#### Actions

- The expenditure on additional payments continues to be monitored against activity performance.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(15)	(37)	(22)	(24.2%)
Non Pay	(2)	(6)	(4)	(86.1%)
Drugs	1	4	3	8.2%
<b>Total</b>	<b>(16)</b>	<b>(39)</b>	<b>(23)</b>	<b>(18.8%)</b>

## Division 2

(£342k) overspend in month, (£638k) overspend ytd

### ▪ Gastro & Endoscopy

#### Current Position

- The overspend within the non pay relates to consumables associated with increased activity including endoscopy procedures.

#### Actions

- Continue to monitor expenditure alongside activity performance.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(0)	5	6	0.9%
Non Pay	(5)	(62)	(57)	(40.7%)
Drugs	(14)	(13)	1	(9.2%)
Total	(19)	(70)	(51)	(7.7%)

### ▪ Rehabilitation

#### Current Position

- The overspend within non pay relates to increased expenditure on limbs and wheelchairs due to increased demand for occasional users and the purchase of electric wheelchairs

#### Actions

- Continue to monitor expenditure against budget for the remainder of the year.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	10	7	(3)	1.5%
Non Pay	2	(33)	(36)	(22.5%)
Drugs	(1)	0	1	1.1%
Total	12	(26)	(38)	(4.3%)

## Estates and Facilities

£93k underspend in month, £184k underspend ytd

The £71k underspend on pay is mainly a result of vacancies, reduction in bank staff usage, overtime and enhanced payments in a number of areas including Estates Management £32k, Medical Physics £19k, and Hotel Services £14k

The £22k underspend on non pay and drugs is a number of underspends across many budget areas. This will continue to be reviewed.

### Estates

#### Current Position

- The in month favourable movement relates to £24k of vacant posts within Buildings & Grounds, Industrial and Estates Management. £9k also relates to charges for additional work carried out within the clinical directorates

#### Actions

- No actions to be taken

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	12	45	32	9.7%
Non Pay	9	4	(5)	0.4%
<b>Total</b>	<b>21</b>	<b>49</b>	<b>28</b>	<b>3.5%</b>

## Total Corporate & Other Directorates

£277k underspend in month, £267k underspend ytd

### ▪ Infection Prevention

#### Current Position

- Savings on continence products relating to reduced usage

#### Actions

- Ongoing savings to be reviewed

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	(7)	6	13	3.0%
Non Pay	7	30	23	22.6%
<b>Total</b>	<b>(0)</b>	<b>36</b>	<b>36</b>	<b>10.9%</b>

### ▪ Patient Experience

#### Current Position

- Interpreting costs for May overspent by £26k, due to increased usage particularly sign language

#### Actions

- Continual monitoring, and work to encourage telephone interpreting.

	YTD Variances £000			YTD % Var
	Month 1	Month 2	Movement	
Pay	2	5	2	13.5%
Non Pay	(10)	(35)	(25)	(119.8%)
<b>Total</b>	<b>(7)</b>	<b>(30)</b>	<b>(23)</b>	<b>0.0%</b>

# Pay Reporting

Budget and worked WTE include agency, locum and bank staff. The below table shows the ytd WTE variance by division together with an analysis of ytd pay costs by division.

	Budget WTE	Actual Paid WTE	Pay (Over)/Under £000s	Pay Spend by Category (cumulative to date £000s)						Total Pay
				Agency	Medical Locums	Bank	Employed	Overtime	WLI	
Division 1	2,124	2,024	(277)	119	124	256	15,245	214	152	16,111
Division 2	2,534	2,464	(478)	558	216	481	15,528	145	0	16,927
Facilities & Estates	643	607	95	2	0	144	2,468	144	0	2,758
Chief Operating Officer	5	4	(1)	0	0	0	87	0	0	87
<b>Total Operations Directorate</b>	<b>5,306</b>	<b>5,100</b>	<b>(660)</b>	<b>679</b>	<b>340</b>	<b>881</b>	<b>33,327</b>	<b>503</b>	<b>152</b>	<b>35,882</b>
Corporate Directorate & Other	756	741	90	93	0	0	4,006	55	0	4,154
<b>Total Directorate Pay Expenditure</b>	<b>6,062</b>	<b>5,841</b>	<b>(570)</b>	<b>772</b>	<b>340</b>	<b>881</b>	<b>37,333</b>	<b>558</b>	<b>152</b>	<b>40,036</b>

- Division 1 – Overall Division 1 has a positive variance of 100 WTE. However, this has not resulted in savings. The key reasons for the overspend are a) agency and bank usage; and b) Waiting List Initiatives which do not attract WTE.
- Overall Division 2 has a positive manpower variance of 70 WTE. However, pay is over spending in total due to the additional costs of using agency, locums, bank staff and payments for overtime.

### Analysis of Agency in Non Clinical

### Agency / Locum / Bank Spend

	CURRENT YEAR		PREVIOUS YEAR			
	YTD Spend 13/14		YTD Spend 12/13		Total Spend 12/13	
	£000s	£000s	£000s	£000s	£000s	£000s
	Bank	Agency	Bank	Agency	Bank	Agency
Medical	71	603		694	99	4,063
Nursing - qual	364		338	2	2,057	74
Nursing - other	302		202		1,522	
PAMS						
Scientific & technical		43		60		640
Non-clinical	141	126	150	133	823	925
<b>Total</b>	<b>880</b>	<b>772</b>	<b>690</b>	<b>889</b>	<b>4,501</b>	<b>5,701</b>

	Current Year £000s	Last Year £000s
Operations		
Division 1	21	
Division 2	10	11
Community Services		
Estates & Facilities	2	1
Chief Operating Officer		
<b>Sub-total</b>	<b>33</b>	<b>12</b>
Corporate		
Chief Executive		
Finance Director	68	94
Nurse Director		
Medical Director	5	0
HR	12	
Estates Development	1	6
R&D	7	21
<b>Sub-total</b>	<b>93</b>	<b>121</b>
<b>Total Non-Clinical agency</b>	<b>126</b>	<b>133</b>

# Pay reporting

Budget and worked WTE include agency, locum and bank staff. The table below takes the current WTE Actual (worked) vs budget for the month and analyses this by category (employed, overtime, agency, locum etc.) together with the month and ytd spend and compares this to the same month last year.

Pay Category	CURRENT YEAR 2013/14				LAST YEAR 2012/13				% YTD Month 2 Spend Increase Between Years
	WTE Budget in Month	WTE Actual (Worked) in Month	Current Month Spend £000	YTD Spend £000	Average Worked WTE	Month 2 Spend £000	YTD Spend to Month 2 £000	Average Monthly Spend £000	
Employed	6,029	5,643	18,653	37,333	5,656	18,296	36,344	18,326	3%
Overtime	0	(0)	246	558	1	241	498	246	12%
Agency Staff	19	42	403	772	42	520	889	475	-13%
Medical Locum Staff	3	17	189	340	13	158	322	153	5%
Bank	10	139	386	881	131	280	689	379	28%
WLI	0	0	56	152	0	116	182	92	-16%
<b>Total</b>	<b>6,062</b>	<b>5,841</b>	<b>19,934</b>	<b>40,036</b>	<b>5,843</b>	<b>19,610</b>	<b>38,925</b>	<b>19,671</b>	<b>3%</b>

## CIP Monitoring All Trust Schemes

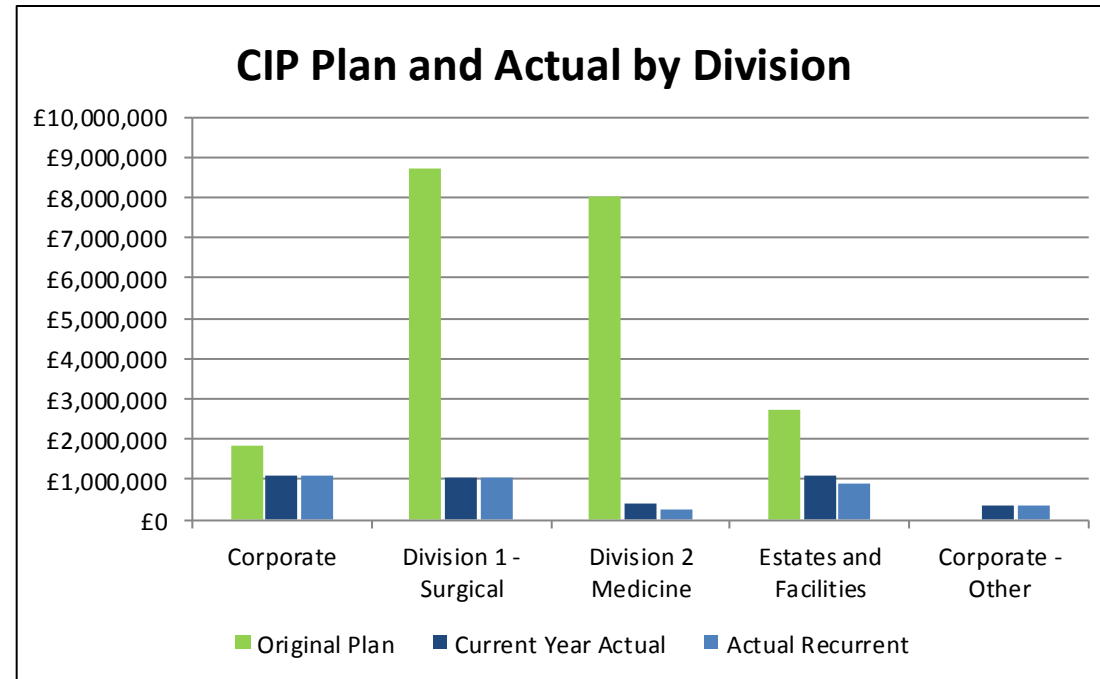
The Trust CIP target is £21.28m, which comprises of £14.74m for 2013/14 and £6.54m brought forward from 2012/13. The table below summarises the target CIP for each Division and the actual achieved. The position for May shows a withdrawal of CIP from annual budget of £4.012m representing 19% of the total.

CIP MONITORING	2013/14						Non recurrent element withdrawn from budget £000
	Annual Plan £000	Blue (withdrawn from budgets) £000	Still to be achieved Categorised by Risk Rating				
			Total £000	Green £000	Amber £000	Red £000	
<b>2013/14 Schemes</b>							
Corporate	1,818	1,105	713	0	1,593	(880)	(18)
Corporate (other)	0	337	(337)	0	0	(337)	0
Division 1	8,717	1,043	7,674	0	4,334	3,340	(12)
Division 2	8,022	415	7,607	0	5,225	2,382	(140)
Estates & Facilities	2,726	1,113	1,613	0	356	1,257	(241)
<b>Total 2013/14 Schemes</b>	<b>21,283</b>	<b>4,012</b>	<b>17,271</b>	<b>0</b>	<b>11,509</b>	<b>5,762</b>	<b>(411)</b>



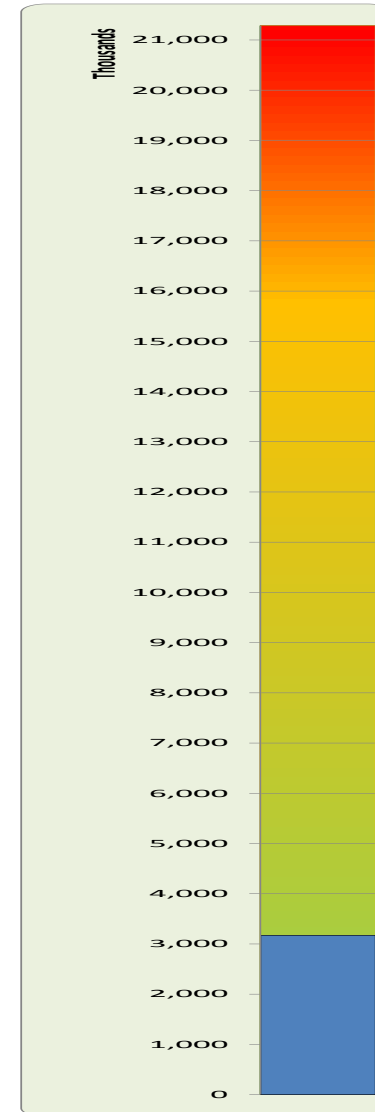
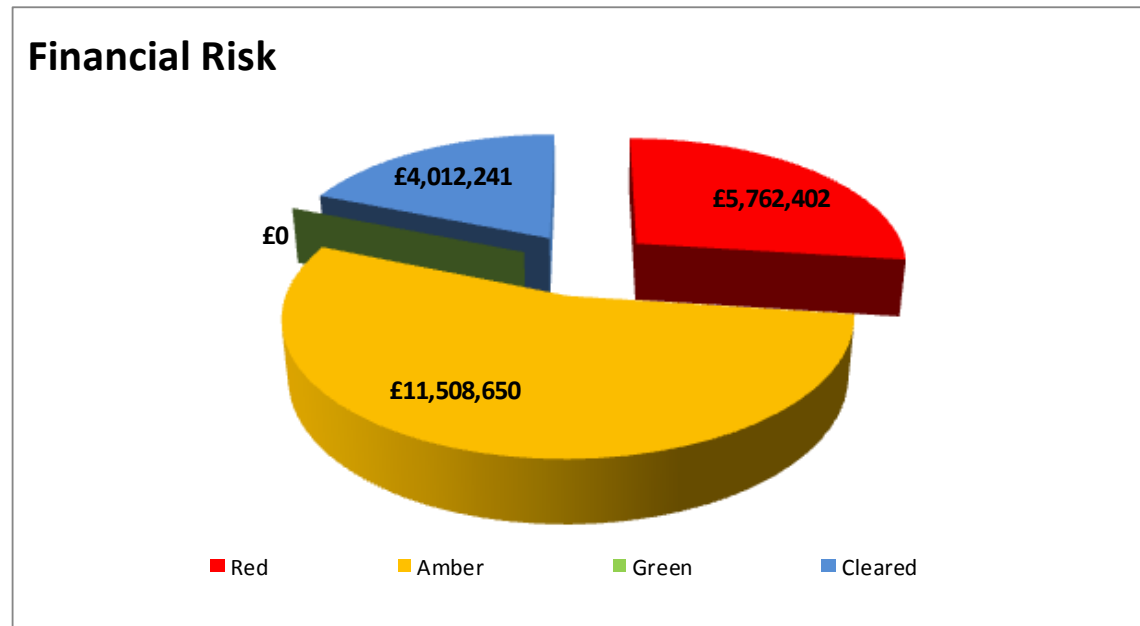
# CIP Monitoring by Division

	Original Plan	CIP Target	Current Year Actual	Actual Recurrent
Corporate	£1,818,161	£1,818,161	£1,104,856	£1,087,356
Division 1 - Surgical	£8,717,100	£8,717,100	£1,042,917	£1,030,791
Division 2 Medicine	£8,022,095	£8,022,095	£414,754	£274,255
Estates and Facilities	£2,725,938	£2,725,937	£1,112,967	£871,759
Corporate - Other	£0	£0	£336,747	£336,747
	<b>£21,283,294</b>	<b>£21,283,293</b>	<b>£4,012,241</b>	<b>£3,600,908</b>



# CIP Risks and Programme Status

Financial Risk Summary	Red	Amber	Green	Cleared	Total
Corporate	-£879,645	£1,592,950	£0	£1,104,856	<b>£1,818,161</b>
Division 1 - Surgical	£3,339,706	£4,334,477	£0	£1,042,917	<b>£8,717,100</b>
Division 2 Medicine	£2,382,480	£5,224,861	£0	£414,754	<b>£8,022,095</b>
Estates and Facilities	£1,256,608	£356,362	£0	£1,112,967	<b>£2,725,937</b>
Corporate - Other	-£336,747	£0	£0	£336,747	<b>£0</b>
<b>Totals</b>	<b>£5,762,402</b>	<b>£11,508,650</b>	<b>£0</b>	<b>£4,012,241</b>	<b>£21,283,293</b>



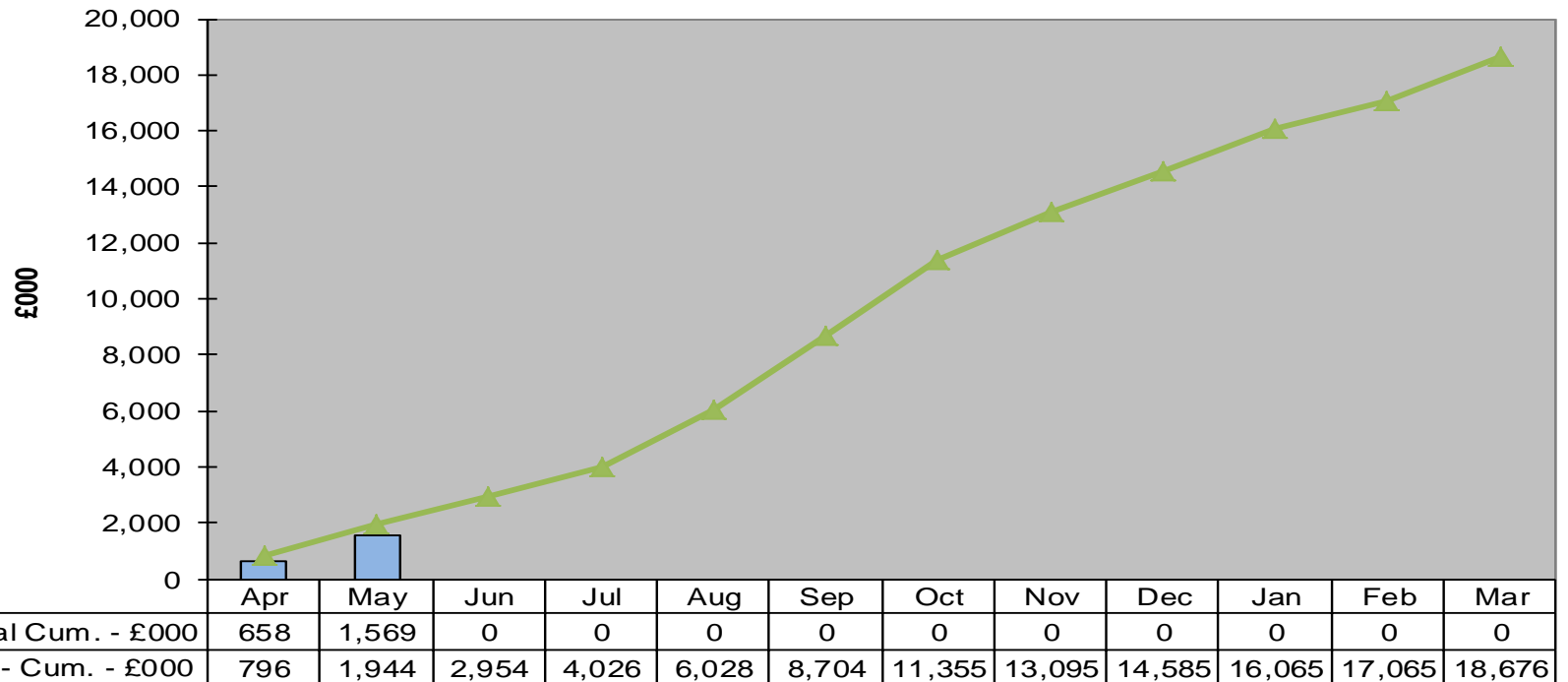
# Reserves

Reserve	Current Month £'000	Month 01 £'000	Movement £'000	
Cost Pressure	2,527	2,940	(413)	Funding into budgets for Activity Pressures Contingency £67k, Community Cost Pressures £181k, Winter Pressures Business Case £59k, Medical Physics £27k, Training & Dev Work Exp support £26k, Infection Prevention £24k
Activity and Developments	10,523	10,819	(296)	Includes funding into reserves for CEAs on Consultant leavers £22k; Less amounts into budgets for Diabetes 5th Consultant £44k, Impact of Patient Activity £100k, Activity Pressures £117k, Paeds Best Practice £37k, Nursing Workforce £96k
Quality	883	907	(24)	Includes funding into reserves for Tissue Viability £14k, IV Team £18k, less funding into budgets for Comm High Risk Patients Coag Check £55k, CritCare PPE new eqpt £8k
Drugs and Devices	827	586	241	Includes income into reserves for Excluded Drugs £290k, ICDF Drugs £109k and Step Down Beds £17k; Less funding into budgets for Insulin Pumps £75k, Excluded Drugs £100K
Non Recurrent Support	726	1,139	(414)	Funding into budgets for Pathology Project Mgr £32k, Locum & Agency Costs £42k, Locum Radiologist £74k, SLR Accountant £57k, IV Team £37k, SSI £26k, Tissue Viability £28k, Surgical Trollies £51k, Supply Savings Collaborative £50k
	<b>15,486</b>	<b>16,392</b>	<b>(906)</b>	
Inflation and Contingency	4,833	6,693	(1,860)	Movement for Vascular Activity plan £1,560k, plus funding into budgets for NHS Supply Chain Inflation £228k, Postage £17k, Food provisions price increases £32k
Patient Activity Contingency	3,010	3,010	0	
<b>Grand Total Reserves</b>	<b>23,329</b>	<b>26,095</b>	<b>(2,766)</b>	

# Capital Expenditure

The Trust Capital Programme for 2013-14 is £18,676k. Capital Resource Limit (CRL) likely to be agreed at TDA Plan level £20,354k; this include PFI (Radiology) £2,478k and (£800k) adjustment for sale of Old Eye Infirmary but no formal notification has been received.

**Capital Plan vs Capital Expenditure 2013-14 (Cumulative)**

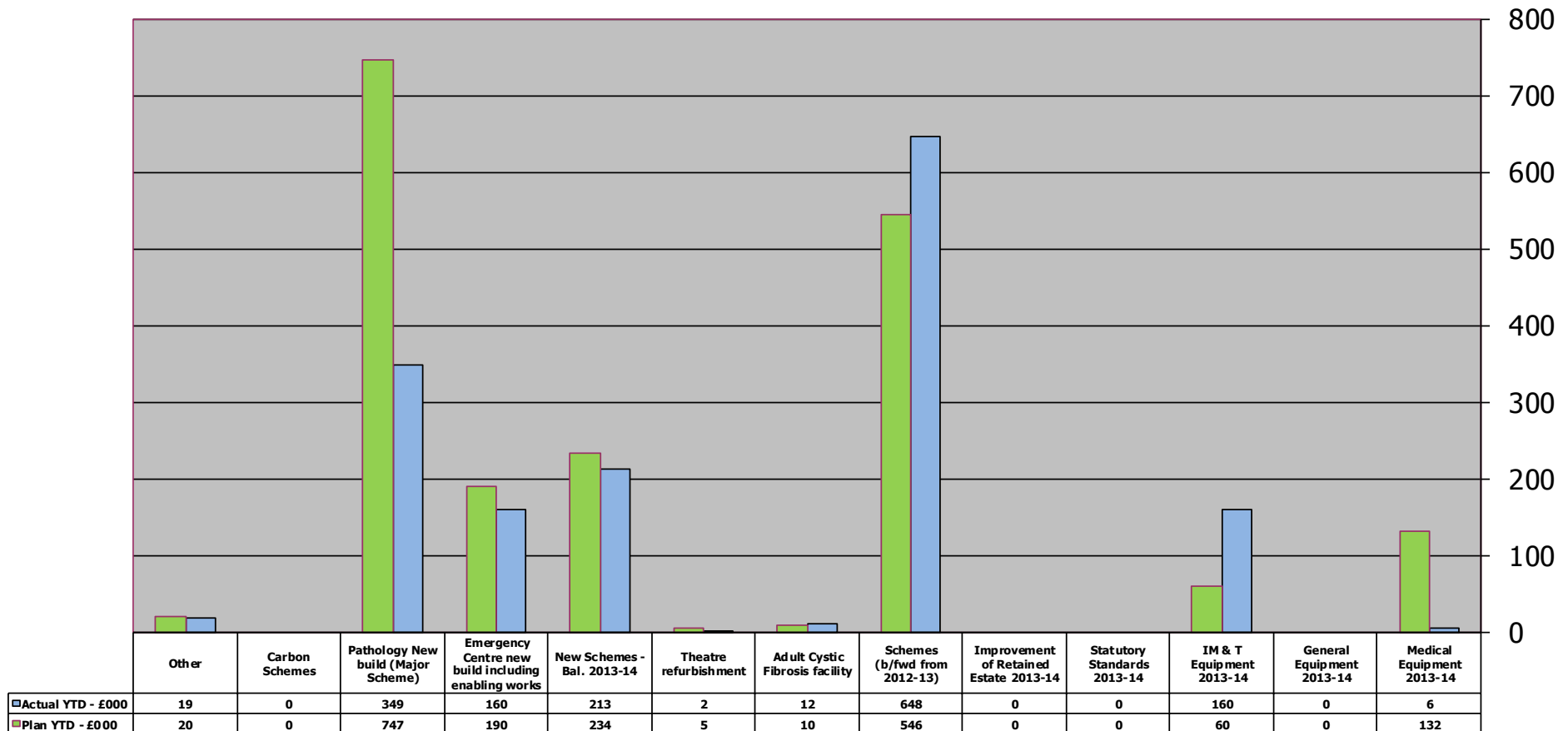


At the end of May 2013 Capital Spend was £1,569k against planned spend of £1,944k. Underspend is across a number of schemes.

# Capital Expenditure by Scheme

The Capital Programme is managed on a project by project basis by the Capital Division within the Estates Development Department. The chart below details actual vs. planned expenditure per the Capital Programme categories and, within those categories, schemes of significant value.

Actual YTD vs Plan YTD Capital Expenditure (£000)



# Statement of Financial Position as at 31st May 2013

The Property Plant and Equipment figure has been adjusted by £11,658k for the estimated value of premises transferring ownership from the PCT.

Trade and Other Receivables as at 31 May 2013 are £12,350 a breakdown is provided on page 31.

This includes invoiced NHS £4,933k and gross Non-NHS £2,720k receivables. A more detailed analysis of the invoiced receivables is shown on page 32.

Calculated debtor days for the year to date are 6.60 days compared to a plan of 9.92 days.

A more detailed analysis of Trade & Other Payables is provided on page 33.

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 cumulative performance against this target is:

- Value 92%
- Volume 94%

	<u>May 2013</u> <u>Plan £000</u>	<u>May 2013</u> <u>Actual £000</u>	<u>April 2013</u> <u>Actual £000</u>	<u>Movement in</u> <u>Month £000</u>	<u>March 2013</u> <u>Actual £000</u>
<b>NON CURRENT ASSETS</b>					
Property, Plant and Equipment	275,786	263,921	264,626	(705)	253,588
Intangible Assets	455	693	435	258	459
Other Non Current Assets	1,916	2,646	2,646	0	2,646
<b>TOTAL NON CURRENT ASSETS</b>	<b>278,157</b>	<b>267,260</b>	<b>267,707</b>	<b>(447)</b>	<b>256,693</b>
<b>CURRENT ASSETS</b>					
Inventories	5,096	5,339	5,457	(118)	5,823
Trade and Other Receivables	15,993	12,435	11,036	1,399	14,362
Cash and cash equivalents	23,849	23,958	26,043	(2,085)	22,566
<b>TOTAL CURRENT ASSETS</b>	<b>44,938</b>	<b>41,732</b>	<b>42,536</b>	<b>(804)</b>	<b>42,751</b>
Non Current Assets Held for Sale	800	800	800	0	800
<b>TOTAL ASSETS</b>	<b>323,895</b>	<b>309,792</b>	<b>311,043</b>	<b>(1,251)</b>	<b>300,244</b>
<b>CURRENT LIABILITIES</b>					
Trade & Other Payables	(33,477)	(31,780)	(33,067)	1,287	(33,547)
Borrowings	(1,774)	(1,754)	(1,762)	8	(1,771)
Provisions for Liabilities and Charges	(2,840)	(2,708)	(2,900)	192	(3,730)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(38,091)</b>	<b>(36,242)</b>	<b>(37,729)</b>	<b>1,487</b>	<b>(39,048)</b>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>	<b>6,847</b>	<b>5,490</b>	<b>4,807</b>	<b>683</b>	<b>3,703</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>285,804</b>	<b>273,550</b>	<b>273,314</b>	<b>236</b>	<b>261,196</b>
<b>NON CURRENT LIABILITIES</b>					
Other Liabilities	(7,234)	(7,260)	(7,405)	145	(7,545)
Provision for Liabilities and Charges	(539)	(457)	(539)	82	(539)
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>(7,773)</b>	<b>(7,717)</b>	<b>(7,944)</b>	<b>227</b>	<b>(8,084)</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>278,031</b>	<b>265,833</b>	<b>265,370</b>	<b>463</b>	<b>253,112</b>
<b>FINANCED BY TAXPAYERS EQUITY</b>					
Public Dividend Capital	173,082	173,082	173,082	0	173,082
Retained Earnings	39,970	32,344	31,881	463	19,623
Revaluation Reserve	64,789	60,217	60,217	0	60,217
Other Reserves	190	190	190	0	190
<b>TOTAL TAXPAYERS EQUITY</b>	<b>278,031</b>	<b>265,833</b>	<b>265,370</b>	<b>463</b>	<b>253,112</b>

## Trade Receivables

<u>Trade &amp; Other Receivables</u>	<u>May</u>	<u>April Movement</u>		<u>%</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	
NHS Receivables - Revenue	4,933	3,730	1,203	32.2%
NHS Partially Completed Spells	1,356	1,570	(214)	-13.6%
NHS Accrued Income	148	1,870	(1,722)	-
Non NHS Sales Ledger	2,720	1,446	1,274	88.1%
Provision for Impairments of Receivables (inc RTAs)	(981)	(815)	(166)	20.4%
Non NHS Accrued Income	840	592	248	41.9%
Prepayments	1,790	1,589	201	12.7%
RTA / Injury Claims due within 1 year	983	924	59	6.4%
VAT	441	70	371	529.6%
Other	205	60	145	241.3%
<b>Total Trade &amp; Other Receivables</b>	<b>12,435</b>	<b>11,036</b>	<b>1,399</b>	<b>12.7%</b>

- The amount of NHS Accrued Income has reduced as the majority of this has been billed and is included within NHS Receivables.
- Further analysis of NHS and Non NHS Sales Ledger Receivables is provided on page 32

# Receivables by Category

The overall debt position has increased by £2.4m in month, due mainly to the increase in CCG debt by £2m and other Non NHS debt by £1.2m as detailed below.

All PCT debt has been agreed with the PCT's as part of the agreement of balances process for the year end accounts. The Trust is expecting the majority of this debt to be settled by the end of June.

Of the £85k debt >3 months old, £68k relates to Walsall Healthcare of which £57k has been settled in June.

The older £0.1m private patient debt >3 months old is made up of 11 invoices . Included within this is an invoice for one patient for £45k where clinical information has been provided as requested and is being considered by BUPA. Payment has now been agreed for £46k with the Trust awaiting a response on it's proposal for settlement of the balance.

## May 2013

Customer Type	Customer Type	Total Balances due	Within Term	Over Term 0-1 Months	Over Term 1-2 Months	Over Term 2-3 Months	Over Term > 3 Months
		£'000	£'000	£'000	£'000	£'000	£'000
NHS	OTHER	919	772	103	28	0	16
	PCT	1,330	3	827	178	52	270
	SHA	0	0	0	0	0	0
	TRUST	619	85	233	208	11	82
	CCG	2,065	2,021	44	0	0	0
<b>NHS Total</b>		<b>4,933</b>	<b>2,881</b>	<b>1,207</b>	<b>414</b>	<b>63</b>	<b>368</b>
NON	OTHER	1,785	1,364	80	216	50	75
	PRIVATE PATIENTS	354	164	51	5	6	128
	IRISH/SCOTT/WELSH	118	54	2	6	25	31
	Sub Total	2,257	1,582	133	227	81	234
	OVERSEAS PATIENTS	463	1				462
	Bad Debt Provision	-777				-81	-696
<b>NON Total</b>		<b>1,943</b>	<b>1,583</b>	<b>133</b>	<b>227</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>		<b>6,876</b>	<b>4,464</b>	<b>1,340</b>	<b>641</b>	<b>63</b>	<b>368</b>

Of the £1.8m Non NHS other debt Wolverhampton City Council have £1.1m outstanding within term. This relates to April and May debt where formal orders have now been finalised and payment is expected by the end of June. Of the older debt £0.1m relates to 3 invoices for Synergy Health, issues have been resolved and payment is now expected by the end of June.

## April 2013

Customer Type	Customer Type	Total Balances due	Within Term	Over Term 0-1 Months	Over Term 1-2 Months	Over Term 2-3 Months	Over Term > 3 Months
		£'000	£'000	£'000	£'000	£'000	£'000
NHS	OTHER	382	165	192	9	0	16
	PCT	2,875	1,805	189	614	122	145
	SHA	0	0	0	0	0	0
	TRUST	469	224	136	19	64	26
	CCG	4	4	0	0	0	0
<b>NHS Total</b>		<b>3,730</b>	<b>2,198</b>	<b>517</b>	<b>642</b>	<b>186</b>	<b>187</b>
NON	OTHER	592	154	277	77	21	63
	PRIVATE PATIENTS	255	106	7	6	1	135
	IRISH/SCOTT/WELSH	135	7	11	88	0	29
	Sub Total	982	267	295	171	22	227
	OVERSEAS PATIENTS	464	0	0	0	1	463
	Bad Debt Provision	-714		-1		-23	-690
<b>NON Total</b>		<b>732</b>	<b>267</b>	<b>294</b>	<b>171</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>		<b>4,462</b>	<b>2,465</b>	<b>811</b>	<b>813</b>	<b>186</b>	<b>187</b>

A formal request for write off has been approved by the Audit Committee in June for £213k. This will be adjusted following approval from the June Board Meeting.



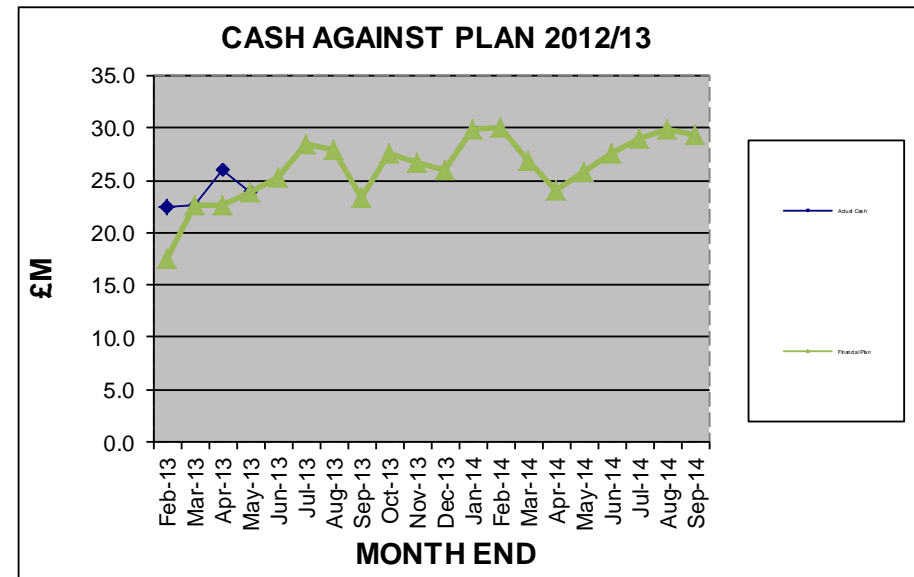
## Trade & Other Payables

<u>Trade &amp; Other Payables</u>	<u>May</u> <u>£000</u>	<u>April</u> <u>£000</u>	<u>Movement</u>	
			<u>£000</u>	<u>%</u>
NHS Payables - Revenue	(1,241)	(1,528)	287	-18.8%
Non NHS Trade Payables - Revenue	(3,935)	(4,276)	341	-8.0%
Non NHS Trade Payables - Capital	(2,748)	(3,040)	292	-9.6%
Dividend and Interest Accrual	(1,353)	(677)	(676)	0.0%
Tax & Social Security	(4,775)	(4,786)	11	-0.2%
Pensions	(3,252)	(3,342)	90	-2.7%
Accruals	(7,559)	(7,608)	49	-0.6%
Deferred Income (inc. Trading Accounts)	(6,739)	(7,586)	847	-11.2%
Other	(178)	(224)	46	-20.5%
<b>Total Trade &amp; Other Payables</b>	<b>(31,780)</b>	<b>(33,067)</b>	<b>1,287</b>	<b>-3.9%</b>

- The Dividend payable will continue to increase linked to the debt being settled twice yearly, September and March.
- The decrease in Deferred Income relates to training income utilised in May as money is received quarterly in advance.

# Cash Flow Statement - period ending 31<sup>st</sup> May 2013

	May Plan £000	May Actual £000	May Variance £000
<b>OPERATING ACTIVITIES</b>			
<b>Total Operating Surplus/(Deficit)</b>	2,797	2,748	(49)
Depreciation	2,610	2,651	41
Fixed Asset Impairments	17	0	(17)
Transfer from Donated Asset Reserve	0	0	0
Interest Paid	(266)	(263)	3
Dividends Paid	0	0	0
(Increase)/Decrease in Inventories	0	484	484
(Increase)/Decrease in Trade/Receivables	(1,700)	1,925	3,625
Increase/(Decrease) in Trade/Payables	(1,253)	(181)	1,072
Increase/(Decrease) in Provisions	871	(1,104)	(1,975)
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>3,076</b>	<b>6,260</b>	<b>3,184</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	16	16	0
Payment for Property, Plant and Equipment	(1,501)	(4,530)	(3,029)
Payment for Intangible Assets	0	(51)	(51)
Payment for Other Assets	0	0	0
Proceeds from Disposals	0	0	0
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>(1,485)</b>	<b>(4,565)</b>	<b>(3,080)</b>
<b>NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>	<b>1,591</b>	<b>1,695</b>	<b>104</b>
<b>FINANCING</b>			
New Public Dividend Capital Received		0	0
Capital Element of Finance Lease and PFI	(308)	(302)	6
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING</b>	<b>(308)</b>	<b>(302)</b>	<b>6</b>
<b>INCREASE/(DECREASE) IN CASH</b>	<b>1,283</b>	<b>1,393</b>	<b>110</b>
<b>CASH BALANCES</b>			
Opening Balance 1st April 2013	22,566	22,566	0
<b>Closing Balance at 30th April 2013</b>	<b>23,849</b>	<b>23,959</b>	<b>110</b>



## Cash against Plan

- The cash balance of £23.9m is in line with plane. There has been a greater than planned reduction in receivables, offset by a greater than planned capital cash spend.