

# Kingston Hospital NHS Foundation Trust

## Finance Report December 2019 (Month 09)

# **CONTENTS**

<b>SCORECARD</b>	.....	<b>3</b>
<b>EXECUTIVE SUMMARY</b>	.....	<b>4</b>
<b>SECTION 1: OVERALL INCOME AND EXPENDITURE</b>	.....	<b>5</b>
<b>SECTION 2: DIVISIONAL POSITIONS</b>	.....	<b>6</b>
<b>SECTION 3: FINANCE IMPROVEMENT PLAN</b>	.....	<b>7</b>
<b>SECTION 4: STATEMENT OF FINANCIAL POSITION</b>	.....	<b>8</b>
<b>SECTION 5 CASH FLOW STATEMENT</b>	.....	<b>9</b>
<b>SECTION 6: FINANCE AND USE OF RESOURCES METRICS</b>	.....	<b>10</b>

## Financial Strategy

- Focus on closing gap to the control total in 2019/20 and reducing capital expenditure in line with CDEL through forecast meetings with Divisional and Corporate directors, as well as bi-weekly updates to EMC.

- Plan for 2020/21 submitted as part of the 5 year plan on 15th November. The original SWL Gap to control total was £65m for year 1 and £129m by 23/24, this gap has now been balanced in a subsequent resubmission on 10th January, however there remains a significant level of unidentified efficiencies. Work is ongoing to identify the transformation schemes required to deliver the system control total.

- Budget Setting and Planning for 2020/21 to be completed with focus on meeting the financial challenge. Services and departments are being asked to find efficiencies to remain within the envelope of forecast outturn for 2019/20.

- The Trust is now in the process of reviewing the capital long list to ensure the final plan is both deliverable and affordable, and also to consider sources of funding as PSF/FFS available for 20/21 is lower than in previous year.

## Financial Performance

	Annual Plan	Mth 09 YTD Plan	Mth 09 YTD Actual	Mth 09 YTD Variance	EOY Forecast
Income	286,806	214,703	215,415	711 <sup>1</sup>	290,418
Pay	(182,816)	(136,998)	(136,913)	85 <sup>2</sup>	(183,636)
Non-Pay	(96,188)	(73,697)	(75,022)	(1,325) <sup>3</sup>	(99,455)
EBITDA	7,802	4,008	3,480	(528)	7,326
<b>EBITDA %</b>	<b>2.7%</b>	<b>1.9%</b>	<b>1.6%</b>		<b>2.5%</b>
Below the Line	(15,564)	(11,682)	(11,065)	617	(15,089)
<b>NHSI Control Total Surplus</b>	<b>(7,762)</b>	<b>(7,674)</b>	<b>(7,584)</b>	<b>89</b>	<b>(7,762)</b>
<u>Excluded from Control Total</u>					
Impairments	0	0	0	0	0
Net Donated Assets	61	54	427	373	444
PSF & MRET	8,859	6,069	6,439	370	9,230
<b>Overall Surplus</b>	<b>1,159</b>	<b>(1,551)</b>	<b>(719)</b>	<b>832</b>	<b>1,911</b>

1. The income variance year to date is favourable due to winter funding recognised in M9 (£0.5m from NHSE/I and £0.2m local system) offsetting shortfalls in PPU and non-block contracts

2. Pay is underspend YTD due to phasing of contingencies in the budget, however, pay costs exceeded contingencies in M9

3. Non-pay overspends due in part to continued activity pressure, as well as Estates non-pay linked to maintenance and energy costs above plan. In month Non-pay is underspent due to early receipt of the CNST incentive (£1.1m) reducing the YTD cost of CNST.

Capital spend is in line with budget year to date, however, it is expected that capital will exceed budget by the year end.

## Financial Governance

- Business planning processes has been launched, with governance arrangements in place

- External auditors will be completing an interim audit on month 9 reporting in January.









- Finance and Investment Committee approval is requested for the following:
  - Updated CSSD Case

## Financial Risk

- Increased non-elective demand over winter significantly increasing both pay and non-pay costs. Winter funding has been received in Q3, however high levels of activity have been experienced since April, and the winter funding will not cover costs already incurred.

- Achieving the system control total for 20/21 will require large scale transformation yielding in year results for 20/21 - pace of change will need to remain a focus.

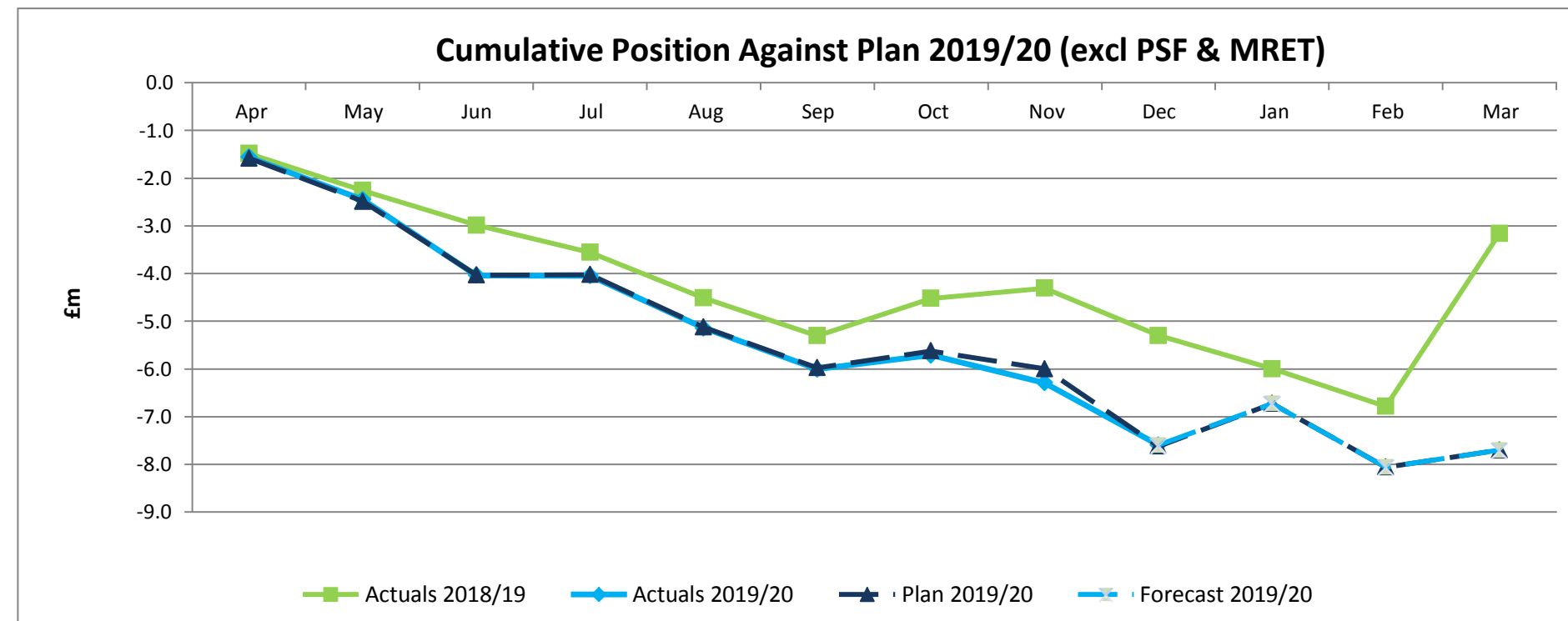
## EXECUTIVE SUMMARY - M09 19/20

Headline	In Month Performance Against Budget	Narrative
	(Dec)	
I&E Position (control total basis - excluding PSF and donated asset adjustments) - The Trust reported a favourable position in month of £330k.		The position is £89k favourable to plan year to date, reflecting a control total deficit of £7.6m.
Provider Sustainability Funding (PSF) reported in month is £0.6m.		The PSF to M09 has been accrued to plan for 2019/20. YTD with the additional £0.4m received relating to 2018/19.
<p>NHS Patient Care Income (excluding PSF) is £0.2m favourable to plan in month including High Cost Drugs across the remaining variable income contracts.</p> <p>Non-NHS Patient Care Income is on plan in month.</p> <p>Other Income is £0.3m favourable to plan in month.</p>		<p>Income from NHS patient care activities is below plan by £0.5m YTD although £0.1m of this relates to variable High Cost Drug income. Year to date the SWL block agreement is 1.6% above and Surrey is 0.7% below. NHSE income is significantly below the block income plan.</p> <p>Non-NHS patient care income is close to plan in month.</p> <p>Other income is £0.3m favourable to plan in month due to £0.2m of additional support from NHS England and partner organisations for winter pressures and to support our patient flow projects.</p>
Pay expenditure is £0.4m adverse to plan in month.		Pay expenditure is £0.4m overspent in the month and underspent £0.1m YTD. The pay pressures within Planned Care particularly on medical staff have continued with additional Nursing pressures in month relating to Emergency care.
Non-pay expenditure (excl High Cost Drugs) is £0.4m favourable to plan in month.		Non-pay expenditure (excluding high cost drugs) was £0.4m underspent in month and £1.8m overspent YTD. The CNST Maternity rebate was received a month ahead of plan. The underlying non-pay position is £0.8m adverse to plan link to pathology diagnostic costs for Q3. Clinical supplies expenditure saw a £0.4m increase ahead of plan and the unidentified CIP is £0.5m in month.
FIP Delivery in month is £1.0m (incl. additional schemes), the current projected forecast is to deliver a FY FIP of £9.2m, which is in line with plan.		YTD FIP is broadly in line with Plan, once additional non-recurrent schemes have been taken into account. The FIP report currently shows the unidentified FIP as £3.1m, of which £1.7m is within the YTD plan.
Capital expenditure spend for M09 is £2.1m (excluding grants and donations) which is in line with plan for the month.		The capital programme approved by the Board for 19/20 financial year totals £25.1m. YTD Actual spend is £19.0m which is line with plan YTD. The Trust will be hosting an approved SWL HSLIP project, for which £2.5m funding is anticipated. The forecast spend will be £29.1m.
The cash balance reported at the end of M09 was £11.7m.		The closing cash position at 31st December was £11.7m, a decrease of £1.0m from the previous month but £2.4m favourable to plan.
Total deficit in month is £1.3m which is £0.3m favourable to plan.		Donated asset income in month of £0.3m in month does not contribute to the control total.

# SECTION 1: OVERALL INCOME AND EXPENDITURE

Summary as at the end of Dec-19

Income & Expenditure	Annual Budget £000's	IN MONTH				YTD			Y-O-Y YTD									
		Budget v Actuals				Budget v Actuals			Actuals									
		Budget £000's	Actual £000's	Var £000's		Budget £000's	Actual £000's	Var £000's	1819 £000's	1920 £000's	Var £000's							
Income (excl PSF & Don Assets)																		
NHS Patient Care	241,327	19,294	19,380	86	180,611	180,668	57	150,458	180,668	30,211								
High Cost Drug Income	15,629	1,121	1,242	121	11,706	11,139	(568)	10,613	11,139	525								
Patient Care Income	6,777	565	544	(21)	5,085	3,990	(1,095)	3,218	3,990	771								
Other Income	23,074	1,921	2,241	320	17,301	19,618	2,317	17,124	19,618	2,494								
<b>Income</b>	<b>286,806</b>	<b>22,901</b>	<b>23,407</b>	<b>506</b>	<b>214,703</b>	<b>215,415</b>	<b>711</b>	<b>181,413</b>	<b>215,415</b>	<b>34,002</b>								
Expenditure																		
Pay	(182,816)	(15,287)	(15,705)	(418)	(136,998)	(136,913)	85	(113,256)	(136,913)	(23,656)								
Non Pay	(80,627)	(6,826)	(6,471)	355	(62,042)	(63,904)	(1,862)	(53,193)	(63,904)	(10,711)								
High Cost Drugs	(15,561)	(1,120)	(1,238)	(118)	(11,655)	(11,118)	537	(10,603)	(11,118)	(515)								
<b>Expenditure</b>	<b>(279,004)</b>	<b>(23,233)</b>	<b>(23,414)</b>	<b>(181)</b>	<b>(210,695)</b>	<b>(211,934)</b>	<b>(1,239)</b>	<b>(177,052)</b>	<b>(211,934)</b>	<b>(34,882)</b>								
<b>EBITDA</b>	<b>7,802</b>	<b>(332)</b>	<b>(8)</b>	<b>324</b>	<b>4,008</b>	<b>3,480</b>	<b>(528)</b>	<b>4,361</b>	<b>3,480</b>	<b>(881)</b>								
Depreciation and Amortisation	(8,654)	(721)	(713)	8	(6,491)	(5,937)	554	(5,054)	(5,937)	(883)								
Investment Revenue	29	2	11	9	22	95	73	29	95	66								
Finance Costs	(4,107)	(342)	(353)	(11)	(3,080)	(3,096)	(15)	(2,577)	(3,096)	(519)								
Public Dividend Capital	(2,832)	(237)	(237)	(0)	(2,133)	(2,127)	6	(1,512)	(2,127)	(615)								
<b>Control Total - I&amp;E excl. PSF, Impairments &amp; donated asset</b>	<b>(7,762)</b>	<b>(1,630)</b>	<b>(1,300)</b>	<b>330</b>	<b>(7,674)</b>	<b>(7,584)</b>	<b>89</b>	<b>(4,753)</b>	<b>(7,584)</b>	<b>(2,831)</b>								
Provider Sustainability Funding (PSF)	5,764	577	577	0	3,747	4,117	370	8,774	4,117	(4,657)								
Central MRET Funding	3,095	258	258	(0)	2,322	2,322	0	0	2,322	2,322								
<b>Total Control Total Surplus/(Deficit) (excl Donated Assets)</b>	<b>1,098</b>	<b>(795)</b>	<b>(465)</b>	<b>330</b>	<b>(1,605)</b>	<b>(1,146)</b>	<b>459</b>	<b>4,021</b>	<b>(1,146)</b>	<b>(5,167)</b>								
Depreciation on donated assets	(209)	(17)	(21)	(4)	(153)	(146)	7	(117)	(146)	(29)								
Donated Asset Income	270	23	265	242	207	573	366	561	573	11								
<b>Total Surplus/(Deficit) (Incl Donated Assets)</b>	<b>1,159</b>	<b>(789)</b>	<b>(221)</b>	<b>568</b>	<b>(1,551)</b>	<b>(719)</b>	<b>832</b>	<b>4,465</b>	<b>(719)</b>	<b>(5,184)</b>								
	Annual Plan	Plan	Actual		Plan	Actual YTD		Actual YTD										
EBITDA Margin	2.7%	-1.4%	0.0%		1.9%	1.6%		2.4%										
EBITDA Achieved	100.0%	100.0%	2.3%		100.0%	86.8%		128.2%										
I&E Surplus Margin	-2.7%	-7.1%	-5.6%		-3.6%	-3.5%		-2.6%										



## SECTION 2: DIVISIONAL POSITIONS

### Overview

Summary as at the end of Dec-19

Income & Expenditure	Annual Plan £000's	IN MONTH							YTD						
		Budget v Actuals			Variances				Budget v Actuals			Variances			
		Plan £000's	Actual £000's	Var £000's	Inc £000	Pay £000	Non Pay £000	Total £000	Plan £000's	Actual £000's	Var £000's	Inc £000	Pay £000	Non Pay £000	Total £000
Unplanned Care Division	204	(135)	(358)	(223)	371	(260)	(334)	(223)	(42)	(305)	(263)	562	(51)	(774)	(263)
Planned Care Division	40,676	2,610	3,363	752	(32)	(146)	930	752	28,613	27,201	(1,412)	(793)	(946)	327	(1,412)
<b>Clinical Divisions</b>	<b>40,880</b>	<b>2,476</b>	<b>3,005</b>	<b>529</b>	<b>339</b>	<b>(406)</b>	<b>596</b>	<b>529</b>	<b>28,571</b>	<b>26,896</b>	<b>(1,675)</b>	<b>(231)</b>	<b>(997)</b>	<b>(447)</b>	<b>(1,675)</b>
Strategy Directorate	(648)	(54)	(59)	(5)	0	(3)	(2)	(5)	(486)	(416)	70	0	68	3	70
Corporate Affairs Directorate	(3,050)	(254)	(267)	(13)	(24)	17	(6)	(13)	(2,289)	(2,414)	(125)	21	33	(178)	(125)
Finance Directorate	(3,903)	(323)	(314)	9	(0)	14	(4)	9	(2,934)	(2,892)	42	(3)	119	(74)	42
HR Directorate	(1,687)	(138)	(67)	71	37	(5)	38	71	(1,275)	(934)	342	374	(46)	13	342
Medical Directorate	(7,845)	(646)	(658)	(12)	22	(9)	(24)	(12)	(5,910)	(5,923)	(12)	78	(15)	(76)	(12)
Nursing Directorate	(2,802)	(234)	(255)	(21)	3	(15)	(9)	(21)	(2,103)	(2,209)	(106)	(26)	(9)	(70)	(106)
Operations Directorate	(869)	(72)	(81)	(9)	0	(10)	1	(9)	(653)	(719)	(66)	0	(51)	(15)	(66)
Estates Directorate	(16,120)	(1,362)	(1,519)	(157)	3	(19)	(141)	(157)	(12,178)	(12,011)	167	278	(47)	(63)	167
<b>Directorates</b>	<b>(36,924)</b>	<b>(3,083)</b>	<b>(3,220)</b>	<b>(136)</b>	<b>41</b>	<b>(30)</b>	<b>(147)</b>	<b>(136)</b>	<b>(27,829)</b>	<b>(27,517)</b>	<b>312</b>	<b>722</b>	<b>51</b>	<b>(460)</b>	<b>312</b>
Central Income	3,320	270	230	(40)	8	(4)	(45)	(40)	2,497	3,070	573	576	(23)	21	573
Other Central Budgets	527	5	(23)	(28)	118	22	(168)	(28)	769	1,031	262	(355)	1,055	(438)	262
<b>EBITDA</b>	<b>7,802</b>	<b>(332)</b>	<b>(8)</b>	<b>324</b>	<b>506</b>	<b>(418)</b>	<b>237</b>	<b>324</b>	<b>4,008</b>	<b>3,480</b>	<b>(528)</b>	<b>711</b>	<b>85</b>	<b>(1,325)</b>	<b>(528)</b>
Depreciation & Losses	(8,654)	(721)	(713)	8				8	(6,491)	(5,937)	554				554
Finance Costs & Investment Revenue	(4,078)	(340)	(342)	(2)				(2)	(3,059)	(3,001)	58				58
PDC	(2,832)	(237)	(237)	(0)				(0)	(2,133)	(2,127)	6				6
<b>Total I&amp;E</b>	<b>(7,762)</b>	<b>(1,630)</b>	<b>(1,300)</b>	<b>330</b>				<b>330</b>	<b>(7,674)</b>	<b>(7,584)</b>	<b>89</b>				<b>89</b>

#### COMMENTARY

The Divisional Position highlights :

In month Unplanned Care is £233k adverse to plan, (and £263k adverse YTD); Income is £371k ahead of plan due to receipt of remaining winter pressures funding; Pay is £266k adverse to plan mainly linked to increased ward costs and Non-Pay is above plan by £334k linked to increased pathology test costs for Q3. NHS patient care income excluding the block adjustment was £740k above of plan due to non-elective and ED and Elderly Care activity.

In month Planned Care is £752k ahead of plan , (and £1,412k adverse YTD); Income is below plan by £32k due to the private patient unit. Pay was over plan by £146k driven by Medical staffing and Non-Pay is underspent against plan by £930k due to the maternity CNST rebate being received a month earlier than planned £1,134k. The underlying non-pay position is £204k overspent with overspends on surgical consumables and patient appliances/implants in month and High cost drugs costs.

In month the Corporate Divisions are £136k adverse to plan; Pay is £30k adverse to plan, Non-Pay is £147k adverse to plan due to increased Engineering, consultancy and Utilities costs within Estates this month.

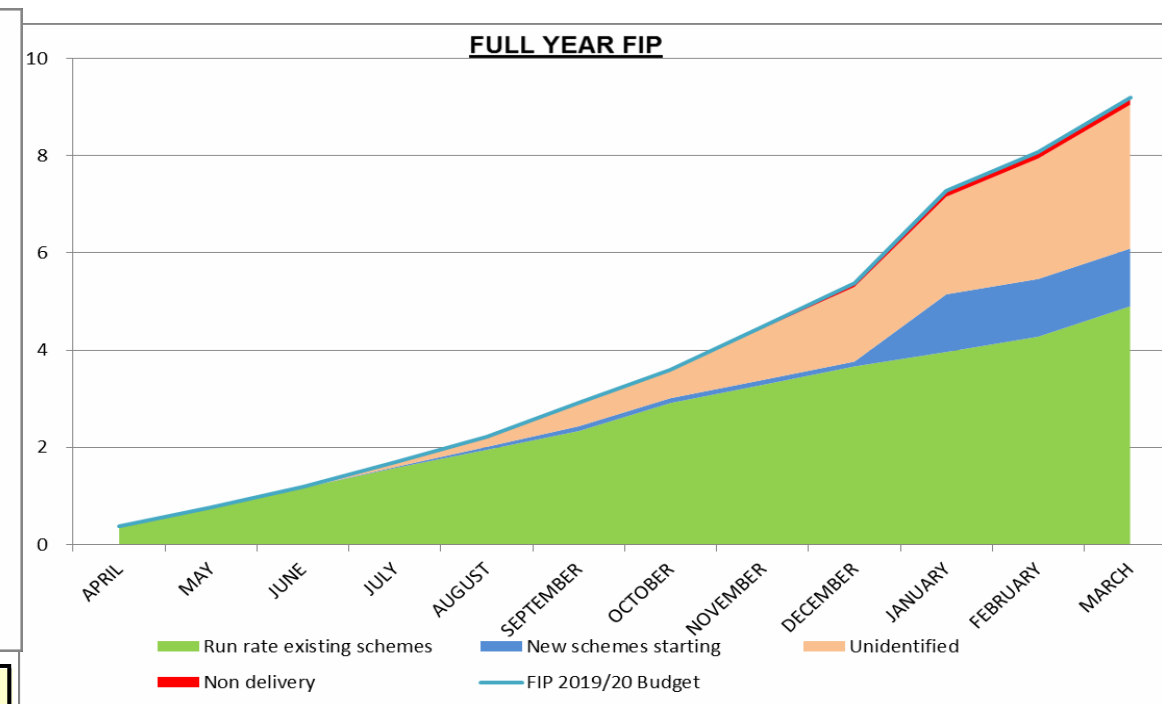
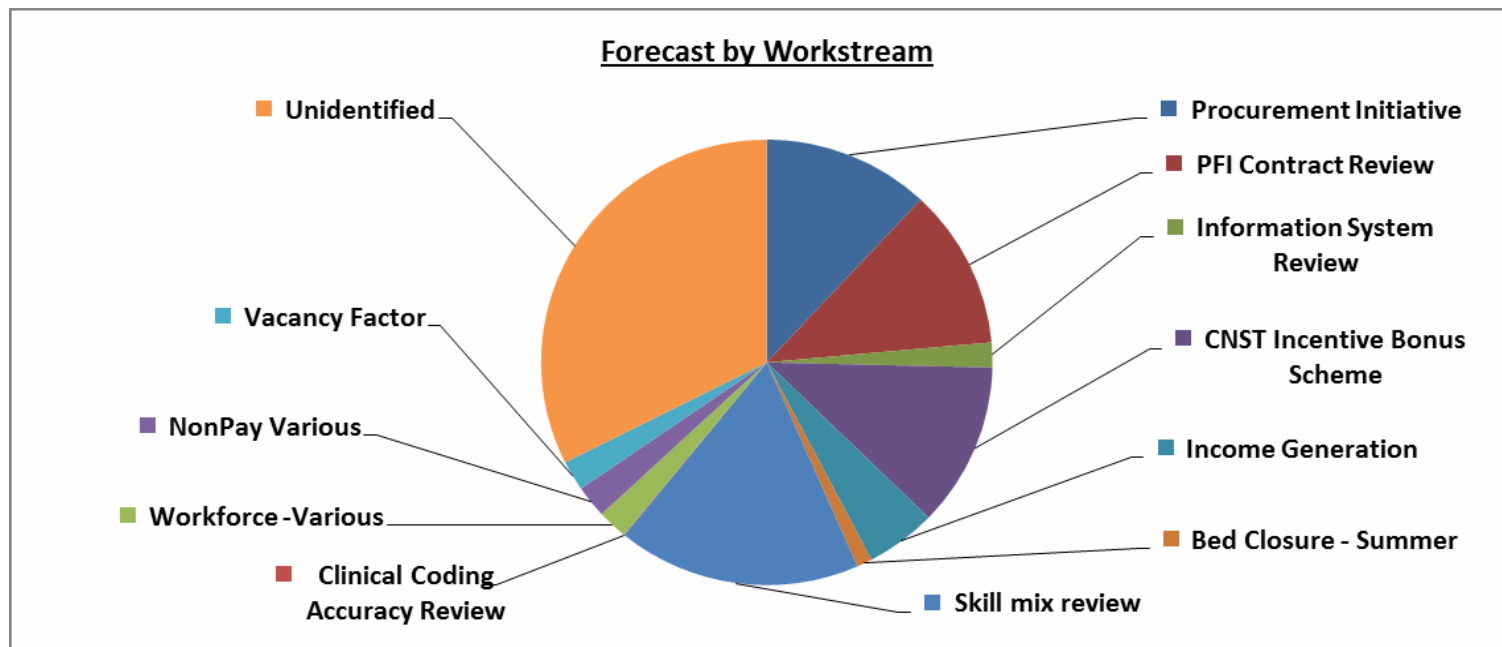
In month Central income was adverse by £68k, primarily due to HMRC vat paid in month.

Summary as at the end of Dec-19

Workstreams	Annual Target £000's	IN MONTH				Year to Date				FORECAST OUTTURN	
		In Month				Year to Date				Annual	
		Plan £000's	Actual £000's	Additional Schemes £000's	Variance (inc. addnl) £000's	Plan £000's	Actual £000's	Additional Schemes £000's	Variance (inc. addnl) £000's	Forecast £000's	Variance £000's
Procurement Initiative PFI	1,121	100	56	0	(44)	816	803	0	(13)	1,081	(40)
Contract Review	1,060	83	359	0	276	750	1,026	0	276	1,336	0
Information System Review	164	20	20	0	0	105	105	0	0	164	0
Clinical Coding Accuracy Review	1,087	0	0	0	0	5	5	0	0	5	0
Income Generation	277	23	(103)	0	(125)	208	216	27	35	309	31
Bed Closure - Summer	160	0	0	0	0	160	100	0	(60)	100	(60)
Skill mix review	1,612	134	137	20	23	1,212	1,066	187	42	1,603	(9)
CNST Incentive Bonus Scheme	5	0	48	0	48	0	48	0	48	1,135	48
Workforce -Various	197	14	14	0	0	154	154	0	0	197	0
NonPay Various	213	24	14	0	(10)	142	122	0	(20)	163	(50)
Vacancy Factor	199	20	20	0	0	138	138	0	0	199	0
Unidentified	3,109	472		472	0	1,685		1,535	(150)	2,913	80
<b>Total CIP</b>	<b>9,205</b>	<b>889</b>	<b>564</b>	<b>492</b>	<b>167</b>	<b>5,376</b>	<b>3,784</b>	<b>1,750</b>	<b>158</b>	<b>9,205</b>	<b>(0)</b>

**COMMENTARY**

- In month achievement of £0.8m (including additional schemes) is £167k ahead of plan. YTD the FIP schemes are £158k ahead of plan.
- There is £1.7m YTD of unidentified FIP included in the position.
- Monthly Divisional CIP meetings have been established to review progress on delivery and align month end reporting.
- The FY forecast is to achieve the FIP plan including mitigations.



**1. CIP Performance by Division**

Division	WTE Plan	Total	Mth 09 YTD Plan	Mth 09 YTD Actual	Month 09 YTD Variance	Forecast	Forecast Variance
Central Budgets Division	0.00	£2,825,735	£1,409,125	£1,564,137	£155,012	£2,934,832	£109,097
Corporate	7.78	£2,871,155	£2,112,165	£2,092,165	(£20,000)	£2,791,155	(£80,000)
Unplanned Care	1.15	£1,309,376	£1,029,462	£1,010,975	(£18,487)	£1,270,369	(£39,008)
Planned Care	5.64	£2,198,868	£825,059	£866,203	£41,143	£2,208,778	£9,910
<b>TOTAL TRUST SCHEMES</b>	<b>14.57</b>	<b>£9,205,134</b>	<b>£5,375,811</b>	<b>£5,533,480</b>	<b>£157,668</b>	<b>£9,205,134</b>	<b>(£0)</b>

## SECTION 4: STATEMENT OF FINANCIAL POSITION

	Nov £m	Dec £m
<b>NON CURRENT ASSETS:</b>		
Property plant and equipment	143.2	144.7
Intangible assets	11.1	11.0
Other assets	6.8	6.8
<b>TOTAL NON CURRENT ASSETS:</b>	<b>161.0</b>	<b>162.5</b>
<b>CURRENT ASSETS:</b>		
Inventories	2.0	2.0
Trade and other receivables	26.5	27.6
Cash and cash equivalents	12.7	11.7
<b>TOTAL CURRENT ASSETS</b>	<b>41.3</b>	<b>41.3</b>
<b>CURRENT LIABILITIES:</b>		
Trade and other payables	(32.1)	(33.9)
Current Borrowings	(6.5)	(8.5)
Current Provisions	(0.9)	(1.0)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(39.5)</b>	<b>(43.4)</b>
<b>NET CURRENT ASSETS LESS CURRENT LIABILITIES</b>	<b>1.7</b>	<b>(2.1)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>162.8</b>	<b>160.4</b>
<b>NON CURRENT LIABILITIES:</b>		
Borrowings	(65.2)	(63.2)
Provisions	(0.9)	(0.8)
Other liabilities	0.0	0.0
<b>TOTAL ASSETS EMPLOYED</b>	<b>96.7</b>	<b>96.5</b>
<b>FINANCED BY</b>		
<b>TAXPAYERS EQUITY:</b>		
Public Dividend Capital	65.3	65.3
Revaluation reserve	18.8	18.8
Income and Expenditure Reserve - Prior years	13.1	13.1
Income and Expenditure Reserve - Current Year	(0.5)	(0.7)
<b>TOTAL TAXPAYERS EQUITY</b>	<b>96.7</b>	<b>96.5</b>

### COMMENTARY

#### Non - Current Assets

There was a £1.4m increase in Non-Current Assets in December 2019 comprising of: £1.5m increase in Property Plant and Equipment and £0.1m decrease in Intangible Assets. Other Assets remained unchanged.

#### Current Assets

Total Current Assets remained unchanged in December 2019, within this total changes comprised; £1.0m increase in Trade and Other Receivables and £1.0m decrease in Cash and Cash Equivalents. Inventories remained unchanged.

#### Current Liabilities

There was an increase of £3.9m in Current Liabilities in December 2019 comprising; £1.8m increase in Trade and Other Payables, £2.0m increase in Current Borrowings which transferred from Non -Current Borrowings and £0.1m increase in Current Provisions .

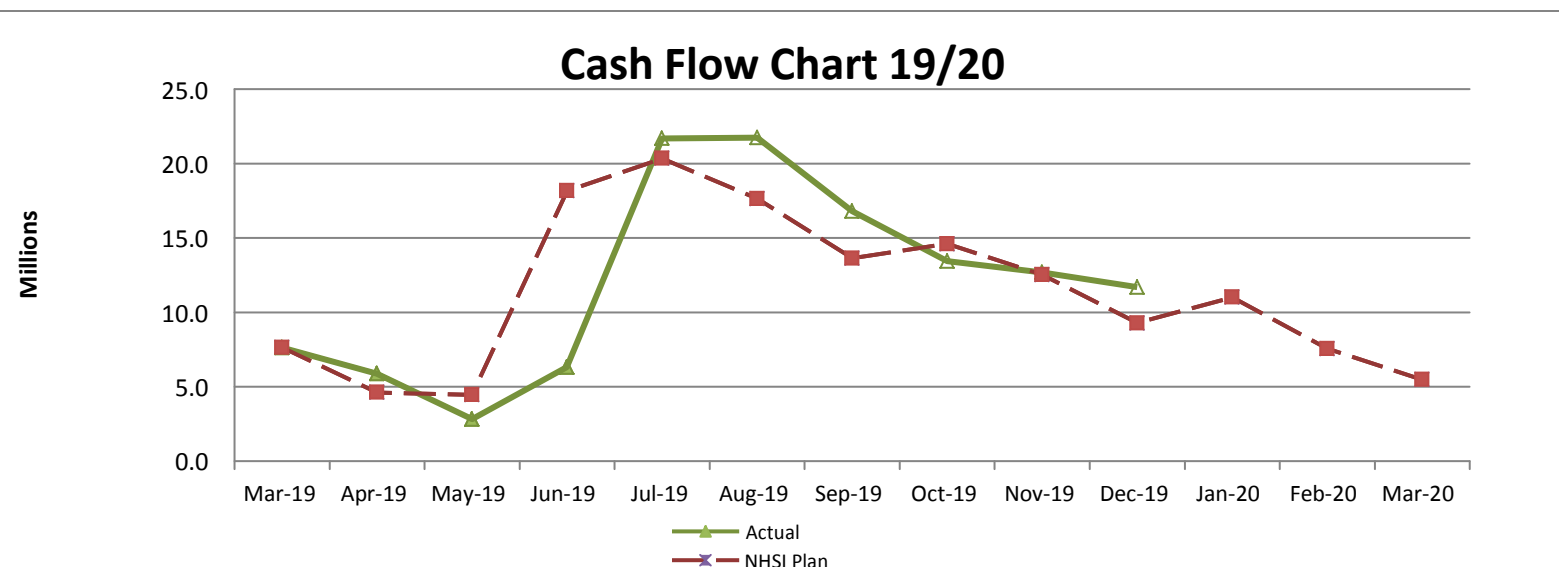
#### Non-Current Liabilities

Non-Current Borrowings decreased by £2.0m which transferred to Current Borrowings. Provisions and Other Liabilities remained unchanged.



## SECTION 5 CASH FLOW STATEMENT

	December 2019 £m
<b>Surplus/(deficit) after tax</b>	<b>(0.2)</b>
<b>Non-cash flows in operating surplus/(deficit)</b>	
Depreciation and amortisation	0.7
PDC Dividend	0.2
<b>Non-cash flows in operating surplus/(deficit)</b>	<b>0.9</b>
<b>Operating Cash flows before movements in working capital</b>	<b>0.7</b>
<b>Increase/(Decrease) in working capital</b>	
Increase in Inventories	0.0
Decrease in Trade and other receivables	(1.0)
Increase in Current Provisions	0.1
Decrease in Trade and Other payables	1.7
<b>Increase/(Decrease) in working capital</b>	<b>0.9</b>
<b>Net cash (outflow) from operating activities</b>	<b>1.6</b>
<b>Net cash inflow/(outflow) from investing activities</b>	
Property Plant and Equipment	(2.5)
Intangible assets	0.0
Other assets	(0.0)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(2.5)</b>
<b>Net cash inflow/(outflow) from financing activities</b>	
PDC Drawdowns	0.0
PDC Dividend paid	0.0
Borrowings	0.0
<b>Net cash inflow/(outflow) from financing activities</b>	<b>0.0</b>
<b>Net (decrease) in cash</b>	<b>(1.0)</b>
<b>Opening cash</b>	<b>12.7</b>
<b>Closing cash</b>	<b>11.7</b>



### COMMENTARY

The closing cash position for December was £11.7m, £1.0m lower than the previous month but £2.4m above plan.

Significant receipts in the month included £1.1m from NHS Resolution (CNST Rebate), £1.6m from NHS England (£1.2m for Q2 PSF, £0.4m for Winter Monies), £0.5m from Epsom & St Helier for SWLEOC Profit Share (M7-12 18/19), £0.5m from HMRC in respect of VAT reclaimed for November 2019, £0.2m from Achieving for Children, and £0.2m from local authorities for non contract GUM activity.

Payments to trade suppliers were £0.2m higher than forecast for the month. Payments for capital expenditure totalled £2.6m as work progressed on the MHU and IT projects. Supplier invoices totalling £0.4m were held for payment at month end, an increase of £0.3m from the end of November.

Remaining land sale receipts for Regent Wing fall due in September 2020 (£1m) and December 2021 (£5.5m).

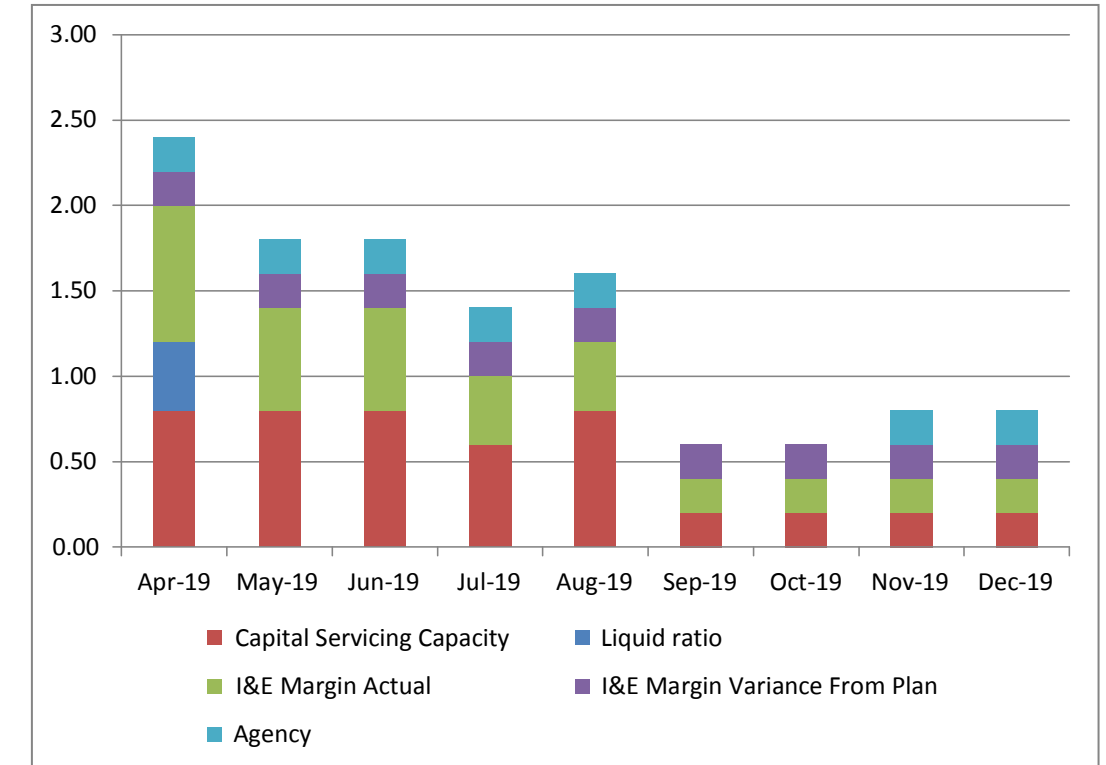
**SECTION 6: FINANCE AND USE OF RESOURCES METRICS**

	Weight	1	2	3	4
Capital Servicing Capacity	20%	2.50	1.75	1.25	<1.25
Liquidity	20%	-	- 7.00	- 14.00	<-14
I&E Margin - Underlying performance	20%	1%	0%	-1%	<=-1
I&E Margin - Variance from plan	20%	0%	-1%	-2%	<=-2
Agency	20%	0%	25%	50%	>50%
	100%				

	19/20	19/20	19/20	19/20	19/20	19/20	19/20	19/20	19/20
Heading	M1	M2	M3	M4	M5	M6	M7	M8	M9
Capital Servicing Capacity	0.07	0.37	0.46	0.85	1.50	0.83	0.91	0.98	0.97
Liquidity	9.4	6.1	2.0	10.2	10.8	6.2	7.0	6.2	(4.3)
I&E Margin - Underlying performance	(4%)	(3%)	(3%)	(2%)	(2%)	(2%)	(1%)	(0.5%)	(1%)
I&E Margin - Variance from plan	0%	0%	0%	0%	0%	0%	(0%)	(0.1%)	0%
Agency (new metric)	(16.0%)	(14.0%)	(12.0%)	(6.0%)	(7.0%)	(6.0%)	(11.0%)	(19.0%)	(15.0%)

	19/20	19/20	19/20	19/20	19/20	19/20	19/20	19/20	19/20
Heading	M1	M2	M3	M4	M5	M6	M7	M8	M9
Capital Service Cover	4	4	4	4	3	4	4	4	4
Liquidity	1	1	1	1	1	1	1	1	1
I&E Margin - Underlying performance	4	4	4	4	4	4	3	3	3
I&E Margin - Variance from plan	1	1	1	2	2	1	2	2	2
Agency (new metric)	1	1	1	1	1	1	1	1	1

<b>Risk rating after overrides</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
------------------------------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------



**COMMENTARY**

Our current risk rating is 3.0, this is in line with the submitted Operating Plan for M01 to M09.