



# Report of the Chief Financial Officer

Summary Finance Report – October 2016  
(Month 7)

# Contents & Summary Overview

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## Summary Overview

The Trust Board originally submitted to NHSI a 2016/17 'adjusted' plan of a (£6.4m) deficit. Following Trust Board agreement to the NHSI revised control total the Trust's annual budgets, including Sustainability & Transformation funds (STF) (£10.6m), are now set to deliver an I & E surplus of £7.1m. A revised plan has been submitted to NHSI and the Trust is now being monitored against this.

This report details the Trust's Month 7 performance against internal budgets with variance against the revised NHSI plan shown on page 8. The reporting against the internal original budgets is in order to maintain consistency at budget manager level.

In Month 7 the Trust's financial performance is a deficit of (£0.60m), adverse to plan by (£0.99m). The following table details the Trust's position at Month 7 against the NHSI plan. The Trust has not achieved its NHSI plan, being (£264k) adverse to plan when the performance element of STF income, for which the Trust cannot be penalised against the financial position for, has been adjusted for.

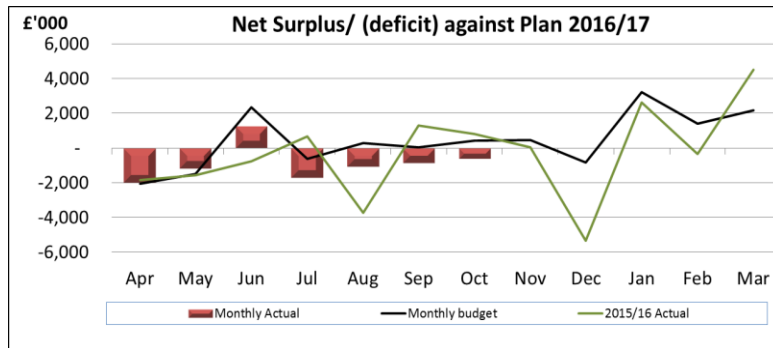
Year to date Trust deficit £000	Add back: Performance reduction £000	Adjusted year to date deficit £000	Year to date NHSI plan £000	Variance £000
(5,955)	949	(5,006)	(4,742)	(264)

The balance sheet and cash flow performance is provided in relation to the revised NHSI 2016/17 plan. The cash balance as at 31<sup>st</sup> October 2016 is £8.8m which is above the plan by £5.3m, mainly due to the underspend on the capital programme. (page 5 provides more detail).

The forecast yearend position shows a potential deficit to the control total, which is under discussion with NHS Improvement. An Executive Board has been set up to identify and monitor actions to improve the forecast yearend. The monthly forecast cash position is under review as part of this work.

# Summary Tables

## Net Surplus

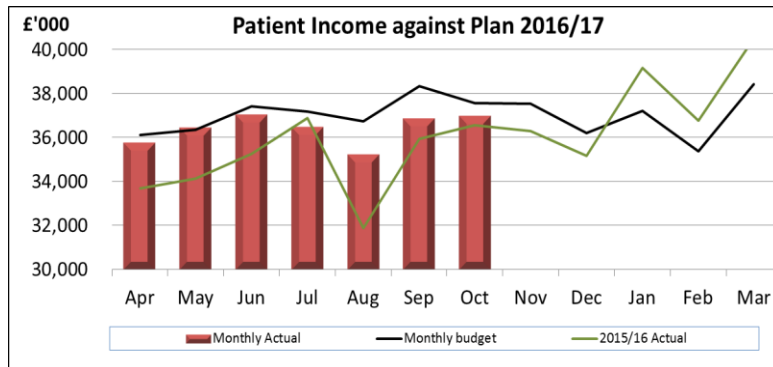


In Month 7 the Trust reported an in-month deficit of (£0.60m), against an in month surplus plan of £0.39m, an adverse variance of (£0.99m) against the plan in month.

The Trust's operating position (Earnings before interest, taxation, depreciation and amortisation – EBITDA) is (£1.06m) below plan in Month 7. The detail can be found on page 7.

Year to date the Trust is reporting a deficit of (£5.955m) against a plan of (£1.209m), a shortfall of (£4.75m).

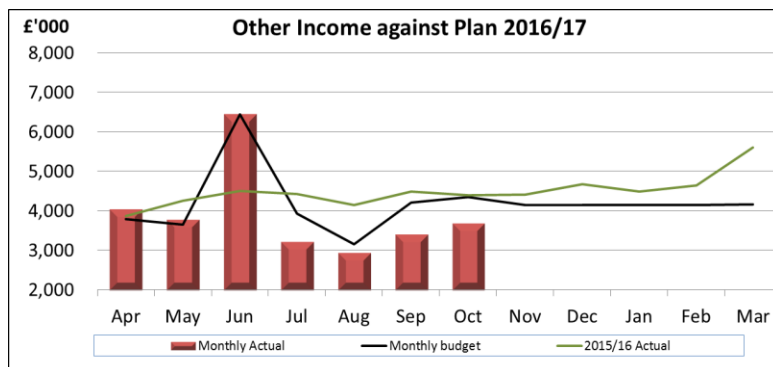
## Patient Income



In Month 7, patient contract income is showing an under-recovery of (£728k). The detailed reasons for the variance in month are shown on page 13.

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.

## Other Income (excluding CRN income)



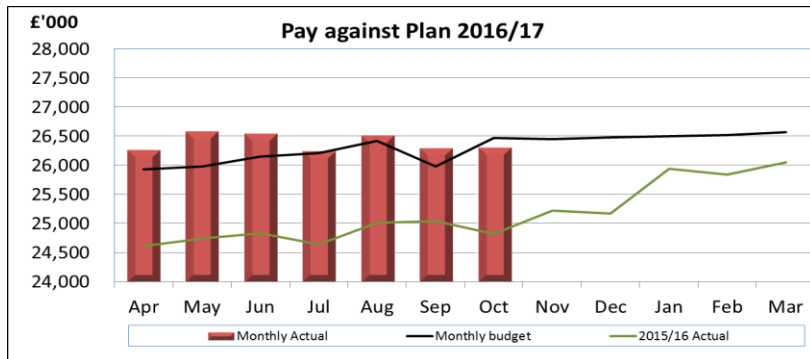
Other income has under-recovered in Month 7 by (£31k) and is (£128k) adverse to plan year to date.

The STF income is below plan by (£264k) in Month 7 and (£949k) year to date due to the performance related elements of the income not being achieved up to Month 7. Education and training income has over-recovered by £283k in Month 7 due to higher levels of income relating to under-graduate education and additional funding streams, including Learning Beyond Registration (LBR).

Note: Month 3 includes a quarter of the total STF income, Month 5 includes 2 months worth, with the remainder being phased equally over Months 6-12. This has to be earned and is based on achieving the cumulative in year financial projection (70%) and improvement trajectories for A & E; RTT and Cancer (30%).

# Summary Expenditure Tables

## Pay



Pay costs are underspent in month by £161k against plan.

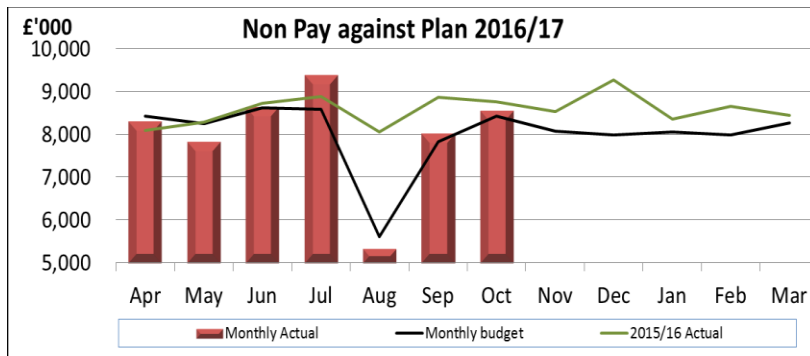
Division 1 is underspent by £140k due to vacancies across the division.

Division 2 is on plan in Month 7.

Estates & Facilities is underspent by £123k in month due to vacancies across the division.

Corporate Division is (£36k) overspent in Month 7 due to backdated CIP being achieved, while Trust wide and CRN is overspent by (£66k).

## Non Pay



Non Pay is overspent in month by (£142k) against plan.

Division 1 is underspent by £163k in month.

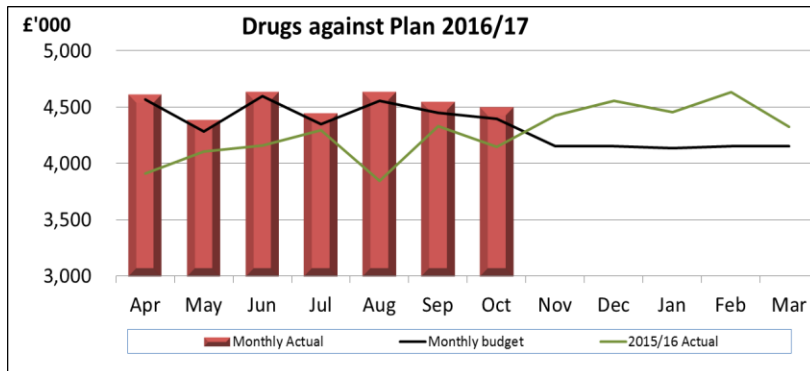
Division 2 is overspent by (£122k).

Estates and Facilities is £186k underspent in month.

Corporate division, Trust wide and CRN is overspent by (£369k) in month.

Note: An adjustment has been made between other income and non-pay budgets relating to the reporting of CRN WM management costs in Month 5, causing a reduction in the Month 5 budget.

## Drugs



Drugs are overspent by (£107k) in month against the budgeted plan in Month 7.

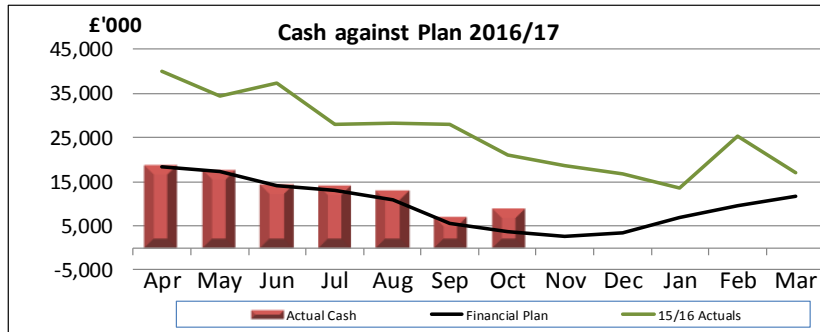
Division 1 is £22k underspent in month.

Division 2 is (£123k) overspent in month.

Estates & Facilities is £10k underspent to plan in Month 7, while Corporate is (£16k) overspent in month.

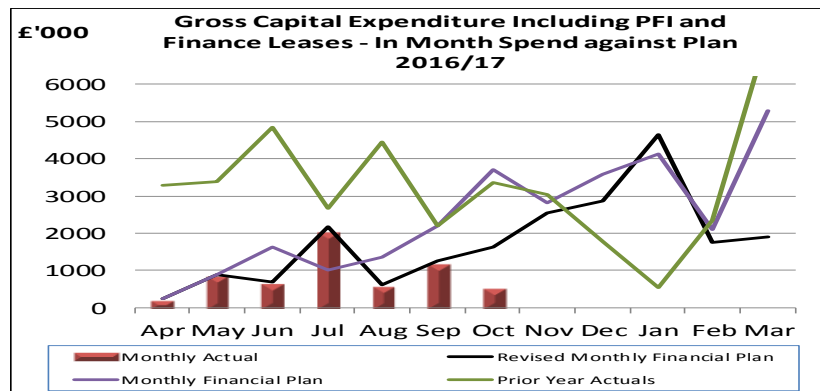
# Summary Tables – Cash, Capital & CIP

## Cash



The cash balance as at 31<sup>st</sup> October 2016 is £8.8m which is £5.3m above the plan at Month 7. This is mainly due to capital cash payments being £4.3m less than the plan and there being less weekly supplier payment runs in October. As noted in the Summary, alongside the financial out turn and recovery position, the updated forecast monthly cash position is being determined.

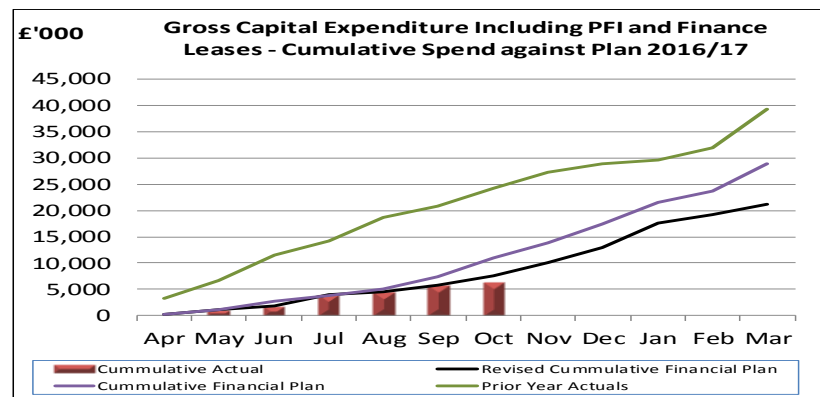
## Capital



At the end of October capital expenditure, including PFI & Finance Leases, was £6,239k against a Revised Plan of £7,484k. (NHSI Plan remains at original year to date plan of £11,059k).

Confirmation of final CRL is still awaited. However, further to the Board approving the report of the Head of Estates and Development regarding capital slippage, including land sale income, the CRL approval to date of £17,518k, is mainly in line with the revised plan requirements, (and includes £2.5m linked to the capital revenue 2015/16 transaction). Although, CRL confirmation is still awaited for the Linaccs finance lease £1,892k and the normal PFI Radiology additions, £1,084k. The £0.7m capital that has been charitable funded, additional spend to that noted previously, does not require CRL approval.

## Capital Cumulative

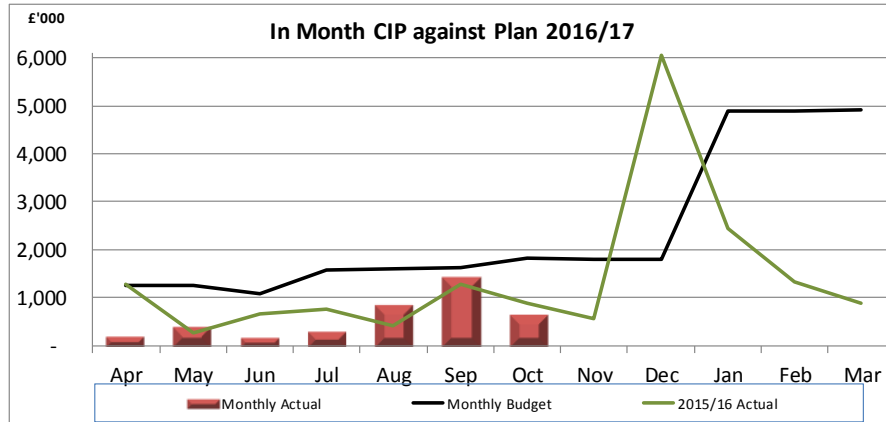


The Trust 2016/17 revised Plan is, therefore, £21,194k made up of Capital Programme of £18,218k; PFI Capital Additions of £1,084k; and Finance Lease of £1,892k relating to Linear Accelerator.

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

# Summary Tables – Cash, Capital & CIP

## CIP



The Trust CIP target for 2016/17 is £28.5m. This is made up of the original target of £25.6m and additional savings of £2.9m from the NHSI revised plan.

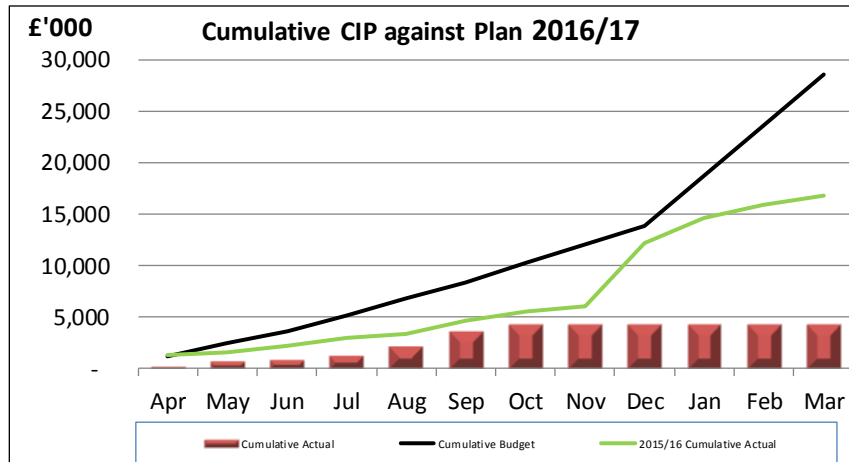
At Month 7 a total of £5.56m (Annual Budget) has been removed from budgets, against the annual target of £28.5m. This represents 19.50% of the total target.

The recurrent CIP achieved to Month 7 is £3.02m, which represents 10.62% of the annual target.

The in-month target was £1.82m, with actual achievement in month of £672k, a shortfall in month of (£1.15m).

Note: The increase in CIP in December 2015/16 was due to realising the effect of the depreciation CIP in this month.

## CIP Cumulative



# Income & Expenditure Account

THE ROYAL WOLVERHAMPTON HOSPITALS NHS TRUST 2016/17

INCOME AND EXPENDITURE ACCOUNT: October 2016 (Month 7)

*Adverse in (brackets)*

Current Month Original 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
<b>Income</b>							
37,525	36,797	(728)	Patient Activity Income	444,071	259,481	253,763	(5,718)
(126)	0	126	Patient Activity Contingency **	(1,510)	(881)	0	881
96	140	44	Other Patient Care Income	1,154	673	694	20
1,123	1,406	283	Education, Training & Research Income	13,522	7,836	8,278	441
2,409	2,409	0	CRN: West Midlands	29,115	17,112	17,112	0
33	0	(33)	Non Patient Care Other Income	417	251	1	(249)
63	57	(6)	Private Patient Income	733	440	528	88
2,304	2,287	(17)	Income on Directorate Budgets	25,713	15,234	15,526	292
<b>43,428</b>	<b>43,095</b>	<b>(333)</b>	<b>Total Income</b>	<b>513,215</b>	<b>300,147</b>	<b>295,903</b>	<b>(4,244)</b>
<b>Expenditure</b>							
(26,471)	(26,310)	161	Directorate Expenditure Budgets - Pay	(315,657)	(183,149)	(184,803)	(1,654)
(8,416)	(8,557)	(142)	Directorate Expenditure Budgets - Non Pay	(96,086)	(55,730)	(55,460)	270
(4,394)	(4,500)	(107)	Directorate Expenditure Budgets - Drugs	(51,940)	(31,186)	(31,774)	(588)
(2,409)	(2,409)	(0)	CRN: West Midlands	(29,115)	(17,112)	(17,112)	(0)
(375)	0	375	Activity Changes/Service Dev./Cost Pressures Reserves	(10,901)	(5,432)	0	5,432
(400)	0	400	Inflation and Contingency Reserves	(4,785)	(2,784)	0	2,784
1,146	0	(1,146)	Cost Improvement Savings - Current Year	22,940	6,048	0	(6,048)
<b>(41,319)</b>	<b>(41,777)</b>	<b>(458)</b>	<b>Total Expenditure</b>	<b>(485,544)</b>	<b>(289,345)</b>	<b>(289,149)</b>	<b>195</b>
<b>2,109</b>	<b>1,319</b>	<b>(791)</b>	<b>EBITDA Surplus/(Deficit)</b>	<b>27,671</b>	<b>10,802</b>	<b>6,753</b>	<b>(4,049)</b>
0	35	35	Profit/(Loss) on Asset Disposals	0	0	33	33
0	0	0	Impairments of Fixed Assets	(2,000)	0	(13)	(13)
(1,360)	(1,360)	(0)	Depreciation	(16,316)	(9,518)	(9,518)	(0)
8	2	(6)	Interest Receivable	100	58	28	(30)
(134)	(137)	(3)	Interest Payable	(1,609)	(939)	(943)	(5)
(1,095)	(1,095)	0	PDC Dividends (Cost of Capital)	(13,134)	(7,662)	(7,662)	0
0	0	0	Unwinding of Discount	0	0	0	0
<b>(471)</b>	<b>(1,235)</b>	<b>(764)</b>	<b>Net Surplus/(Deficit) before STF income</b>	<b>(5,288)</b>	<b>(7,257)</b>	<b>(11,320)</b>	<b>(4,063)</b>
<b>Adjustments as per NHSI reported position</b>							
14	17	3	Depreciation on donated assets	168	98	118	20
(33)	0	33	Donated Asset Income	(400)	(233)	0	233
0	0	0	Remove Impairments	2,000	0	13	13
<b>(490)</b>	<b>(1,218)</b>	<b>(729)</b>	<b>Adjusted Financial Performance as NHSI (before STF income)</b>	<b>(3,520)</b>	<b>(7,393)</b>	<b>(11,189)</b>	<b>(3,797)</b>
883	619	(264)	STF income	10,600	6,183	5,234	(949)
<b>393</b>	<b>(599)</b>	<b>(993)</b>	<b>Adjusted Financial Performance as NHSI (after STF income)</b>	<b>7,080</b>	<b>(1,209)</b>	<b>(5,955)</b>	<b>(4,746)</b>

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

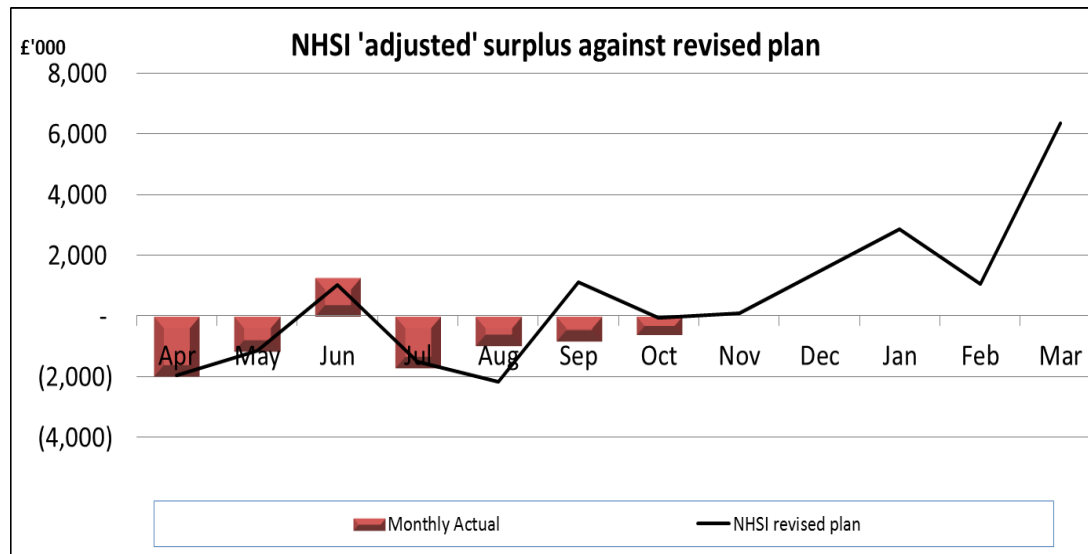
# Financial Targets

NHS Improvement	NHS I Plan £'000	YTD Actual £'000	YTD Variance £'000
Income	302,058	301,165	(893)
Expenditure	(306,800)	(307,120)	(320)
<b>Net Surplus</b>	<b>(4,742)</b>	<b>(5,955)</b>	<b>(1,213)</b>
Add back STF performance reduction	619	-	619
<b>Adjusted NHS plan</b>	<b>(5,361)</b>	<b>(5,955)</b>	<b>(594)</b>

Note: Income in the table above includes Interest Receivable, and Expenditure includes Interest Payable and PDC Dividend.

Performance against Financial Targets	Target (£'000)	Performance (£'000)	RAG
I&E target performance Month 7	(1,074)	(6,086)	Red
Performance against NHSI Month 7	(4,742)	(5,955)	
CIP Target Month 7	10,255	3,791	
CRL (Year end)	20,494	20,494	Green
EFL (Year end)	(1,174)	(1,174)	
Capital Cost Absorption Rate (Year end)	3.50%	3.50%	

Note: Limits reports are awaited to confirm CRL and EFL 16/17 Plan submission figures quoted.



The graph shows the revised NHSI planned adjusted surplus and the actual adjusted surplus in month. Months 1 and 2 plans were based on actual deficits reported.

	M7 Budget	M7 NHSI plan	M7 Movement
Patient income	265,867	263,869	1,998
Other income	38,816	38,189	627
Pay	(185,099)	(185,070)	(29)
Non-pay	(76,263)	(79,983)	3,720
Drugs	(32,302)	(30,747)	(1,555)
CIP	6,022	6,980	(958)
Technical	(18,249)	(17,980)	(269)
<b>Net surplus</b>	<b>(1,209)</b>	<b>(4,742)</b>	<b>3,533</b>

The table shows the YTD movements between the Month 7 budgets and the resubmitted Month 7 plan to NHS Improvement. Within the plan resubmitted to NHSI, income and expenditure was re-profiled to represent a more realistic expectation of how the income was to be received and the expenditure incurred. A similar exercise was completed for CIP.



# Financial Targets

<b>RWT underlying position 2016/17</b>	2016/17 Plan £m
Startpoint Deficit	7.08
2016/17 CIP achieved non recurrent	(11.67)
MSFT Tranaction support - ceases March 2017	(6.0)
Non recurrent spend in 2016/17	2.6
2016/17 STF funds - non recurrent	(10.6)
<b>Underlying Deficit</b>	<b>(18.59)</b>

<b>Financial Efficiency Rating</b>							
Ratio KPIs	Annual Plan	Rating	Plan to Date	Rating	Actual to Date	Rating	Definitions/ notes
I&E Margin	1.7 %	4	(1.6) %	1	(2.0) %	1	=Net Surplus/(Deficit)/Total Income
Variance in I&E margin	0.0 %	4	(0.0) %	2	(0.4) %	3	=Difference in I&E margin from plan/Total Income
<b>Financial Efficiency Rating</b>		<b>4.0</b>		<b>1.5</b>		<b>2.0</b>	
<b>Continuity of Service Rating</b>							
Ratio	Annual Plan	Rating	Plan To Date	Rating	Actual To Date	Rating	Definitions/ notes
Liquidity Ratio(days)	(12) days	3	(17) days	4	(15) days	4	Cash plus trade debtors less trade creditors plus expressed as days of current year operating expenses.
Capital Servicing Capacity (Times)	2.3 Times	2	1.4 Times	3	1.2 Times	4	The number of times the debt can be met by the surplus. = EBITDA+interest receivable/ Total Monthly debt payments.
<b>Overall Continuity of Service Rating</b>		<b>2.5</b>		<b>3.5</b>		<b>4.0</b>	
<b>Overall Financial Sustainability Risk Rating</b>		<b>4.0</b>		<b>2.0</b>		<b>2.0</b>	Average of all four ratios. If any KPI equals 1, maximum overall rating of 2

# Risks

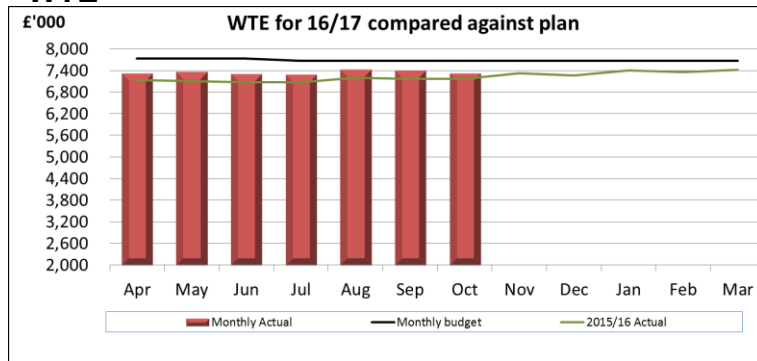
The Trust's planned surplus of £7m is at risk and the forecast outturn is currently being reviewed.  
The financial risks are as follows:-

	Best Case £ms	Most Likely Case £ms	Worst Case £ms	Risk Level	Explanation
<b>Risk Factor</b>					
Cost Improvement Programme	22.1	22.1	22.1	B4	Savings do not deliver as planned
Continued use of agency staffing	1.0	1.3	1.3	B4	Use of agency staffing and pay overspends continue.
Commissioner income re emergency threshold and queries	0.8	1.0	1.9	C4	Revised threshold not agreed.
Depreciation not agreed as planned	0	0	1.0	C2	Audit approval outstanding in relation to depreciation change included in plan.
<b>Total Gross financial risks</b>	<b>23.9</b>	<b>24.4</b>	<b>26.3</b>		
<b>Mitigation Measure</b>					
Additional efficiency schemes	(13.8)	(12.5)	(12.6)		Includes further opportunities and non recurrent savings
Contract agreements with Commissioners	(1.2)	(0.8)	0.0		Negotiate and agree year end positions
Review of provisions	(1.0)	(1.0)	0.0		
<b>Mitigating measures</b>	<b>(16.0)</b>	<b>(14.3)</b>	<b>(12.6)</b>		
<b>Residual Risk</b>	<b>7.9</b>	<b>10.1</b>	<b>13.7</b>		

Risk Rating	Potential Consequence Rating				
	1. Insignificant	2. Minor	3. Moderate	4. Major	5. Catastrophic
A - Almost Certain					
B - Likely					
C - Possible					
D - Unlikely					
E - Rare					

# Pay Analysis

## WTE

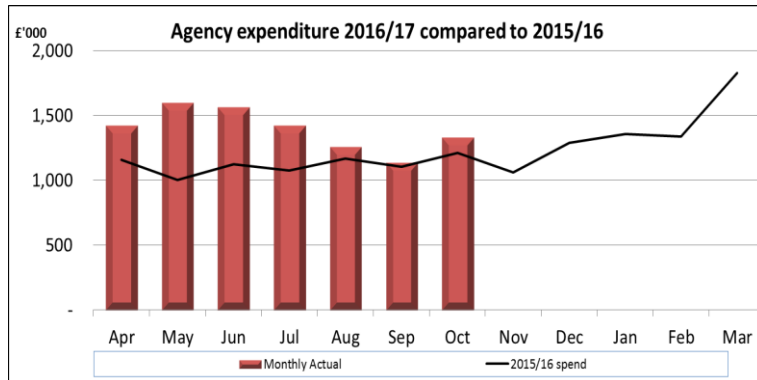


In Month 7, there are 7,311 WTE's in post, against a plan of 7,672 WTE which is a decrease of 81 WTE from Month 6 levels.

There were 209 WTE vacant posts in Division 1 and 99 WTE vacant posts in Division 2.

Within Estates and Facilities there were 47 WTE vacant, whilst in the Corporate there were 22 WTE vacant.

## Agency

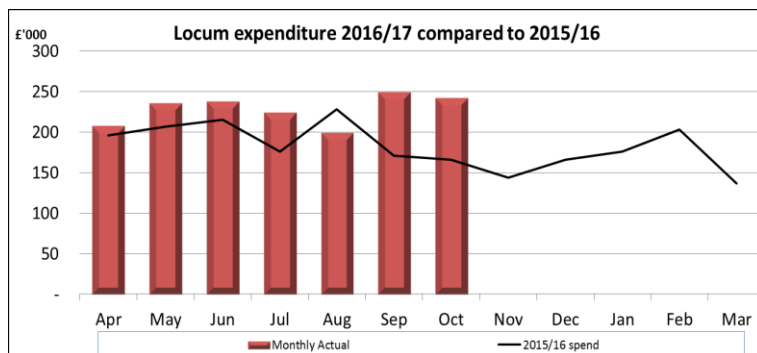


In Month 7 agency expenditure of £1.32m was incurred, an increase of £195k from Month 6 levels. Year to date the Trust has spent £9.72m on agency staffing.

The main areas of expenditure in Month 6 are: Emergency Services Group (£354k), Oncology & Clinical Haematology (£203k), Critical Care (£113k), Radiology (£97k) and Orthopaedics (£73k).

The Trust continues to monitor and manage agency expenditure, with the aim to reduce costs. As with all Trusts RWT has been allocated an agency cap for 2016/17 of £10.215m and this will be monitored against during the year. Currently the Trust is forecasting to incur £15.1m of agency expenditure in 2016/17 and actions to reduce this are being reviewed.

## Locum

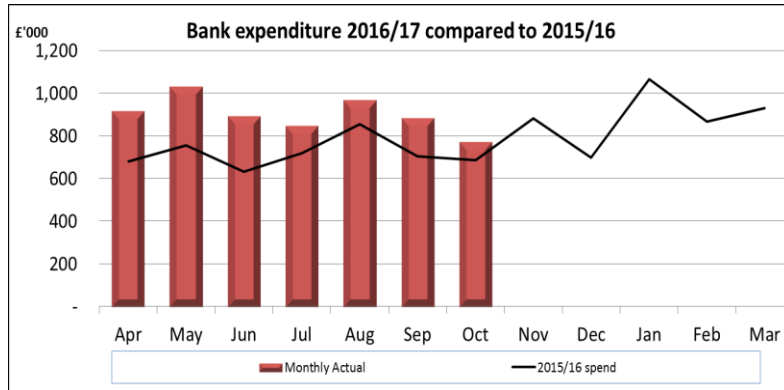


In Month 7 Locum expenditure was £242k, a reduction of £7k from Month 6 expenditure levels.

The in month locum expenditure mainly occurred in Critical Care (£36k), Oncology and Clinical Haem Group (£32k), Obs & Gynae (£26k), and Orthopaedics (£24k).

# Pay Analysis

## Bank



In Month 7 bank expenditure was £771k, a reduction of £112k from Month 6 expenditure levels.

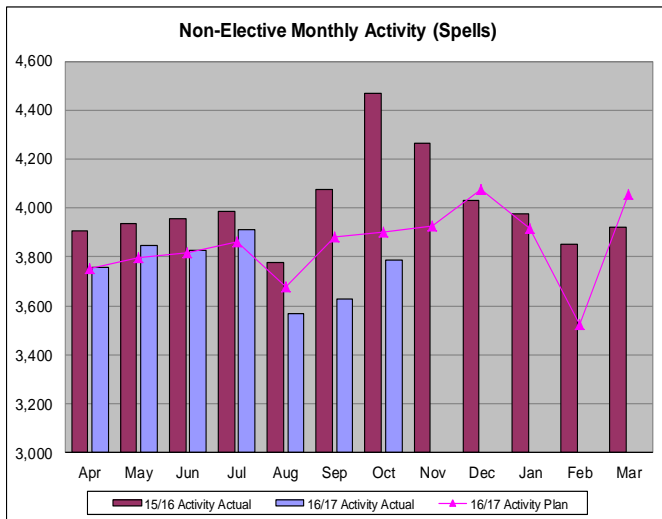
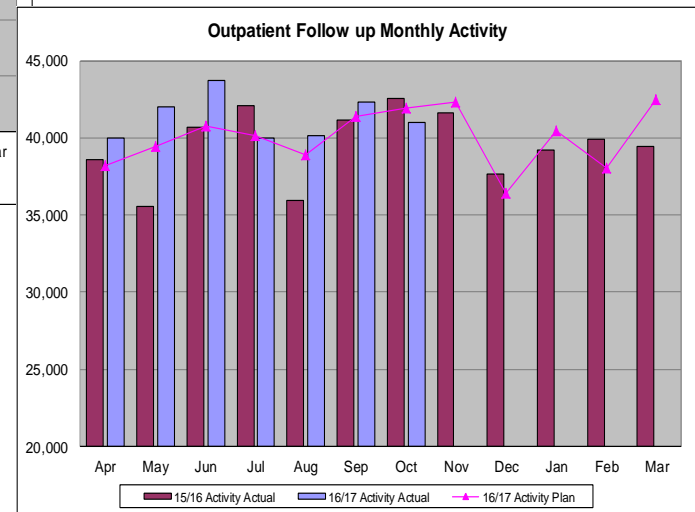
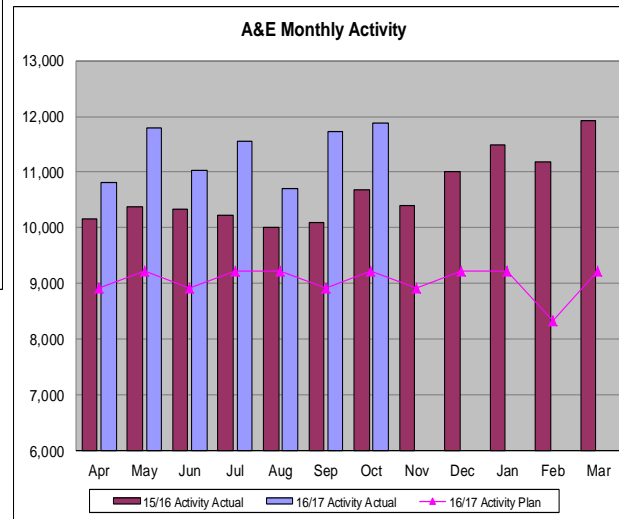
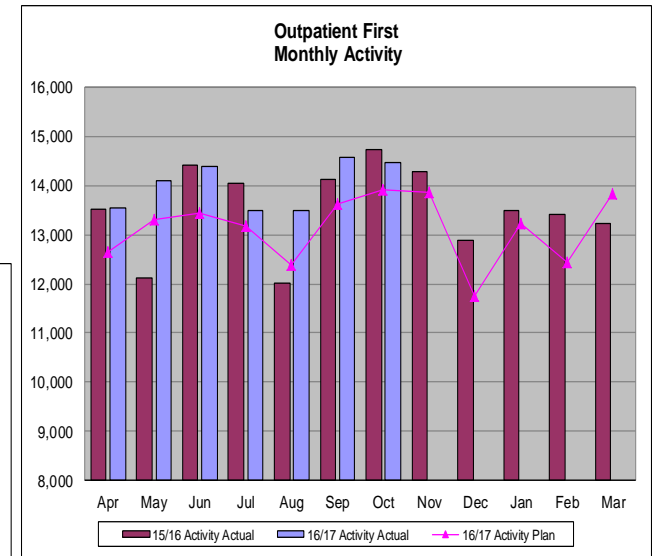
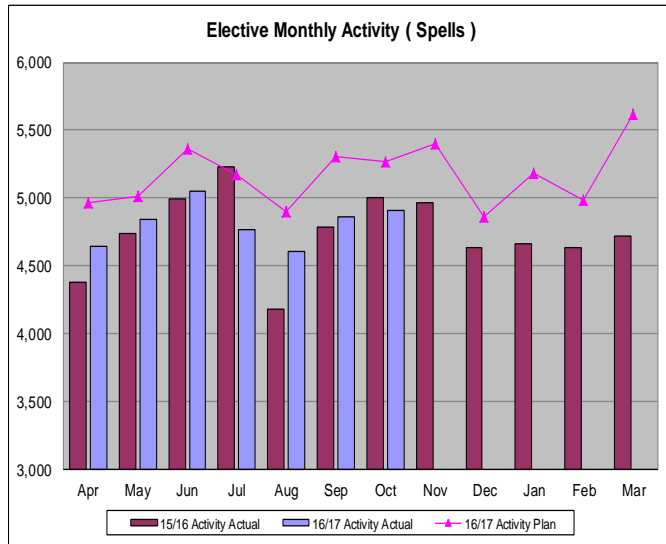
The main areas of expenditure are: Medical Services Group (£133k), Hotel Services (£115k) and the Emergency Services Group (£82k), General Surgery (£73) and Rehab and Amb Group (£51k).

# Patient Care Income - Variance

The patient activity income at Month 7 is showing an adverse variance of (£5,718k) this is an adverse movement of (£728k) from the position reported at Month 6.

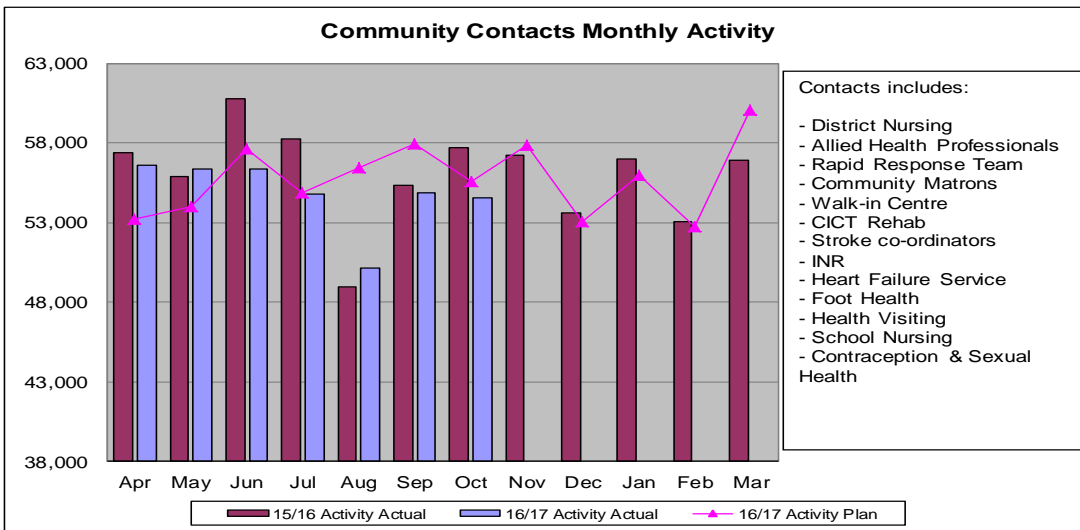
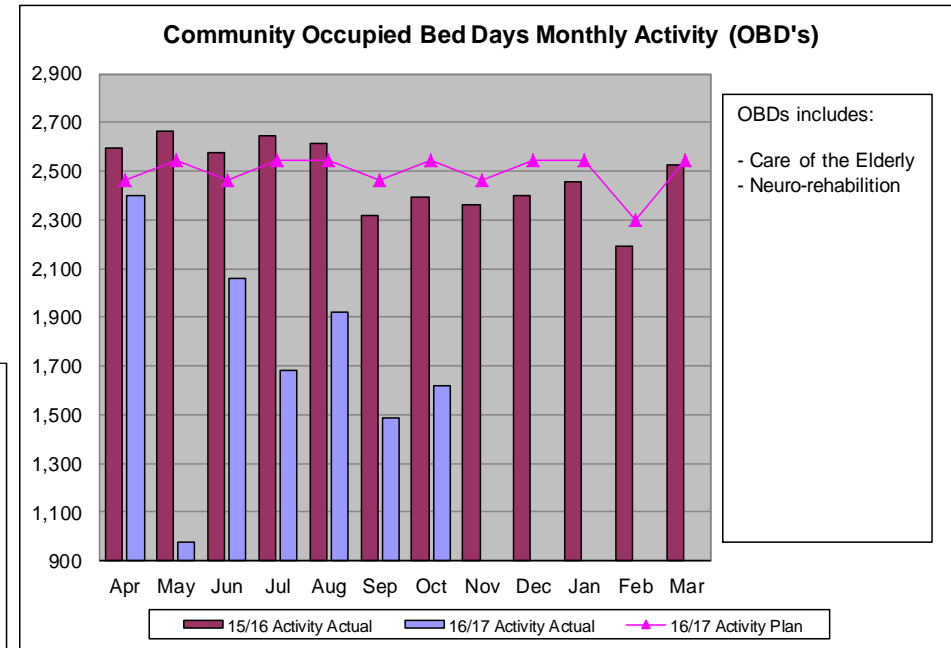
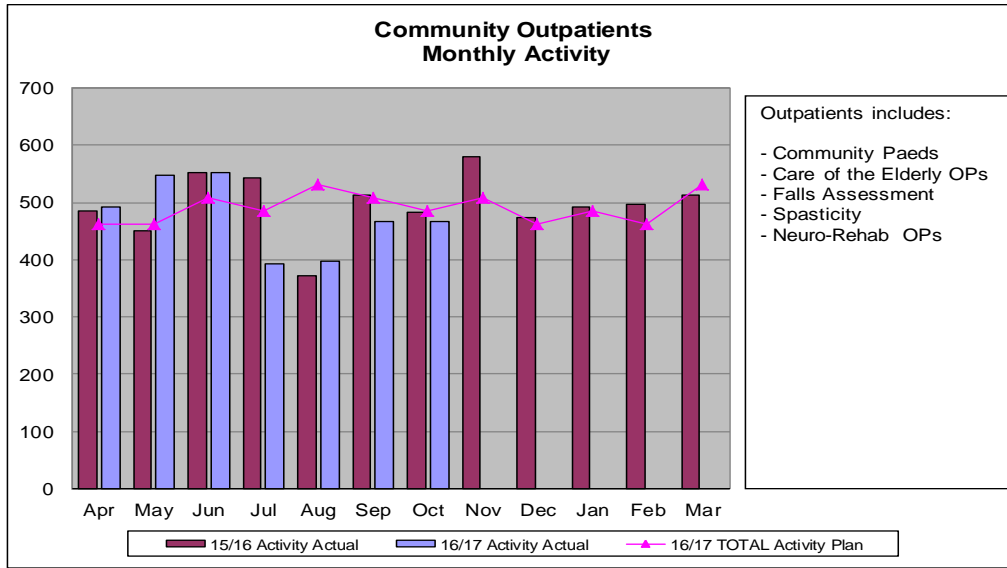
Month 7 YTD Variance to Plan	In Month Movement to Plan	Division	M7 Reason for Variance to Plan
(3,880)	(595)	Division 1	Description of Main Specialties Below
686	84	Division 2	Description of Main Specialties Below
(2,524)	(217)	Other	Description of Main Specialties Below
<b>(5,718)</b>	<b>(728)</b>	<b>Trust Wide Total</b>	
Month 7 YTD Variance to Plan	In Month Movement to Plan	Specialty	M7 Reason for Variance to Plan
(244)	114	Critical Care	The favourable variance is mainly due to Critical Care Bed Days being 48 above plan at £105k.
(1,136)	(149)	General Surgery	The activity across the specialty continues to under perform against the plan. The Day Case activity is the biggest driver in October at (£58k) under plan. Non Elective activity is (£45k) under plan which all relates to the Non Elective Threshold deduction. Elective activity is under plan by (£35k) but is expected to increase when additional theatre sessions become available at New Cross following T&O move to Cannock, although vacancies within theatre nursing are delaying this.
(589)	(119)	Gynaecology	Elective activity continues to be the largest under performance at 18 spells (£64k). Day Case activity is also under plan at 20 cases (£26k). The Directorate plans to recover this activity later in the year and remain broadly in line with the forecast.
66	(118)	Ophthalmology	The under performance in Ophthalmology is related to an under performance in outpatient activity of (£147k). Day Case is also under performing by 78 cases at (£66k). The under performance in these areas is off set by on over performance in Lucentis clinics of £104k. Cumulatively Ophthalmology continues to show a favourable variance of £66k.
(1,332)	(339)	Trauma & Orthopaedics	Day Cases continue to be the largest under performing are at 141 cases equating to (£274k). Elective activity is (£28k) behind plan and outpatient activity is (£38k) behind plan. The Directorate plans to increase day case throughput at Cannock Hospital now the Surgical Enhanced Care Unit is open.
2,148	276	Emergency Department	Accident and Emergency attendances have exceeded the plan by 2,663, this is a £262k over performance in October. The cumulative position for A&E Attendances is 15,853 attendances above plan at £1.7M.
(710)	(280)	General Medicine	The main areas causing the under performance are Non Elective at (£262k) and Day Case activity at (£70k). Outpatient Activity is above plan by £36k.
(812)	(36)	Nephrology and Dialysis	There has been an improvement in Nephrology showing a small adverse variance of (£36k) compared to (£160k) in September and (£225k) in August. The Cumulative variance however remains high at (£812k) adverse.
69	175	Division 2 - Other	The main area of over performance is Outpatient activity at £108k above plan. Day Cases including Flexible Sigmoidoscopy activity is £55k over plan and Non Elective activity is £17k above plan.
(2,709)	(253)	Other - Other Division	This section shows the adjustments being made in relation to Readmissions deductions, CQUIN and fines.
(735)	(20)	Community Services	There is a small in month adverse variance of (£20k) in the community services.
268	21	All remaining Specialties and areas of Patient Income	
<b>(5,718)</b>	<b>(728)</b>	<b>Trust Wide Total</b>	

# Patient Care Activity Performance



The opening of the Urgent and Emergency Care Centre in November 15 resulted in pathway changes with more activity being managed within the A&E Department. Therefore the year on year comparison of actual activity from April - October is not a like for like comparison.

# Community Performance against CCG Activity Plan



The low number of OBD's in May is due to the transfer to the PAS system resulting in activity now being counted at point of discharge rather than the in-month position.

## SLA and Income: Actual versus Contract Plan by Commissioner

	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	£000	£000	
<b>Wolves CCG</b>	147,246	6,826	85,764	4,027	87,291	(2,499)	-2.9%
<b>Cannock CCG</b>	40,445	607	23,592	358	24,696	746	3.2%
<b>Walsall CCG</b>	26,454	(96)	15,418	(57)	16,052	690	4.5%
<b>South East Staffs &amp; Seisdon CCG</b>	25,914	579	15,099	342	14,398	(1,042)	-6.9%
<b>Stafford &amp; Surrounds CCG</b>	17,863	1,446	10,425	853	10,067	(1,211)	-11.6%
<b>Dudley CCG</b>	6,383	36	3,702	21	3,996	272	7.4%
<b>Other CCG's</b>	11,278	9	6,550	6	6,192	(364)	-5.6%
<b>CCG Acute Services Total</b>	<b>275,583</b>	<b>9,408</b>	<b>160,549</b>	<b>5,551</b>	<b>162,692</b>	<b>(3,408)</b>	<b>-2.1%</b>
<b>Local Authorities</b>	2,366	0	1,273	0	1,249	(24)	-1.9%
<b>Shared Care and Maternity recharges to other providers</b>	985	0	574	0	852	278	48.5%
<b>Anticipated Income</b>	10,684	(10,684)	6,938	(6,938)	0	0	0.0%
<b>NCA &amp; IFR</b>	2,864	(92)	1,663	(49)	1,550	(64)	-3.9%
<b>Secondary Dental &amp; Public Health</b>	10,033	77	5,872	45	5,757	(160)	-2.7%
<b>Public Health England</b>	0	0	0	0	0	0	0.0%
<b>Specialised services</b>	81,983	(243)	47,646	(143)	47,512	9	0.0%
<b>Other Services (incl Fines)</b>	2,590	1,534	1,440	1,534	1,371	(1,603)	-111.3%
<b>Sub Total Acute Services</b>	<b>387,088</b>	<b>0</b>	<b>225,955</b>	<b>0</b>	<b>220,983</b>	<b>(4,973)</b>	<b>-2.20%</b>
<b>Community Services</b>	<b>47,563</b>	683	<b>28,031</b>	399	<b>27,694</b>	<b>(735)</b>	<b>-2.59%</b>
<b>Other Income</b>	<b>8,736</b>	0	<b>5,096</b>	0	<b>5,086</b>	<b>(10)</b>	<b>-0.19%</b>
<b>GRAND TOTAL</b>	<b>443,387</b>	<b>683</b>	<b>259,082</b>	<b>399</b>	<b>253,763</b>	<b>(5,718)</b>	<b>-2.21%</b>



# CIP Monitoring All Trust Schemes

The Trust CIP target is £28.5m. The table below summarises the target CIP for each Division and the actual achieved. The red risk of £20.4m (£23.8m recurrently) relates to where there were no plans. The position for October shows a withdrawal of CIP from annual budget of £5.56m representing (19.5%) of the total target. Actual CIP achieved in month was £672k. The increase in CIP of £2.9m due to the revised control total is currently included in the Corporate section and is risk rated as red as currently there are no plans for achievement.

CIP MONITORING	2016/17							Non recurrent element withdrawn from budget £000
	Annual Plan	Blue (withdrawn from budgets)	Still to be achieved					
			Categorised by Risk Rating					
2016/17 Schemes	£000	£000	Total £000	Green £000	Yellow £000	Amber £000	Red £000	
Corporate	4,543	1,053	3,491	7	24	0	3,460	450
Division 1	11,379	2,636	8,743	0	1,081	0	7,662	1,301
Division 2	10,073	1,345	8,728	0	1,102	0	7,625	382
Estates & Facilities	2,501	522	1,979	0	257	42	1,680	398
<b>Total 2016/17 Schemes</b>	<b>28,496</b>	<b>5,556</b>	<b>22,940</b>	<b>7</b>	<b>2,464</b>	<b>42</b>	<b>20,428</b>	<b>2,530</b>
<b>Recurrent</b>	<b>28,496</b>	<b>3,025</b>	<b>25,471</b>	<b>14</b>	<b>1,582</b>	<b>82</b>	<b>23,793</b>	

Transactional

CIP MONITORING	2016/17							Non recurrent element withdrawn from budget £000
	Annual Plan	Blue (withdrawn from budgets)	Still to be achieved					
			Categorised by Risk Rating					
Transactional	£000	£000	Total £000	Green £000	Yellow £000	Amber £000	Red £000	
Corporate	4,426	1,031	3,395	7	(125)	0	3,513	447
Division 1	8,760	2,251	6,509	0	(0)	0	6,509	1,233
Division 2	8,430	1,287	7,143	0	(90)	0	7,234	374
Estates & Facilities	2,245	303	1,942	0	81	42	1,819	208
<b>Total 2015/16 Scheme</b>	<b>23,861</b>	<b>4,872</b>	<b>18,989</b>	<b>7</b>	<b>(134)</b>	<b>42</b>	<b>19,075</b>	<b>0</b>
<b>Recurrent</b>	<b>24,217</b>	<b>2,609</b>	<b>21,607</b>	<b>14</b>	<b>108</b>	<b>82</b>	<b>21,404</b>	<b>2,263</b>

Transformational

CIP MONITORING	2016/17							Non recurrent element withdrawn from budget £000
	Annual Plan	Blue (withdrawn from budgets)	Still to be achieved					
			Categorised by Risk Rating					
Transformational	£000	£000	Total £000	Green £000	Yellow £000	Amber £000	Red £000	
Corporate	117	22	96	0	148	0	(53)	3
Division 1	2,619	385	2,234	0	1,081	0	1,153	67
Division 2	1,642	58	1,584	0	1,192	0	392	8
Estates & Facilities	255	218	37	0	176	0	(139)	189
<b>Total 2015/16 Scheme</b>	<b>4,635</b>	<b>684</b>	<b>3,951</b>	<b>0</b>	<b>2,598</b>	<b>0</b>	<b>1,353</b>	<b>267</b>
<b>Recurrent</b>	<b>4,279</b>	<b>416</b>	<b>3,863</b>	<b>0</b>	<b>1,474</b>	<b>0</b>	<b>2,389</b>	

# Statement of Financial Position

## 2016/17 Balance Sheet as at 31st October 2016

	Oct 2016 Plan	Oct 2016 Actual	Sep 2016 Actual	Movement in Month	March 2016 Actual
	£000	£000	£000	£000	£000
<b>NON CURRENT ASSETS</b>					
Property, Plant and Equipment - Tangible Assets	398,212	392,438	393,226	(788)	395,710
Intangible Assets	700	787	790	(3)	813
Trade and Other Receivables Non Current	827	702	827	(125)	826
<b>TOTAL NON CURRENT ASSETS</b>	<b>399,739</b>	<b>393,927</b>	<b>394,843</b>	<b>(916)</b>	<b>397,349</b>
<b>CURRENT ASSETS</b>					
Inventories	6,616	6,891	7,108	(217)	6,981
Trade and Other Receivables	30,707	27,966	23,231	4,735	22,524
Other Current Assets	0	0	0	0	0
Cash and cash equivalents	3,524	8,787	6,939	1,848	16,927
<b>TOTAL CURRENT ASSETS</b>	<b>40,847</b>	<b>43,644</b>	<b>37,278</b>	<b>6,366</b>	<b>46,432</b>
Non Current Assets Held for Sale	800	800	800	0	800
<b>TOTAL ASSETS</b>	<b>441,386</b>	<b>438,371</b>	<b>432,921</b>	<b>5,450</b>	<b>444,581</b>
<b>CURRENT LIABILITIES</b>					
Trade & Other Payables	(54,000)	(52,833)	(46,519)	(6,314)	(51,457)
Liabilities arising from PFIs / Finance Leases	(1,132)	(1,912)	(1,912)	0	(1,912)
Provisions for Liabilities and Charges	(3,108)	(2,829)	(2,922)	93	(3,254)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(58,240)</b>	<b>(57,574)</b>	<b>(51,353)</b>	<b>(6,221)</b>	<b>(56,623)</b>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>	<b>(17,393)</b>	<b>(13,930)</b>	<b>(14,075)</b>	<b>145</b>	<b>(10,191)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>383,146</b>	<b>380,797</b>	<b>381,568</b>	<b>(771)</b>	<b>387,958</b>
<b>NON CURRENT LIABILITIES</b>					
Other Liabilities	(5,154)	(4,246)	(4,405)	159	(5,343)
Provision for Liabilities and Charges	(648)	(648)	(648)	0	(631)
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>(5,802)</b>	<b>(4,894)</b>	<b>(5,053)</b>	<b>159</b>	<b>(5,974)</b>
<b>TOTAL ASSETS EMPLOYED</b>	<b>377,344</b>	<b>375,903</b>	<b>376,515</b>	<b>(612)</b>	<b>381,984</b>
<b>FINANCED BY TAXPAYERS EQUITY</b>					
Public Dividend Capital	229,568	229,568	229,568	0	229,568
Retained Earnings	22,415	21,223	21,777	(554)	26,906
Revaluation Reserve	125,171	124,922	124,980	(58)	125,320
Donated Asset Reserve	0	0	0	0	0
Government Grant Reserve	0	0	0	0	0
Other Reserves	190	190	190	0	190
<b>TOTAL TAXPAYERS EQUITY</b>	<b>377,344</b>	<b>375,903</b>	<b>376,515</b>	<b>(612)</b>	<b>381,984</b>

Calculated Debtor Days for the year to date are:-

	M7 Actual	M7 Plan	M6 Actual
Total Being:-	8.46	9.39	5.05
NHS	8.55	8.83	4.62
Non NHS	7.94	12.88	7.64

NHS Debtor days have increased in month due to an invoice being raised for £2.9m to Health Education England in month for Q2 training.

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:

	M7	Cumulative
- Value	94%	93%
- Volume	93%	93%

	M6	Cumulative
- Value	92%	93%
- Volume	94%	93%

THE ROYAL WOLVERHAMPTON NHS TRUST

2016/17 Cash Flow as at 31st October 2016

	October Plan £'000	October Actual £'000	October Variance £'000
<b>OPERATING ACTIVITIES</b>			
<b>Total Operating Surplus/(Deficit)</b>	<b>3,936</b>	<b>2,460</b>	<b>(1,476)</b>
Depreciation	9,674	9,518	(156)
Fixed Asset Impairments	0	13	13
Donated Assets received credited to revenue but non-cash	(300)	0	300
Interest Paid	(939)	(943)	(4)
Dividends Paid	(6,567)	(6,567)	0
Release of PFI /Deferred Credit		(124)	(124)
(Increase)/Decrease in Inventories	365	90	(275)
(Increase)/Decrease in Trade/Receivables	(8,184)	(5,318)	2,866
Increase/(Decrease) in Trade/Payables	2,566	2,701	135
Increase/(Decrease) in Provisions	(129)	(408)	(279)
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING</b>	<b>422</b>	<b>1,422</b>	<b>1,000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	53	28	(25)
Payment for Property, Plant and Equipment	(12,785)	(8,534)	4,251
Payment for Intangible Assets	0	0	0
Payment for Other Assets	0	0	0
Proceeds from Disposals	0	41	41
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING</b>	<b>(12,732)</b>	<b>(8,465)</b>	<b>4,267</b>
<b>NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>	<b>(12,310)</b>	<b>(7,043)</b>	<b>5,267</b>
<b>FINANCING</b>			
New Public Dividend Capital Received	0	0	0
Capital Element of Finance Lease and PFI	(1,093)	(1,097)	(4)
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING</b>	<b>(1,093)</b>	<b>(1,097)</b>	<b>(4)</b>
<b>INCREASE/(DECREASE) IN CASH</b>	<b>(13,403)</b>	<b>(8,140)</b>	<b>5,263</b>
<b>CASH BALANCES</b>			
Opening Balance at 1st April 2016	16,927	16,927	0
<b>Closing Balance at 31st October 2016</b>	<b>3,524</b>	<b>8,787</b>	<b>5,263</b>