

Kingston Hospital NHS Foundation Trust

Finance Report December 2015 (Month 9)

Trust Board: 27th January 2016

A revised annual plan of a £6.1m deficit was submitted to Monitor in September. The analysis in this report is shown against this revised plan. For reference, the original budget is shown on page 4.

CONTENTS

EXECUTIVE SUMMARY.....	3
SECTION 1: OVERALL INCOME AND EXPENDITURE.....	4
SECTION 2: DIVISIONAL POSITION.....	7
SECTION 3: COST IMPROVEMENT PLAN	10
SECTION 4: INCOME.....	11
SECTION 5: PAY COSTS.....	12
SECTION 6: NON PAY COSTS.....	15
SECTION 7: STATEMENT OF FINANCIAL POSITION	16
SECTION 8: CASH FLOW POSITION.....	17
SECTION 9: DEBTORS.....	18
SECTION 10: CREDITORS.....	19
SECTION 11: CAPITAL	20
SECTION 12: FINANCIAL SUSTAINABILITY RISK RATING (FSRR) ...	22
Appendix 1 - INCOME DETAIL	23
Appendix 2 - ACTIVITY DETAIL	24
Appendix 3 - INCOME PENALTIES	25

EXECUTIVE SUMMARY

<i>Headline</i>	<i>Trend</i>	<i>Trend against Revised Plan</i>	<i>Narrative</i>
	(November)	(December)	
At the end of M9 the Trust reported a year to date deficit of £6.3m, which is £1.2m adverse to the revised plan submitted to Monitor			The Trust reported an in month deficit of £0.6m. The underlying adverse variance on patient care income is £0.2m (after removing the impact of high cost drugs (£0.2m)) due to higher activity than forecast. In month, there was also an underlying overspend in non-pay of £0.8m, partly due to the timing of overseas nursing recruitment costs, included in the forecast in later months and partly due to activity in specific overperforming service lines.
The underlying clinical income benefit was £0.2m as £0.2m of the reported position related to high cost drugs.			The in-month income is above forecast by £0.4m which includes the benefit of £0.2m of high cost drugs.
Pay and Non Pay Expenditure directly associated with the delivery of clinical services is over forecast by £0.9m in M9.			Pay is £0.3m adverse in month while Non pay is overspent by £0.6m.
Corporate Services pay and non pay were £0.1m worse than forecast in M9			The main driver for this is the timing of overseas nursing recruitment costs of £150k, included within the forecast in later months.
CIP Delivery stands at 88% YTD and 89% in month.			The CIP programme shortfall is still mainly due to Emergency service lines where only 60% of CIPs have been achieved YTD. All other divisions are forecasting over 90% achievement.
The Trust is forecasting a deficit of £6.4m.			We are projecting a forecast a deficit of £6.4m, in line with the forecast presented to Monitor in month 8
At the end of M9, capital expenditure is below forecast.			YTD expenditure is 89% of the revised plan. Equipment and IT delays contribute to the underspend on capital.
The cash balance reported at the end of M9 was £2m.			The closing cash position for December was £2.0m which was a deterioration of £2.4m on the previous month's position. The non-payment of overperformance invoices continues to place pressure on the cash position.

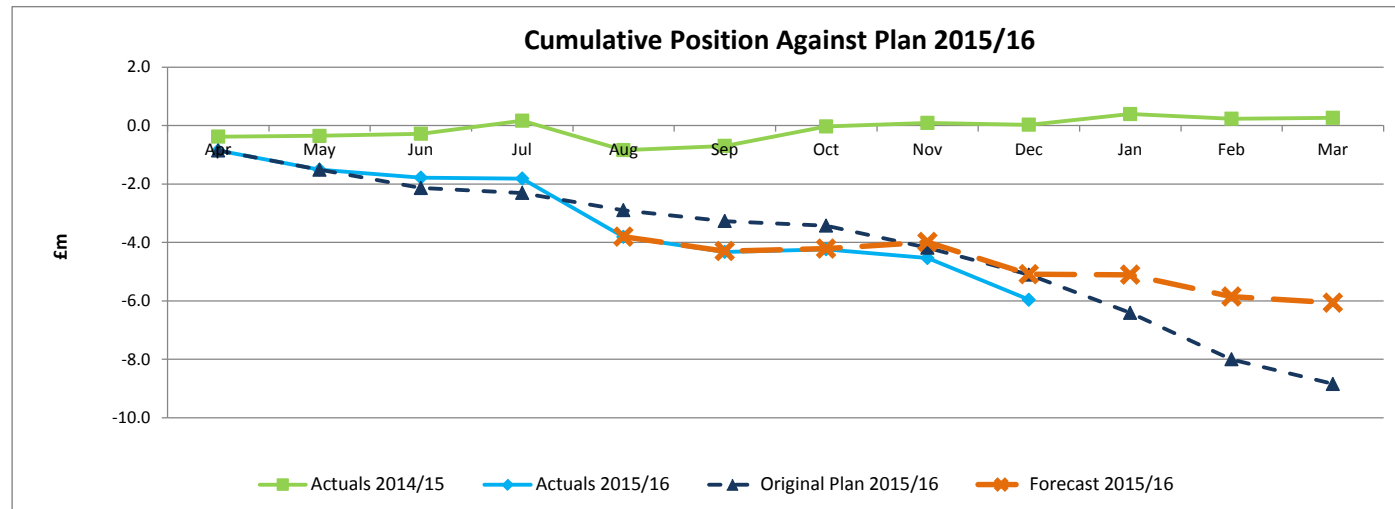
SECTION 1: OVERALL INCOME AND EXPENDITURE

Version 1

Summary as at the end of Dec-15

Income & Expenditure	Original Plan £000's	Revised Plan £000's	IN MONTH			YEAR TO DATE		
			Revised Plan v Actuals			Revised Plan v Actuals		
			Revised plan £000's	Actual £000's	Var £000's	Revised plan £000's	Actual £000's	Var £000's
Income Patient Care Income	203,316	204,623	16,399	16,748	349	152,637	153,187	550
Other Income	24,506	24,724	1,939	1,982	43	19,014	20,137	1,122
Income	227,823	229,347	18,338	18,730	392	171,651	173,323	1,672
Expenditure Pay	(143,006)	(146,690)	(12,247)	(12,332)	(85)	(109,879)	(110,490)	(611)
Non Pay	(77,641)	(73,549)	(5,878)	(6,802)	(924)	(55,679)	(58,003)	(2,324)
Expenditure	(220,646)	(220,239)	(18,125)	(19,134)	(1,009)	(165,559)	(168,493)	(2,934)
EBITDA	7,176	9,108	213	(404)	(617)	6,092	4,830	(1,262)
Depreciation and Amortisation	(9,394)	(8,625)	(774)	(749)	26	(6,258)	(6,108)	150
Investment Revenue	16	24	2	2	(0)	17	18	0
Finance Costs	(3,411)	(3,347)	(275)	(292)	(16)	(2,521)	(2,588)	(67)
Public Dividend Capital	(3,232)	(3,228)	(269)	(287)	(18)	(2,421)	(2,417)	4
Total I&E	(8,845)	(6,068)	(1,104)	(1,729)	(626)	(5,090)	(6,265)	(1,175)

	Original Plan	Revised Plan	Plan	Actual		Plan	Actual YTD
EBITDA Margin	3.1%	4.0%	1.2%	-2.2%		3.5%	2.8%
EBITDA Achieved	100.0%	100.0%	100.0%	-189.8%		100.0%	79.3%
I&E Surplus Margin	-3.9%	-2.6%	-6.0%	-9.2%		-3.0%	-3.6%



SECTION 2: DIVISIONAL POSITIONS
Overview

Summary as at the end of Dec-15

Income & Expenditure	Revised Plan £000's	IN MONTH							YEAR TO DATE						
		Revised Plan v Actuals			Variances				Revised Plan v Actuals			Variances			
		Revised plan £000's	Actual £000's	Var £000's	Inc	Pay	Non Pay	Total	Revised plan £000's	Actual £000's	Var £000's	Inc	Pay	Non Pay	Total
Clinical Support Services	(24,692)	(2,046)	(2,440)	(393)	(261)	(80)	(52)	(393)	(18,490)	(19,473)	(983)	140	(487)	(636)	(983)
Emergency Care	14,698	1,165	831	(334)	111	(183)	(262)	(334)	10,909	9,341	(1,568)	(152)	(605)	(811)	(1,568)
Specialist Services	51,496	3,684	3,694	9	332	(19)	(304)	9	38,081	37,681	(400)	448	(119)	(729)	(400)
Clinical Divisions	41,503	2,803	2,085	(718)	182	(282)	(618)	(718)	30,500	27,549	(2,951)	435	(1,211)	(2,175)	(2,951)
Commercial Director	(2,107)	(178)	(181)	(3)	(3)	27	(27)	(3)	(1,577)	(1,584)	(7)	(8)	32	(31)	(7)
Corporate Affairs	(3,396)	(260)	(237)	23	25	7	(9)	23	(2,524)	(2,374)	150	47	163	(60)	150
Finance	(4,220)	(333)	(349)	(15)	(1)	4	(19)	(15)	(3,291)	(3,304)	(13)	11	17	(41)	(13)
Human Resources	(1,883)	(143)	(229)	(86)	(25)	(36)	(26)	(86)	(1,412)	(1,545)	(133)	19	(64)	(88)	(133)
Medical Director	(425)	(40)	(31)	8	(4)	11	2	8	(276)	(255)	22	(11)	31	1	22
Nursing Director	(2,175)	(201)	(365)	(164)	22	37	(223)	(164)	(1,484)	(1,585)	(101)	90	69	(260)	(101)
Operations	(26,024)	(2,167)	(2,001)	166	61	134	(29)	166	(19,525)	(18,804)	721	227	298	197	721
Directorates	(40,231)	(3,322)	(3,393)	(71)	76	184	(331)	(71)	(30,090)	(29,450)	640	375	546	(281)	640
Central Income	7,001	592	566	(26)	(13)	4	(17)	(26)	5,234	5,205	(29)	50	5	(85)	(29)
Other Central Budgets	836	140	341	201	146	13	42	201	448	1,529	1,081	812	52	217	1,081
				0				0			0				0
EBITDA	9,108	213	(401)	(614)	392	(82)	(924)	(614)	6,092	4,833	(1,259)	1,672	(608)	(2,324)	(1,259)
Depreciation & Losses	(8,625)	(774)	(749)	26				26	(6,258)	(6,108)	150				150
Interest	(3,323)	(273)	(290)	(16)				(16)	(2,503)	(2,570)	(67)				(67)
PDC	(3,228)	(269)	(287)	(18)				(18)	(2,421)	(2,417)	4				4
Total I&E	(6,068)	(1,104)	(1,727)	(623)				(623)	(5,090)	(6,262)	(1,172)				(1,172)

COMMENTARY

- The table above shows the divisional positions. This shows an adverse position in month against the plan for the clinical divisions of £0.7m. Divisional income is £0.2m better than forecast with Cardiology, Elderly Care, Gynaecology and Oral and ENT all performing better than plan. This is offset by nursing and medical staff not reducing in line with the revised plan. NonPay is overspent is partially due to £0.2m of High cost drugs, and £0.2m of Clinical supplies and services increasing in line with additional activity.
- The divisional variances are explained in pages 6 to 9.

SECTION 2: DIVISIONAL POSITIONS

Clinical Support Services

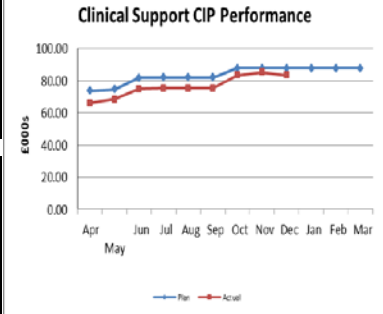
Summary as at the end of

Dec-15

Income & Expenditure	Original Plan £000's	Revised Plan £000's	IN MONTH			YEAR TO DATE		
			Revised Plan v Actuals			Revised Plan v Actuals		
			Revised plan £000's	Actual £000's	Var £000's	Revised plan £000's	Actual £000's	Var £000's
Income								
Patient Care Activities		18,501	1,566	1,326	(240)	13,771	13,428	(343)
Other	5,360	5,568	350	329	(21)	4,493	4,976	483
Income	5,360	24,069	1,916	1,655	(261)	18,264	18,404	140
Expenditure - Pay								
Medical & Dental	(9,757)	(9,857)	(810)	(810)	(1)	(7,417)	(7,466)	(49)
Nursing & Midwifery	(7,977)	(7,834)	(653)	(672)	(19)	(5,875)	(6,095)	(220)
Scientific, Professional & Tech	(3,929)	(4,017)	(330)	(369)	(39)	(2,996)	(3,058)	(63)
Admin & Clerical	(1,504)	(1,552)	(126)	(131)	(5)	(1,175)	(1,219)	(44)
Other	(9,109)	(9,043)	(754)	(770)	(16)	(6,758)	(6,870)	(112)
Pay	(32,275)	(32,304)	(2,672)	(2,753)	(80)	(24,220)	(24,707)	(487)
Expenditure - Non Pay								
Clinical Supplies & Services	(13,164)	(13,457)	(1,060)	(1,069)	(10)	(10,283)	(10,632)	(350)
Other	(2,838)	(3,000)	(231)	(273)	(42)	(2,252)	(2,537)	(286)
Non Pay	(16,002)	(16,457)	(1,290)	(1,342)	(52)	(12,534)	(13,170)	(636)
Expenditure	(48,277)	(48,761)	(3,963)	(4,095)	(132)	(36,754)	(37,877)	(1,123)
Income Less Direct Costs	(42,917)	(24,692)	(2,046)	(2,440)	(393)	(18,490)	(19,473)	(983)

Service Lines	Revised plan £000's	IN MONTH			YEAR TO DATE		
		Revised Plan v Actuals			Revised Plan v Actuals		
		Revised plan £000's	Actual £000's	Var £000's	Revised plan £000's	Actual £000's	Var £000's
Anaesthetics, Theatre and DSU	(10,560)	(882)	(938)	(56)	(7,932)	(7,966)	(35)
Histopathology	(1,637)	(131)	(153)	(22)	(1,234)	(1,281)	(47)
Imaging	(5,935)	(601)	(638)	(137)	(4,543)	(4,888)	(345)
Intensive Care Unit	955	105	(43)	(148)	678	236	(442)
Pathology	(1,713)	(140)	(170)	(30)	(1,259)	(1,360)	(101)
Pharmacy	(1,915)	(161)	(138)	23	(1,346)	(1,289)	57
Sterile Services Department	(1,459)	(122)	(122)	(0)	(1,093)	(1,074)	19
Therapies	(2,427)	(213)	(236)	(23)	(1,762)	(1,850)	(89)
	(24,692)	(2,046)	(2,440)	(393)	(18,490)	(19,473)	(983)

Service Lines	In Month Variances			YTD Variances		
	Inc	Pay	Non Pay	Inc	Pay	Non Pay
Anaesthetics, Theatre and DSU	(16)	(5)	(35)	130	(40)	(125)
Histopathology	(17)	(0)	(5)	(7)	(8)	(32)
Imaging	(83)	(26)	(28)	(175)	(129)	(41)
Intensive Care Unit	(133)	(5)	(10)	(273)	(119)	(50)
Pathology	(25)	(33)	28	343	(129)	(316)
Pharmacy	16	8	(1)	122	22	(87)
Sterile Services Department	(0)	0	(0)	(2)	(2)	23
Therapies	(3)	(19)	(1)	1	(82)	(7)
	(261)	(80)	(52)	140	(487)	(636)



Income & Expenditure Commentary

- The month 9 position is £0.4m adverse against the revised plan.
- Patient Care Income is £0.2m adverse against forecast and this is mainly due to an income underperformance in ICU as the activity has gone down this year due to trust wide initiatives such as sepsis 6, outreach 24/7 and EPOCH (All emergency laparotomies post operatively are coming into a HDU bed within 24 hours rather than only 50% last year) Although admissions to the ICU have gone up from 40 to 50 admissions per month last year to 60 to 70 admissions per month this year these initiatives have led to a decrease in mean length of stay last year from 5 to 6 days to 3 to 4 days this year resulting in low organ supported cases and better patient experience.
- Pay is £0.1m adverse against the revised plan and this is mainly within Radiographers and Radiologists and in Pathology. In imaging additional premium agency costs have been incurred due to the Gynae and thyroid lists being moved to weekend and out of hours working to accommodate the breast work. Recruitment is underway to recruit permanently into the vacant consultant posts. In Pathology agency costs relating to chemical pathology are driving the adverse variance against forecast but these are chargeable to SWL Pathology and are reflected in other income.
- Non Pay is £0.1m adverse against the revised plan. The adverse position largely lies within Anaesthetics and the overspend is due to laparoscopic consumables, wound closures, respiratory tubes and masks and medical and surgical equipment all relating to increase in activity. In Imaging the overspend is £28k, £11k relating to other medical and surgical supplies linked to interventional imaging, there is also an increase in service contracts due to additional kit that was added to the CT Scanners (£8k/month) - Asteral and new Fuji contract relating to the new PACS contract. (£7k/month)

CIP Commentary

- In month, the division achieved £0.1m (95%) of its target.
- The main shortfall relates to ceasing the Radiology SLA with St Georges for junior Doctors (£63k YTD)

Divisional Actions

Actions were agreed within ICU, imaging and theatres to include:

- Plans to address recruitment.
- Reviewing data on consultant productivity with action plans produced
- Review non pay spend within Imaging and understand the increase in the charge on the managed service contract.
- Develop plan to ring-fence slots for GPs
- Develop plan with theatres to ensure capacity available and wastage minimised
- Outsource out of hours reporting to expand in house capacity for routine work.
- Reduce agency spend in theatres in line with the

SECTION 2: DIVISIONAL POSITIONS

Emergency Care

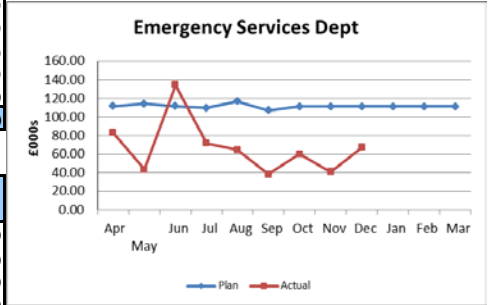
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Dec-15

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			Revised Plan v Actuals			Revised Plan v Actuals		
			Revised plan £000's	Actual £000's	Var £000's	Revised plan £000's	Actual £000's	Var £000's
Income								
Patient Care Activities		58,867	4,768	4,933	165	44,202	44,172	(30)
Other	1,347	1,413	113	59	(54)	1,162	1,039	(123)
Income	1,347	60,281	4,882	4,993	111	45,364	45,212	(152)
Expenditure - Pay								
Medical & Dental	(10,557)	(12,179)	(1,037)	(1,064)	(27)	(9,016)	(9,351)	(335)
Nursing & Midwifery	(18,603)	(20,344)	(1,639)	(1,747)	(108)	(15,483)	(15,668)	(185)
Scientific, Professional & Tech	(810)	(809)	(64)	(81)	(18)	(618)	(652)	(34)
Admin & Clerical	(2,382)	(2,191)	(182)	(189)	(8)	(1,645)	(1,651)	(5)
Other	(313)	(633)	(44)	(66)	(23)	(510)	(555)	(45)
Pay	(32,666)	(36,156)	(2,965)	(3,148)	(183)	(27,272)	(27,877)	(605)
Expenditure - Non Pay								
Clinical Supplies & Services	(3,023)	(2,836)	(232)	(323)	(91)	(2,139)	(2,447)	(309)
Other	(6,457)	(6,591)	(519)	(691)	(171)	(5,044)	(5,546)	(502)
Non Pay	(9,479)	(9,427)	(752)	(1,014)	(262)	(7,183)	(7,994)	(811)
Expenditure	(42,145)	(45,583)	(3,717)	(4,162)	(445)	(34,455)	(35,870)	(1,416)
Income Less Direct Costs	(40,798)	14,698	1,165	831	(334)	10,909	9,341	(1,568)

Service Lines	Revised plan £000's	IN MONTH			YEAR TO DATE		
		Revised Plan v Actuals			Revised Plan v Actuals		
		Revised plan £000's	Actual £000's	Var £000's	Revised plan £000's	Actual £000's	Var £000's
Accident and Emergency	2,762	258	162	(95)	2,231	1,805	(426)
Acute Assessment Unit	2,432	218	162	(56)	1,741	1,475	(266)
Cardiology	5,842	384	396	12	4,372	4,092	(279)
Elderly Care	(1,797)	(182)	(169)	12	(1,321)	(1,475)	(154)
Gastro and Endoscopy	3,782	323	237	(85)	2,704	2,364	(340)
Respiratory	2,712	247	142	(105)	1,969	1,894	(75)
Site management	(1,035)	(83)	(100)	(17)	(786)	(815)	(29)
	14,698	1,165	831	(334)	10,909	9,341	(1,568)

Service Lines	In Month Variances			YTD Variances		
	Inc	Pay	Non Pay	Inc	Pay	Non Pay
Accident and Emergency	4	(72)	(28)	114	(381)	(160)
Acute Assessment Unit	(24)	(20)	(12)	(208)	(52)	(5)
Cardiology	90	24	(102)	72	65	(416)
Elderly Care	104	(59)	(33)	(21)	(117)	(15)
Gastro and Endoscopy	34	(58)	(61)	(40)	(146)	(153)
Respiratory	(93)	0	(12)	(55)	21	(41)
Site management	(3)	2	(15)	(14)	5	(21)
	111	(183)	(262)	(152)	(605)	(811)



Income & Expenditure Commentary

- The month 9 position is £0.3m adverse against the revised plan.
- Patient Care Income is £0.2m better than the revised plan. This is predominantly driven by an overperformance in non-elective income in Elderly Care and in Cardiology high cost drugs income and day cases. An increase in non elective activity levels in month meant that Claremont ward was opened as planned. At the time of reporting the level of coding is still low and is estimated at average price.
- Pay is £0.2.m adverse. This is mainly within the nursing staff group, where escalations and winter pressures including Claremont have been funded through agency. In A&E, the adverse position is a result of additional middle grade doctors.
- ■ Non pay is £0.3m adverse against the revised plan and this is mainly within Cardiology (£0.1m), high cost drugs (£0.1m) which are offset by income and other non pay expenditure ie pacing equipment which is activity driven. In elderly care, the overspend mainly relates to blood products and the hire of low level beds.

CIP Commentary

The Emergency Services Division achieved 60% of its CIP target in month.

Underachieving CIPs

- Sleep Apnoea (Replacement scheme to be found)
- ED Case mix / over-performance

Divisional Actions

- All ECIST steps are being factored into the transformation plan to minimise 4 hour breaches going forward.
- Ambulance RAP will prevent 95% of handover breaches going forward.
- Recruitment to vacant medical posts in progress, with success in the DD and CoE role will continue with locums in COE, Stroke and ACPs while we continue to recruit.
- Matrons to lead on reducing the Specials expenditure through better management of substantive HCA establishment and improved assessment of patients.
- Discharge project will be working to reduce LoS along with employment of Locum CoE consultant against current vacancy.
- Recovery plans are being developed to recover the income position.
- Working to ring fence AAU trollies to increase ambulatory care activity has not yet been successful

SECTION 2: DIVISIONAL POSITIONS

Specialist Services

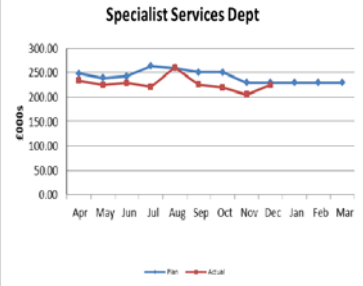
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			Revised Plan v Actuals			Revised Plan v Actuals		
			Revised plan £000's	Actual £000's	Var £000's	Revised plan £000's	Actual £000's	Var £000's
Income					0			
Patient Care Activities	122,237	125,420	9,897	10,199	302	93,299	93,464	165
Other	4,944	5,047	406	436	30	3,814	4,098	283
Income	127,180	130,466	10,303	10,635	332	97,113	97,561	448
Expenditure - Pay								
Medical & Dental	(20,203)	(20,487)	(1,704)	(1,801)	(97)	(15,404)	(15,834)	(430)
Nursing & Midwifery	(25,235)	(25,055)	(2,160)	(2,128)	32	(18,564)	(18,376)	188
Scientific, Professional & Tech	(1,630)	(1,597)	(141)	(129)	12	(1,175)	(1,139)	36
Admin & Clerical	(5,501)	(5,450)	(468)	(431)	37	(4,058)	(3,948)	110
Other	(1,154)	(1,172)	(95)	(99)	(4)	(887)	(910)	(23)
Pay	(53,723)	(53,761)	(4,567)	(4,586)	(19)	(40,088)	(40,207)	(119)
Expenditure - Non Pay								
Clinical Supplies & Services	(7,686)	(7,616)	(615)	(777)	(162)	(5,705)	(6,019)	(314)
Other	(16,262)	(17,593)	(1,436)	(1,577)	(141)	(13,239)	(13,654)	(415)
Non Pay	(23,947)	(25,209)	(2,051)	(2,355)	(304)	(18,944)	(19,673)	(729)
Expenditure	(77,670)	(78,970)	(6,618)	(6,941)	(323)	(59,032)	(59,880)	(848)
Income Less Direct Costs	49,510	51,496	3,684	3,694	9	38,081	37,681	(400)

Service Lines	Revised plan £000's	IN MONTH			YEAR TO DATE		
		Revised Plan v Actuals			Revised Plan v Actuals		
		Revised plan £000's	Actual £000's	Var £000's	Revised plan £000's	Actual £000's	Var £000's
GUM	2,446	168	183	15	1,854	1,913	59
Gynaecology and Breast	5,189	309	416	107	3,839	3,970	131
Maternity	8,176	615	563	(52)	6,199	6,293	94
Ophthalmology	4,492	386	304	(82)	3,327	3,241	(85)
Oral and ENT	3,629	221	290	68	2,712	2,855	143
Paediatrics and NNU	3,908	405	372	(33)	3,015	3,134	119
Specialist Outpatients	3,387	71	262	191	2,402	2,642	240
Total Specialist Services	31,227	2,176	2,389	213	23,348	24,049	701
General Surgery and Urology	10,313	783	718	(65)	(29)	8	(497)
Trauma and Orthopaedics	9,956	726	587	(139)	(80)	14	(604)
Total	51,496	3,684	3,694	9	23,239	24,070	(400)

Service Lines	In Month Variances			YTD Variances		
	Inc	Pay	Non Pay	Inc	Pay	Non Pay
GUM	33	4	(21)	47	11	0
Gynaecology and Breast	96	23	(12)	43	108	(19)
Maternity	(53)	7	(6)	1	57	36
Ophthalmology	8	(44)	(46)	246	(97)	(235)
Oral and ENT	73	4	(8)	180	3	(40)
Paediatrics and NNU	11	(4)	(40)	82	54	(17)
Specialist Outpatients	274	(30)	(53)	359	41	(161)
Total Specialist Services	442	(41)	(187)	958	178	(435)
General Surgery and Urology	(29)	8	(43)	(163)	(233)	(100)
Trauma and Orthopaedics	(80)	14	(73)	(347)	(64)	(193)
Total	332	(19)	(304)	448	(119)	(729)



Income & Expenditure Commentary

- The month 9 position is in line with the revised plan.
- Patient Care Income is £0.3m better than forecast. This is mainly within Specialist OP, Gynaecology and Oral & ENT service lines. In Specialist OP this is within Dermatology and Plastics where there has been an increase in OP and day case activity to meet the increase in demand. In Gynaecology, the increase in elective work to avoid breaches and the increase in OP work in Breast has resulted in overperformance. An increase in Breast activity will impact on the demand on diagnostics and this is being monitored closely to ensure sufficient capacity is available to meet the demand.
- Non Pay is £0.3m adverse against the revised plan. £0.1m of this relates to drugs of which the majority is high cost drugs. £0.2m relates to clinical supplies and services and relates mainly to plates and screws, embryology fees, hearing aids and equipment purchases in paediatrics.

CIP Commentary

- The division has achieved £0.2m of its target in month (98%).

Schemes not delivering in month mainly relate to:

- T&O - coding of outpatient with procedures and non pay savings. Although procedure coding is being undertaken by the service this does not secure additional funding. Investigations are being undertaken between the coding, service and commissioning teams to understand this.

Divisional Actions

- Understanding from the partnership board /Epsom Orthopaedics Centre the recovery of the current SWELOC position.
- Review process in Gynaecology to ensure maximum utilisation of theatres and DSU
- Organise DSU/Theatre capacity and OP capacity to increase activity in plastics.
- Put plans in place to avoid 18 week breaches in Gynaecology.
- Understand the capacity/job plans within the Orthopaedics service and map out accurately the current capacity.

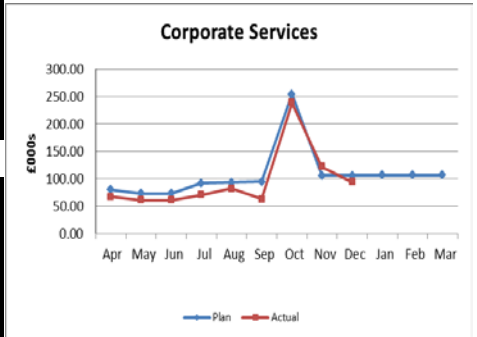
SECTION 2: DIVISIONAL POSITIONS

Corporate

Summary as at the end of

Dec-15

Income & Expenditure	Original Plan £000's	Revised Plan £000's	IN MONTH			YEAR TO DATE			Service Lines	Revised Plan £000's	IN MONTH			YEAR TO DATE		
			Revised Plan v Actuals			Revised Plan v Actuals					Revised Plan v Actuals			Revised Plan v Actuals		
			Revised Plan £000's	Actual £000's	Var £000's	Revised Plan £000's	Actual £000's	Var £000's			Revised Plan £000's	Actual £000's	Var £000's	Revised Plan £000's	Actual £000's	Var £000's
Income									Commercial Director	(2,107)	(178)	(181)	(3)	(1,577)	(1,584)	(7)
Patient Care Activities	1,080	1,019	84	85	0	766	778	13	Corporate Affairs	(3,396)	(260)	(237)	23	(2,524)	(2,374)	150
Other	5,938	5,921	494	569	75	4,491	4,853	362	Finance	(4,220)	(333)	(349)	(15)	(3,291)	(3,304)	(13)
Income	7,018	6,940	578	654	76	5,257	5,631	375	Human Resources	(1,883)	(143)	(229)	(86)	(1,412)	(1,545)	(133)
Expenditure - Pay									Medical Director	(425)	(40)	(31)	8	(276)	(255)	22
Medical & Dental	(1,972)	(2,019)	(170)	(176)	(6)	(1,497)	(1,481)	16	Nursing Director	(2,175)	(201)	(365)	(164)	(1,484)	(1,585)	(101)
Nursing & Midwifery	(2,369)	(2,291)	(205)	(160)	45	(1,674)	(1,655)	19	Operations	(26,024)	(2,167)	(2,001)	166	(19,525)	(18,804)	721
Scientific, Professional & Tech	(567)	(487)	(37)	(49)	(13)	(377)	(428)	(51)		(40,231)	(3,322)	(3,393)	(71)	(30,090)	(29,450)	640
Admin & Clerical	(8,659)	(10,560)	(832)	(776)	56	(8,125)	(7,827)	298								
Other	(8,609)	(8,936)	(779)	(677)	101	(6,510)	(6,247)	263								
Pay	(22,176)	(24,293)	(2,023)	(1,839)	184	(18,184)	(17,638)	546								
Expenditure - Non Pay																
Clinical Supplies & Services	(439)	(567)	(51)	(81)	(30)	(413)	(446)	(33)								
Other	(21,419)	(22,313)	(1,826)	(2,127)	(301)	(16,750)	(16,998)	(248)								
Non Pay	(21,857)	(22,879)	(1,877)	(2,208)	(331)	(17,163)	(17,444)	(281)								
Expenditure	(44,034)	(47,172)	(3,900)	(4,047)	(147)	(35,346)	(35,081)	265								
Income Less Direct Costs	(37,016)	(40,231)	(3,322)	(3,393)	(71)	(30,090)	(29,450)	640								



Income & Expenditure Commentary

The month 9 position is £0.1m adverse against the revised plan in month. The main areas are explained below:

- Pay is £0.2m favourable to plan in month. This mainly relates to previous assumptions regarding agency costs within the operations directorate.
- Non pay is adverse against the revised plan by £0.3m in month. This is mainly due Overseas Nursing recruitment costs (£0.15m), Training, Consultancy and Equipment (£0.1m).
- Income is £0.1m favourable to plan in month. This is due to Estate and Facilities Telecoms income of £42k and car parking, £32k.

CIP Commentary

The Corporate Directorate achieved 96% of its CIP target in month and 96% YTD.

Underachieving CIPs

- Energy Rebate negotiations for £150k rebate are ongoing.

Divisional Actions

- Recruiting to vacant posts.
- Finance is completing its recruitment drive to minimise agency spend.

SECTION 3: COST IMPROVEMENT PROGRAMME

Summary as at the end of Dec-15

Division	Original Plan £000's	IN MONTH			YEAR TO DATE		
		Plan	In Month	Variance	Var	Year to Date	Variance
		£000's	Actual £000's	£000's	£000's	Actual £000's	£000's
Emergency Care	1,338	111	67	(44)	2,213	604	(401)
Specialist Services	2,898	229	225	(5)	2,213	2,043	(170)
Clinical Support Services	1,002	88	83	(5)	740	687	(53)
Commercial	110	10	10	0	81	81	0
Corporate Affairs	191	18	18	0	135	135	(0)
Finance	108	10	5	(6)	77	71	(7)
HR	56	5	5	0	42	42	(0)
Medical	19	2	2	0	14	14	(0)
Nursing	50	4	4	0	38	38	0
Operations	760	58	51	(7)	587	479	(108)
Central (CNST)	2,421	202	202	0	1,816	1,816	0
Total CIP	8,952	736	671	(65)	6,747	6,009	(738)

Type	Annual Plan £000's	Plan £000's	In Month Actual £000's	Variance £000's	Plan £000's	YTD Actual £000's	Variance £000's
Cost Reduction	2,539	210	213	3	1,909	1,842	(67)
			102%			96%	
Income Generation	6,414	526	458	(69)	4,838	4,167	(671)
			87%			86%	
Total CIP	8,952	736	671	(65)	6,747	6,009	(738)

91%

89%

COMMENTARY

- In month achievement is 91% of plan (YTD 89%). This is an improvement on last month's position.
- A shortfall within the Emergency Division continues with only 60% of CIPs being achieved in month and 60% YTD. This is not expected to be recovered by the end of the year. This has been reflected in the forecast position.
- The underachievement in Operations is mainly due to the non-achievement of the Energy rebate.
- The underachievement in Specialist Services is driven by a non-achievement of T&O CIPs. The service is forecasting a CIP achievement of 94%.
- See divisional commentaries for further details of specific schemes and actions.

SECTION 4: INCOME
Income Risk Summary

2015/16 - Table 1

I&E YTD (£151.5m) Original Plan £000's	Billed (£148.1m)	Paid (£140.4m)
		Unpaid (£7.7m)
	Accrued (£3.4m)	Low Risk (£0.9m)*
		Medium Risk (£2.5m)*

2014/15 IMPACT IN 2015/16 - Table 2

Year End Accrual £7.2m	Billed £7.1m	Paid (£6.6m)
		Unpaid (£0.4m)
	Accrued £0.1m	Low Risk (£0m)*
		Medium Risk (£0.1m)*

*Note: the risks have been estimated by the finance department.

COMMENTARY

Table 1

- Table 1 shows the income in the 2015/16 position and breaks it down into how much has not been received in cash terms.
- The Accrued income has reduced from £6.9m to £3.4m. This primarily relates to £0.3m of NCA income, £2.3m of over performance and £0.2m of Overseas reciprocal income. £0.1m of Winter funding has also been accrued in the position.

Table 2

- Table 2 shows the position on the 2014/15 year-end income accrual and breaks it down into how much has not been received in cash terms.
- Further details of unrecovered items are shown on page 18.

SECTION 5: PAY COSTS

Costs	Revised Plan £000's	In Month			Revised Plan £000's	Year to Date	
		Var £000's	Actual £000's	Variance £000's		Actual £000's	Variance £000's
Medical & Dental	(44,542)	(3,721)	(3,850)	(130)	(33,334)	(34,132)	(797)
Nursing & Midwifery	(55,523)	(4,657)	(4,708)	(50)	(41,596)	(41,794)	(198)
AHP	(7,902)	(660)	(694)	(34)	(5,898)	(6,049)	(151)
Scientific, Professional & Tech	(6,910)	(571)	(629)	(57)	(5,166)	(5,278)	(112)
Directors & Managers	(10,052)	(859)	(770)	89	(7,401)	(7,193)	208
Admin & Clerical	(19,832)	(1,614)	(1,533)	80	(15,062)	(14,703)	359
Support Staff	(1,837)	(153)	(149)	4	(1,371)	(1,343)	28
Total Pay before Central Bud	(146,598)	(12,234)	(12,332)	(98)	(109,827)	(110,490)	(663)
Reserves & CIP	(92)	(13)	0	13	(52)	0	52
Total Pay	(146,690)	(12,247)	(12,332)	(85)	(109,879)	(110,490)	(611)

COMMENTARY

The in-month pay is £0.1m adverse against the revised plan.

Within medical and dental pay, this is driven by T&O, Gastroenterology and Anaesthetics. Within nursing, the main adverse variances are in A&E, Elderly Care and Specialist Outpatients. This has been offset by a reduction in admin and managers costs.

Although agency has reduced in the wards due to recruitment of permanent nursing staff, increased escalations and winter pressure costs have resulted in an adverse position against the revised plan.

SECTION 5: PAY COSTS

Temporary Staffing analysis

	Qualified Nursing & Midwifery	Medical & Dental	Admin and Estates Staff		Managers	Other	Grand Total
£000's	£000	£000	£000	Var £000's	£000	£000	£000
Current Month							
Agency	713	394	125	97	135	92	1,556
Bank	306	206	114	13	-	7	646
Total Current Month	1,019	600	239	110	135	100	2,202
YTD							
Agency	5,888	3,140	2,250	726	1,074	692	13,771
Bank	3,802	1,702	1,092	100	-	120	6,816
Total YTD	9,690	4,843	3,342	825	1,074	812	20,587

Top 5 Agency users

	Current Month	Year To Date
	£000	£000
Elderly Care	287	1,886
Accident and Emergency	186	1,652
Finance Directorate	90	1,408
Acute Assessment Unit	85	1,067
Trauma and Orthopaedics	116	891
Other	793	6,866
Total	1,556	13,771

Commentary

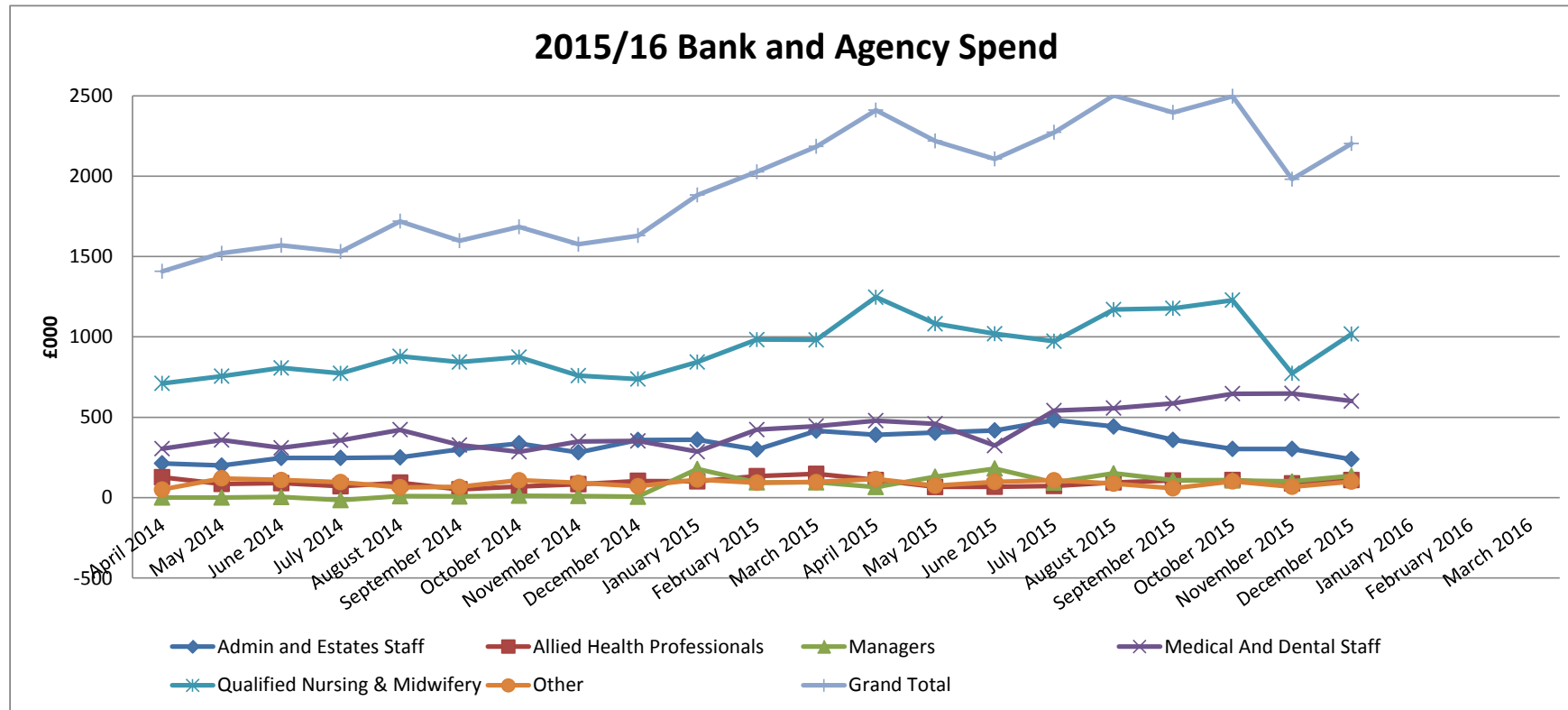
Total agency as a proportion of pay expenditure increased from 9.9% to 12.6% in month, whilst Bank staff expenditure has decreased from 6.3% to 5.2% of total pay.

The increase in agency staffing relates to the opening of Claremont ward for winter escalation. The additional staffing required for this is managed through agency.

Monitor's cap of 10% applies for Q3 and Q4 and relates to nursing agency as a percentage of total nursing pay excluding HCA's. In December, this percentage is 15.7%, up from 10.2% in November. As a result we have breached this cap in Q3

SECTION 5: PAY COSTS

Costs



Top 5 Agency and Bank Users

Current Month	£000
Elderly Care	332
Accident and Emergency	304
Paediatrics and NNU	123
Trauma and Orthopaedics	118
Gastro and Endoscopy	111
Others	1,215
Total	2,202

Year To Date	£000
Elderly Care	2,825
Accident and Emergency	2,389
Paediatrics and NNU	698
Trauma and Orthopaedics	1,142
Gastro and Endoscopy	972
Others	12,561
Total	20,587

SECTION 6: NON-PAY

Non Pay	Revised Plan £000's	In Month			Year to Date		
		Revised Plan £000's	Actual £000's	Variance £000's	Revised Plan £000's	Actual £000's	Variance £000's
Clinical Supplies & Services	(24,499)	(1,960)	(2,252)	(292)	(18,556)	(19,574)	(1,018)
Drugs	(4,877)	(1,436)	(475)	961	(3,688)	(3,827)	(139)
High Cost Drugs	(12,837)	0	(1,237)	(1,237)	(9,702)	(10,426)	(724)
Transport	(1,479)	(136)	(125)	11	(1,066)	(958)	108
Establishment	(1,993)	(157)	(190)	(33)	(1,424)	(1,416)	8
General Supplies	(1,916)	(147)	(224)	(77)	(1,400)	(1,653)	(253)
Other	(2,760)	(191)	(449)	(258)	(2,193)	(2,633)	(440)
Premises	(7,139)	(590)	(637)	(47)	(5,366)	(5,489)	(123)
PFI	(12,340)	(1,028)	(987)	41	(9,250)	(9,098)	152
CNST	(4,757)	(396)	(397)	(1)	(3,569)	(3,573)	(4)
Non Pay before Central Budgets	(74,596)	(6,041)	(6,973)	(931)	(56,213)	(58,646)	(2,433)
Reserves	1,047	163	171	8	534	643	109
Total Non Pay	(73,549)	(5,878)	(6,802)	(924)	(55,679)	(58,003)	(2,324)

COMMENTARY

Non Pay is overspent by £0.9m in month or £0.6m after removing the impact of pathology recharges and high cost drugs.

Of this £0.6m, £0.2m (after removing pathology recharges) relates to clinical supplies and drugs. Elderly care, cardiology and A&E represent £0.15m of this overspend with income over plan by £0.25m.

Whilst overspends can be seen in areas with income greater than plan, the reverse cannot be said consistently for those areas with under-performance of income in month. T&O has an overspend on clinical supplies of £0.1m and an under-performance on income of £0.1m. Likewise, maternity income is low in month compared to plan but non-pay is in line with plan.

Where these anomalies are significant or continue month on month, we will investigate them further to understand whether they relate to for example, stock, casemix, procurement savings plans or budget setting.

Other non pay includes the timing of overseas nursing recruitment costs of £150k, expected later in the financial year.

SECTION 7: STATEMENT OF FINANCIAL POSITION

	2014/15 Audited £m	November £m	December £m
NON CURRENT ASSETS:			
Property plant and equipment	127.2	129.1	129.4
Intangible assets	6.9	7.9	7.9
Other assets	0.2	0.2	0.2
TOTAL NON CURRENT ASSETS:	134.3	137.3	137.6
CURRENT ASSETS:			
Inventories	0.9	0.8	0.9
Trade and other receivables	20.4	23.0	23.7
Cash and cash equivalents	6.4	4.4	2.0
TOTAL CURRENT ASSETS	27.7	28.2	26.6
CURRENT LIABILITIES:			
Trade and other payables	(29.2)	(31.7)	(32.3)
Current Borrowings	(0.9)	(0.9)	(0.9)
Current Provisions	(0.4)	(0.2)	(0.2)
TOTAL CURRENT LIABILITIES	(30.5)	(32.8)	(33.3)
NET CURRENT ASSETS LESS CURRENT LIABILITIES	(2.8)	(4.6)	(6.7)
TOTAL ASSETS LESS CURRENT LIABILITIES	131.5	132.7	130.9
NON CURRENT LIABILITIES:			
Borrowings	(29.6)	(34.9)	(34.9)
Provisions	(1.3)	(1.4)	(1.4)
Other liabilities			
TOTAL ASSETS EMPLOYED	100.6	96.4	94.6
FINANCED BY			
TAXPAYERS EQUITY:			
Public Dividend Capital	58.7	59.0	59.0
Revaluation reserve	25.9	25.9	25.9
Income and Expenditure Reserve - Prior years	16.0	16.0	16.0
Income and Expenditure Reserve - Current year		(4.5)	(6.3)
TOTAL TAXPAYERS EQUITY	100.6	96.4	94.6

COMMENTARY

Non - Current Assets

There was a £0.3m increase from November which is the net effect of £1.0m Capital Expenditure and £0.7m depreciation in the month.

Current Assets

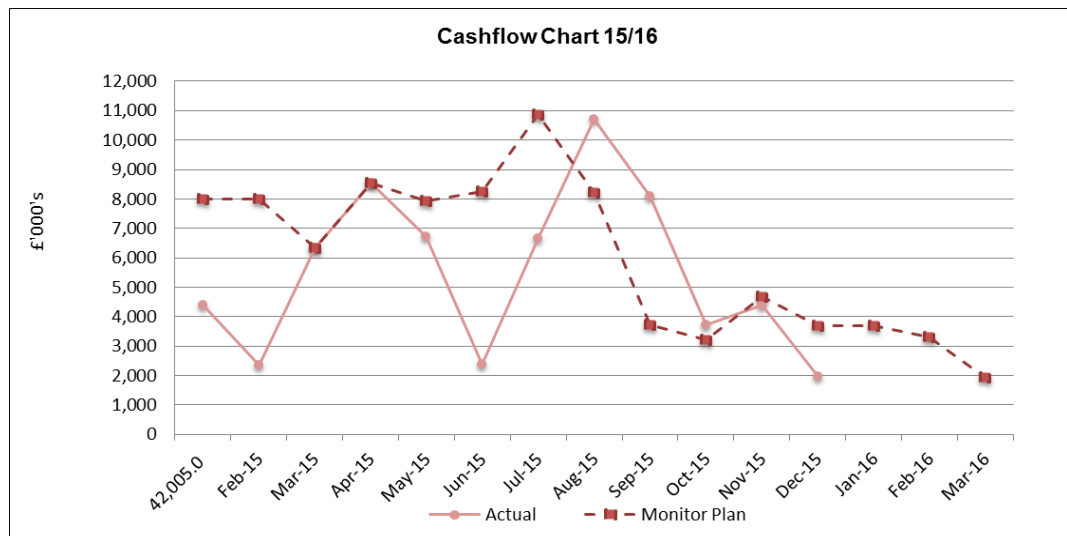
There was a £1.6m decrease in Current Assets in December 2015 comprising: £0.7m increase in Trade and other receivables, which is analysed in the Debtors Statement page, £0.1m increase in inventories and a £2.4m decrease in cash and cash equivalents, as analysed in Section 8: Cash Flow Statement.

Current Liabilities

The increase of £0.5m in Current Liabilities in December was due to an increase in Trade and other payables which is analysed further in Section 10.

SECTION 8: CASH FLOW STATEMENT

December 2015	
£m	
Surplus/(deficit) after tax	(1.7)
Non-cash flows in operating surplus/(deficit)	
Depreciation and amortisation	0.7
PDC Dividend expense	0.3
Non-cash flows in operating surplus/(deficit)	1.0
Operating Cash flows before movements in working capital	(0.7)
Increase/(Decrease) in working capital	
(Increase) in Inventories	(0.1)
(Increase) in Trade and other receivables	(0.8)
(Decrease) in Current Provisions	0.0
(Decrease) in Trade and Other payables	0.3
Increase/(Decrease) in working capital	(0.6)
Net cash (outflow) from operating activities	(1.3)
Net cash inflow/(outflow) from investing activities	
Property Plant and Equipment	(0.9)
Intangible assets	(0.1)
Other assets	0.0
Net cash inflow/(outflow) from investing activities	(1.0)
Net cash inflow/(outflow) from financing activities	
PDC Drawdowns	0.0
PDC Dividend paid	0.0
Borrowings	(0.1)
Net cash inflow/(outflow) from financing activities	(0.1)
Net (decrease) in cash	(2.3)
Opening cash	4.4
Closing cash	2.0



COMMENTARY

The closing cash position for December was £2.0m which was £1.7m below forecast. The shortfall in the cash position was mainly attributable to the net impact of the following:

- Unpaid overperformance invoices to commissioners for Q1 and Q2 totalling £4.6m.
- Increased payments to trade suppliers in December as the backlog in invoices in Accounts Payable was cleared down (£1.1m)
- Shortfall in expected receipts from Barking Havering & Redbridge NHS trust (£0.2m; salary recharges, payment of which has now been agreed), and Royal Marsden NHS FT radiology (£0.3m) and St Georges NHS FT (£0.4m) which are currently being pursued.

The most significant issue impacting the cash position remains the non-payment of overperformance invoices issued for the early part of the year. Non payment of these invoices prior to the financial year end would impact upon the Trust's ability to achieve the forecast year end position and pay trade suppliers on time.

SECTION 9: DEBTORS

Breakdown of Trade and Other Receivables (SoFP) in £m:

Months	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Income Accruals	14.9	15.5	10.3	10.7	10.1	8.4	9.1	6.5	8.1	10.4	8.2	6.9
Aged Debtors (NHS and non NHS)	9.0	10.7	8.9	10.9	10.2	15.6	13.7	11.0	10.0	9.4	12.8	14.4
Prepayments (mainly maintenance)	1.8	1.2	0.7	1.5	1.4	1.6	1.6	1.7	1.7	2.4	2.3	2.4
Other*	0.3	0.7	0.5	(0.3)	0.5	0.1	0.6	(0.2)	0.1	(0.3)	(0.3)	0.1
Total	26.0	28.1	20.4	22.8	22.2	25.7	25.0	19.0	19.9	21.9	23.0	23.7

Total Debt Outstanding

As at 31st December 2015	Up To 30 Days Dec-15	31 To 60 Days Nov-15	61 to 90 Days Oct-15	Over 90 Days Total	Overall Total
Total debt at 31st December 2015	8,361	298	1,041	4,655	14,354
	58%	2%	7%	32%	
Total debt at 30th November 2015	6,420	1,207	978	4,174	12,780
	50%	9%	8%	33%	
Total debt at 31st October 2015	3,195	1,371	1,083	3,743	9,394
	34%	15%	12%	40%	

Commentary

Trade and Other Receivables have increased by £0.8m to £23.7m, the net effect of a £1.3m decrease in Income Accruals, a £0.1m increase in Prepayments and a £1.6 increase in Aged Debtors (NHS and non NHS) and a £0.4m increase in Other Debtors.

Aged debtors increased from £12.8m to £14.4m in month. Within this total, the current (<30 day) debt increased by £1.9m, debt from 31-60 days increased by £0.9m, 61-90 day debt increased by £0.1m and debt over 90 days increased by £0.5m. Within these categories the significant movements were:-

- Invoices for M07 2015/16 overperformance were issued to CCGs in the month, increasing current (<30 day) debt by £2.1m
- Invoices totalling £0.7m to Kingston CCG for M1-4 overperformance on account which remain unpaid moving into the over 90 days category
- Payments totalling £0.4m in the month from BMI for debts in the 61-90 days category

The increase of £0.4m in Other debtors was primarily due to a £0.5m increase in reclaimable Catering VAT due to the receipt of two Prime Care Solutions invoices. The decrease of £1.3m in income accruals was due to a decrease in NHS accruals as overperformance for M07 was invoiced to CCGs in December.

*Other includes the Provision of Irrecoverable Debts, Recoverable VAT and Other Debtors all due within one year.

SECTION 10: CREDITORS

Description	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
NHS Accruals	(4.1)	(2.8)	(2.3)	(2.4)	(2.6)	(2.5)	(3.3)
Non NHS Accruals	(10.3)	(10.8)	(14.0)	(13.0)	(11.8)	(12.6)	(10.6)
Capital Accruals	(2.6)	(2.4)	(2.7)	(2.4)	(2.6)	(2.2)	(2.2)
System GRNI Accruals	(2.3)	(2.5)	(2.9)	(3.2)	(3.2)	(2.5)	(1.8)
Deferred Income	(3.5)	(4.2)	(3.6)	(2.6)	(4.6)	(3.6)	(2.6)
Trade Creditors	(3.6)	(5.0)	(2.7)	(5.9)	(1.9)	(3.1)	(6.1)
Income Tax and PDC Due Within 1 Yr	(4.6)	(5.5)	(4.4)	(4.5)	(4.5)	(4.6)	(4.6)
Others including Provisions, PFI and Finance Leases	(2.2)	(1.1)	(2.8)	(1.2)	(1.4)	(1.7)	(2.1)
Total	(33.1)	(34.3)	(35.4)	(35.2)	(32.7)	(32.8)	(33.3)

Commentary

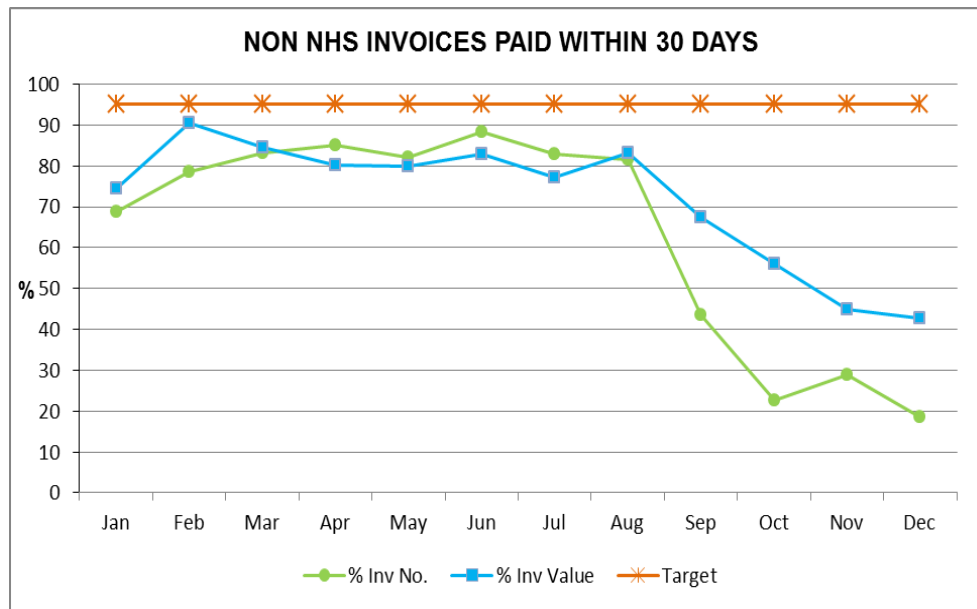
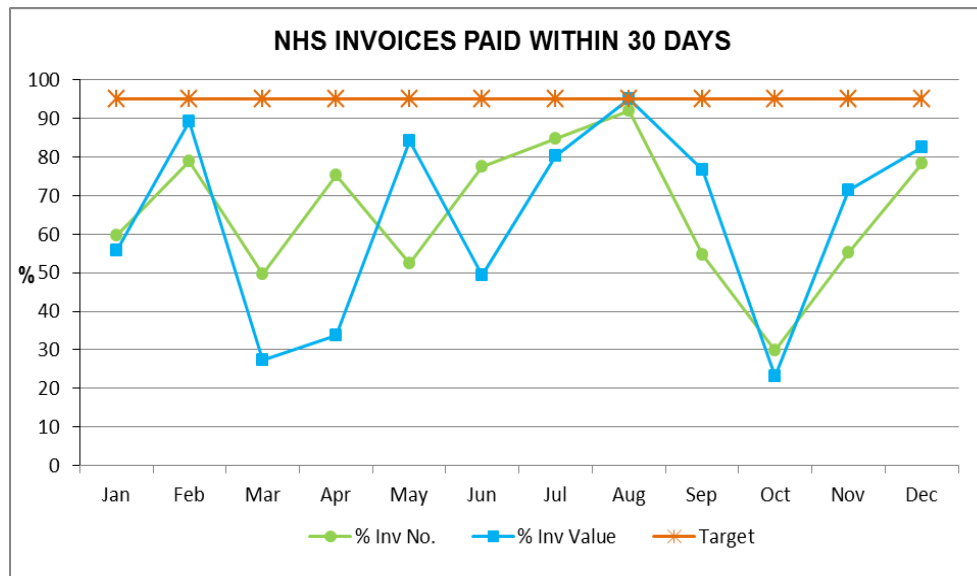
Outstanding creditors as at 31st December totalled £33.3m, a £0.5m increase in month.

Trade Creditors increased by £3.0m due to the £1.4m the October Prime Care PFI invoice not being received until early December (therefore not included as an accrual rather than creditor in November). Notwithstanding the late receipt of this invoice it was paid on time.

Improved timeliness of invoice registering £0.5m (again reducing accruals and increasing creditors) and the absence of a payment run in the last week of December due to the holiday period (£1.1m) also contributed to the increase in creditors.

This was offset by a £1.0m decrease in deferred income (particularly education income) and a £2.0m decrease in Non NHS Accruals was due primarily to the late receipt of October's Prime Care Solutions PFI invoice totalling £1.5m in December (as mentioned above this was reflected in the increased creditors balance) and improved timeliness of invoice processing (£0.5m).

SECTION 10: CREDITORS (BETTER PAYMENTS PRACTICE CODE)



Commentary

NHS Invoices paid within 30 days

- Both the value and number of NHS invoices paid within term increased in month
- Performance remains below target in December due largely to 44 St Georges invoices totalling £72k paid out of term.
- The increase in the count of invoices paid ontime was due largely to a decrease in NHS Supply Chain invoices being paid out of term, the majority of which were cleared in November.
- The increase in the value of invoices paid within term is mainly attributable to the December St Georges Pathology invoice totalling £0.7m being paid ontime. This single invoice accounted for 63% of the value of all NHS invoices paid ontime.

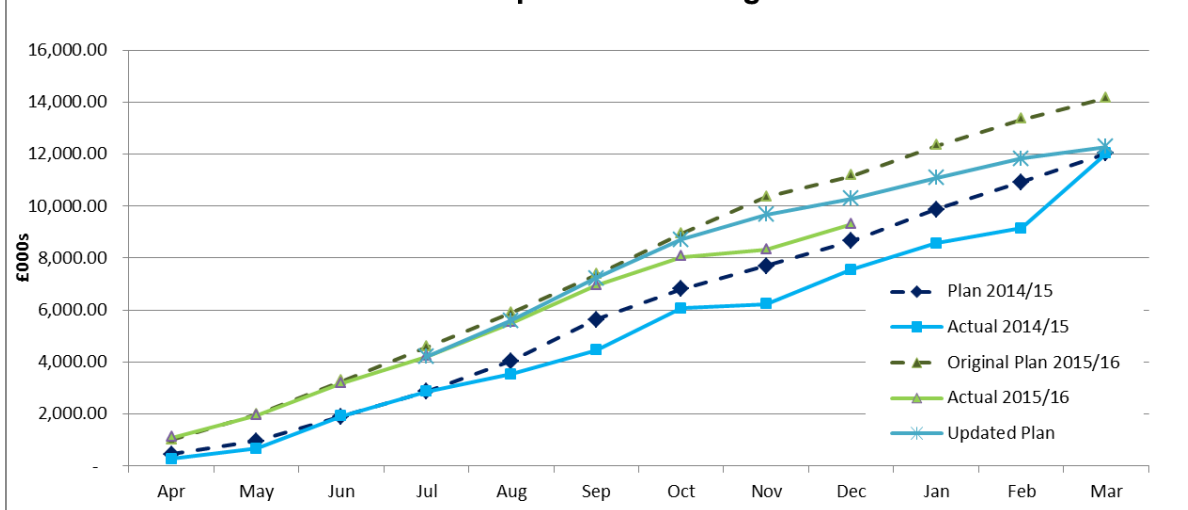
Non NHS Invoices paid within 30 days

- Both the value and number of non-NHS invoices paid within term decreased to 43% and 19% respectively in month.
- The value of invoices paid ontime fell below target in December due mainly to 2 Sectra invoices totalling £350k and 404 ID Medical invoices totalling £190k being paid out of term.
- Overall, the percentages remain well below the target of 95% as the backlog of invoices was addressed; and whilst the Trust awaits payment of overperformance invoices.

SECTION 11: CAPITAL

	2015/16 Capital Budget £000	YTD Revised Plan £000	YTD Spend £000	YTD Variance £000	Annual Plan £000	Updated Plan £000	Variance to Revised Plan £000
ESTATES MAINTENANCE	3,130	1,311	1,153	158	3,130	1,772	1,358
ESTATES STRATEGY	5,972	5,339	4,888	451	5,972	5,773	199
EQUIPMENT TOTAL	927	691	471	220	927	927	-
IT TOTAL	3,570	3,088	2,759	329	3,570	3,253	317
Others	550	21	21	-	550	550	-
TOTAL CAPITAL PROGRAMME	14,149	10,450	9,292	1,158	14,149	12,275	1,874

Cumulative Capital Position Against Plan



COMMENTARY

- Cumulative to Month 9, the Trust spent £9.3m. This is £1.2m below the Trust's updated plan capital programme of £10.5m.

- Equipment spend is below plan by £0.2m. A&E monitoring machines (£280k) scheduled for November have not arrived yet. These machines are now scheduled for arrival in March.

- IMT is £0.3m underspent. Delays in the commencement of SSD Track and Trace (£130k), Server Replacement (£134k) and PC and Mobile Replacement (£41k) were the main reasons for this underspend.

- Estates Strategy is £0.5m underspent at M9. Outpatients is underspent by £480k. The revised costs for 2015/16 are currently being reviewed but some slippage into 2016/17 is expected.

- Estates Maintenance is underspent by £0.2m. due to delays in the commencement of Nurse Call Esher Wing (£67k) and slippage in Pipework Replacement (£63k) and Electrical Distribution Boards (£58k). These slippages will be corrected before year end.

- 'Others' relates to Nursing Tech Fund and Charity Funded capital projects.

SECTION 12: FINANCIAL SUSTAINABILITY RISK RATING (FSRR)

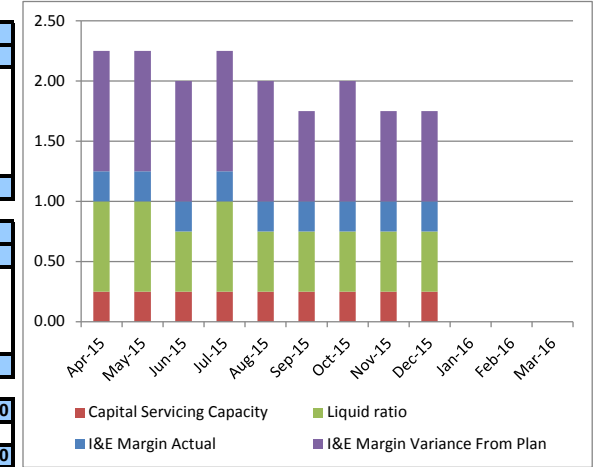
Capital Servicing Capacity
 Liquidity
 I&E Margin - Underlying performance
 I&E Margin - Variance from plan

Weight	4	3	2	1
Capital Servicing Capacity	25%	2.50	1.75	1.25
Liquidity	25%	-	7.00	14.00
I&E Margin - Underlying performance	25%	1%	0%	-1%
I&E Margin - Variance from plan	25%	0%	-1%	-2%
	100%			

Heading	15/16 M1	15/16 M2	15/16 M3	15/16 M4	15/16 M5	15/16 M6	15/16 M7	15/16 M8	15/16 M9	15/16 M10	15/16 M11	15/16 M12
Capital Servicing Capacity	0.5	0.7	0.9	1.2	0.7	0.8	1.0	1.0	0.8			
Liquidity	(5.1)	(6.4)	(8.0)	(4.5)	(8.9)	(11.5)	(11.3)	(8.7)	(12.2)			
I&E Margin - Underlying performance	(4.5%)	(4.0%)	(3.1%)	(2.3%)	(4.0%)	(3.8%)	(3.1%)	(2.9%)	(3.6%)			
I&E Margin - Variance from plan	0.0%	0.0%	0.0%	0.0%	0.0%	(0.0%)	0.0%	(0.3%)	(0.6%)			

Heading	13/14 M1	13/14 M2	13/14 M3	13/14 M4	13/14 M5	13/14 M6	13/14 M7	13/14 M8	13/14 M9	13/15 M10	13/16 M11	13/17 M12
Capital Service Cover	1	1	1	1	1	1	1	1	1			
Liquidity	3	3	2	3	2	2	2	2	2			
I&E Margin - Underlying performance	1	1	1	1	1	1	1	1	1			
I&E Margin - Variance from plan	4	4	4	4	4	3	4	3	3			

Weighted average FSRR	2.25	2.25	2.00	2.25	2.00	1.75	2.00	1.75	1.75	0.00	0.00	0.00
Rounded Weighted average COSR	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00	0.00



COMMENTARY

Our FSRR rating for month 9 is a 2. This is driven by a variance from plan that is less than 1% (0.6%)

Appendix 1: INCOME DETAIL

Income Summary

Income	Revised Plan £000's	Revised	In Month Actual £000's	Var £000's	Revised Plan £000's	Year to Date Actual £000's	Variance £000's
Patient Care Activities - CCG	202,405	16,231	16,621	390	150,961	151,488	526
RTA\OSV	645	54	18	(36)	484	422	(62)
Private Patients	460	29	19	(10)	337	322	(15)
Other Patient Care Income	1,113	86	90	4	855	955	100
Total Patient Care Income	204,623	16,399	16,748	349	152,637	153,187	550
Education	8,069	653	737	84	6,105	6,433	328
BMI	2,142	171	120	(52)	1,625	1,602	(23)
Provider to Provider	4,284	344	343	(2)	3,251	3,378	127
Other	10,228	770	783	12	8,034	8,724	690
Total Income	229,347	18,338	18,730	392	171,651	173,323	1,672

COMMENTARY

Patient care income in Specialist Outpatients, Elderly Care, Gynaecology, Ophthalmology and Oral and ENT shows a positive variance mainly due to higher non-elective and outpatient activity.

Other income shows a favourable variance mainly due to NMET and additional Education income received from HESL.

Appendix 2: ACTIVITY DETAIL

Patient Care Activity

Activity	Revised Plan	In Month Spells / Attendances			Year to Date Spells / Attendances		
		Revised Plan		Variance	Revised Plan	Actual	Variance
Elective	3,964	330	348	18	2,973	2,917	(56)
Day Cases	23,953	1,996	2,488	492	17,965	17,507	(458)
Non Elective	26,028	2,169	2,488	319	19,521	20,652	1,131
Out Patients	364,424	30,369	32,506	2,137	273,318	301,492	28,174
A&E	111,424	9,285	9,210	(75)	83,568	83,511	(57)
Critical Care	9,216	768	884	116	6,912	7,447	535
Direct Access	2,858,356	238,196	214,025	(24,171)	2,143,767	2,120,162	(23,606)

Patient Care Income

Income	Revised Plan £000's	Revised In Month				Revised Year to Date		
		Plan £000's	Actual £000's	Var £000's		Plan £000's	Actual £000's	Variance £000's
Elective	8,892	645	719	74		6,499	6,499	
Day Cases	19,333	1,537	1,495	(43)	14,278	14,145	(133)	
Non Elective	52,300	4,353	4,396	42	39,120	38,704	(417)	
Non Elective Threshold	0	0	0	0	0	0	0	
Readmissions	(1,627)	(133)	(142)	(9)	(1,229)	(1,255)	(26)	
Out Patients	46,408	3,465	3,647	181	34,201	34,013	(188)	
A&E	12,632	1,061	1,108	47	9,578	9,791	213	
Critical Care	9,014	808	702	(106)	6,786	6,640	(147)	
Direct Access	8,250	688	614	(74)	6,108	5,927	(181)	
High Cost Drugs	12,817	1,050	1,237	187	9,669	10,374	705	
Non Elective - Maternity Pathway		1,100	1,089	(12)	10,173	10,216	43	
Out Patients - Maternity Pathway	12,391	1,013	941	(72)	9,292	9,179	(113)	
Other	18,058	314	573	260	10,032	4,390	(5,642)	
CQUIN	3,937	328	242	(86)	2,952	2,866	(86)	
SLA Income	202,405	16,231	16,621	390	150,961	151,488	526	

COMMENTARY

The activity performance is detailed below:

- A&E attendances, Non Electives and outpatients activity are all above forecast.

Appendix 3
Income Penalties

	April	May	June	July	August	September	October	November	December	YTD
	£000	£000		£000	£000	£000	£000	£000	£000	£000
18 week Breaches	1	0	0	0	0	0	0	0	0	1
Mixed Sex Accomodation penalty	0	1	0	0	0	0	0	0	0	1
Cancer Waits	0	0	0	0	0	0	0	0	0	0
Cancelled Operations	0	0	0	0	2	1	3	0	0	6
MRSA Penalty	0	0	0	0	0	10	0	0	0	10
A&E Breaches	55	47	80	21	0	38	9	16	9	274
Ambulance handovers	14	8	12	1	1	1	1	1	3	41
OP New to Follow Up	18	1	7	8	5	-2	-3	5	4	44
DC2OP	8	8	9	11	16	12	10	13	10	97
Readmissions	137	141	137	141	141	137	142	137	141	1,255
	233	206	244	183	166	197	161	172	166	1,730

Commentary

- The above table now shows all penalties that have been incurred by the Trust. A&E breaches and ambulance handover penalties continue on a downward trajectory . All other penalties remain in line with trend.