

# Kingston Hospital NHS Foundation Trust

## Finance Report October 2020 (Month 7)

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## Financial Strategy

2020/21

### Revenue

- The Financial framework for the second half of the year requires a system break even position, albeit allowance for individual organisations to have surplus/deficit positions.

- SWL submitted a financial forecast of a deficit of £45.0m, net of any mitigations, on 18th November. It is expected that this will be fully mitigated by additional funding for the loss of both NHS and Non NHS income, therefore a balanced plan.

- Control totals have been allocated to all organisations within the sector. These have been devised through analysis on organisational run rates in 19/20, first half of 20/21 and Month 7 actual performance.

- Internal review and challenge of the full year forecast continues with analysis focusing on the outturn underlying run rate excluding non-recurrent cost impact of Covid and elective restart.

- Further guidance is expected on the Elective Incentive Scheme, with a possible reset of required activity levels and application of the financial implications of under/over achieving against trajectories.

- The Trust continues to work with sector and NHSE/I to secure additional funding and reduce deficit position in year. This is in relation to lost income in 2020/21, underfunding arising from non-recurrent items in 2019/20 and non-recurrent items in 2020/21.

### Capital

- Trust is forecasting a capital spend of £27.7m.

- Capital spend is being monitored by Capital Control Committee and as part of this, the Committee is reviewing forecasts on a monthly basis.

- Any slippage that may occur will be repurposed to schemes that can be brought forward from next year, such as Medical equipment, planning and design work for ITU and any invest to save schemes which will facilitate reduction in revenue costs from April 21.

- The Trust has been advised that £9.589m of its Critical Infrastructure Review bid has been approved. £5.043 of this PDC was drawn during October the balance is expected to be drawn between November to January. The Trust has also received £1.4m of Covid Capital funding, which was reported to the Committee previously. At Month 7 a further £0.7m of capital for IT contingency was confirmed.

- External sources will in most cases be in the form of PDC, which will attract a 3.5% charge. These schemes will require STP approval prior to any application being put forward to NHSE/I for funding approval. The Trust has submitted a further funding application for capital costs associated with the elective restart programme, which equates to £2.5m.

- The new financing arrangements converting loans to PDC transacted on 23rd September. Historic loans to the value of £37.7m were written off and financed through PDC. The Trust has one remaining capital investment loan, the Estates Strategy Loan originally for £10m in 2016, with a residual outstanding balance of £7.57m at 30th September 2020.

## Financial Governance

- The Trust has reported a £1.5m deficit in month and YTD. Still awaiting the outcome of the disputed withheld top-up income raised in relation to month 5 claims and the top-up claimed at month 6.

- The impact for KHT of the financial regime in place for the second half of the year is still being worked through. Assurance has been given in relation to £10.3m of breakeven funding and a further £9.5m, equivalent of £3.3m per month included in the month 7 position. The framework requires the sector to break-even, however individual organisations within the sector can have a combination of surplus and deficit positions.

- Governance for Capital expenditure has been revised. The capital control committee will now be the overarching review/scrutiny committee across the Trust's entire capital programme. This, as previously will report to Finance & Investment Committee.

## Financial Performance

	Annual Plan	Month 07 Plan	Month 07 Actual	Month 07 Variance	YTD Plan	YTD Actual	YTD Variance
Income	314,183	27,810	27,485	(325)	176,130	169,606	(6,524)
Pay	(202,576)	(17,821)	(17,331)	490	(113,699)	(116,414)	(2,715)
Non-Pay & Depreciation	(123,171)	(11,349)	(11,096)	253	(66,366)	(73,412)	(7,046)
EBITDA	(11,563)	(1,360)	(943)	417	(3,935)	(20,219)	(16,284)
<i>EBITDA %</i>	<i>-3.7%</i>				<i>-2.2%</i>	<i>-11.9%</i>	
Below the Line	(7,669)	(639)	(566)	73	(4,173)	(4,400)	(227)
<b>NHSI Control Total Surplus Excluded from Control Total</b>	<b>(19,233)</b>	<b>(1,999)</b>	<b>(1,509)</b>	<b>490</b>	<b>(8,108)</b>	<b>(24,619)</b>	<b>(16,511)</b>
Impairments	0	0	0	0	0	0	0
Net Donated Assets	(140)	(33)	(16)	17	25	(152)	(177)
Top-Up funding	6,115	0	0	0	6,115	23,111	17,000
<b>Overall Surplus</b>	<b>(13,258)</b>	<b>(2,032)</b>	<b>(1,525)</b>	<b>507</b>	<b>(1,968)</b>	<b>(1,661)</b>	<b>(3,307)</b>

### Highlights:

- The Month 7 position is a £1.5m deficit, a £0.5m improvement in month on the forecast/plan submitted to NHSE/I on 22/10/20. Top-up funding is no longer available from this month onwards. An additional £3.3m is included under patient care income in month which is the KHT share of additional sector funding.
- The year to date additional retrospective top-up value remains at £17.0m. The value agreed also remains at £10.7m, relating to months 1 to 5. The Trust is still awaiting the outcome on the withheld value of £1.9m from month 5 as well as agreement of the £4.4m requested at month 6.
- The income variance is £0.3m adverse in month due to a £0.2m shortfall in Covid testing income, offset by a favourable expenditure variance.
- Pay expenditure is £0.5m favourable in month due to below forecast expenditure related to Covid-19 of £0.4m and other smaller favourable variances across the divisions. Expenditure excluding Covid of £17.1m is a further increase of £0.5m above last month (excluding the impact medical pay awards) and is £1.5m above the average across month's 1 - 5. This includes non-recurrent elective restart costs of £0.4m, but is also due to new investments (e.g.. endoscopy, SWL procurement hub) and an underlying increase as activity levels return to a BAU level.
- Non-pay expenditure was £0.3m below forecast/plan in month related to low testing costs, £0.2m Covid testing and £0.1m flu testing. Expenditure excluding Covid-19 have increased by £0.4m compared to the previous month.
- Trust YTD Capital spend was £7.0m including £0.6m related to Covid 19 schemes. The Trust is still awaiting confirmation of funding for all Covid-19 related capital submissions from April to July for which a response is still awaited.

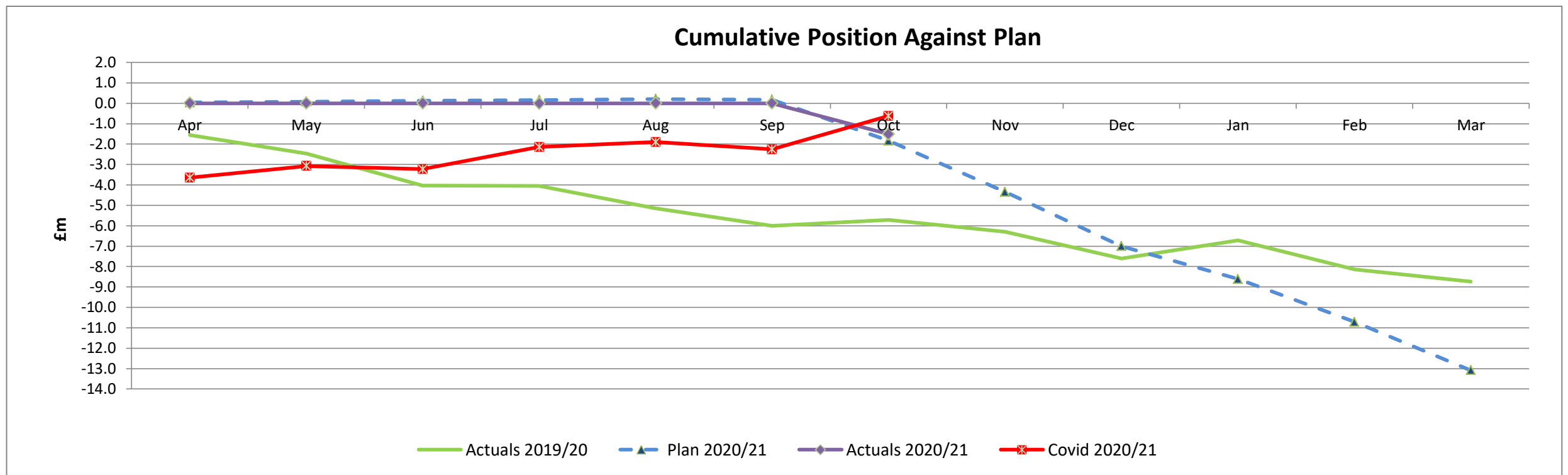
## Financial Risk

- Risk of costs rising above our forecast position to deliver the forecast patient activity in the event of a second wave of Covid-19 infections, for example conversion of Hardy ward in ITU, loss of PPU income due to capacity constraints and risk of access to current Independent sector facilities.
- Agreement and cash funding for Elective re-start related capital expenditure. Additional cash to support the underlying 20/21 capital programme within the sector wide prioritisation process.
- Confirmation of agreement to the top-up funding claimed for month 6 of £4.4m, and a correction to the current deduction for month 5 of £1.9m.
- Agreement with sector partners and NHSE/I to obtain additional funding to offset current forecast deficit including £5.8m shortfall in 19/20 assumptions, £2.7m of lost income and £1.4m of non-recurrent costs.

# SECTION 1: OVERALL INCOME AND EXPENDITURE

Summary as at the end of **Oct-20**

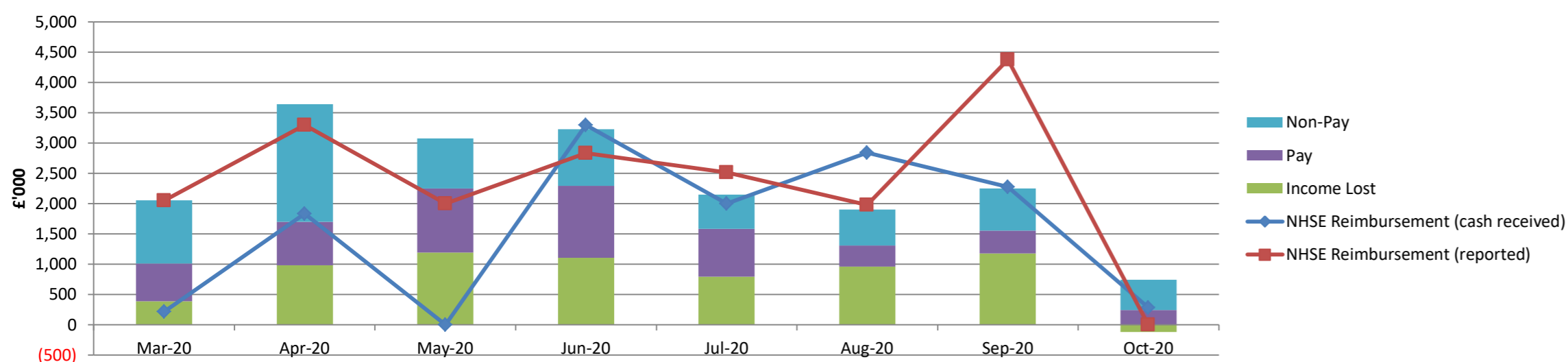
Income & Expenditure	Annual Budget £000's	IN MONTH					YTD				
		Budget v Actuals					Budget v Actuals				
		Interim NHSE/I Budget £000's	Actual £000's	Covid-19 £000's	Total Actual £ 000's	Var £000's	Interim NHSE/I Budget £000's	Actual £000's	Covid-19 £000's	Total Actual £ 000's	Var £000's
Income (excl PSF & Don Assets)	259,706	21,515	21,676	0	21,676	161	152,131	152,055	0	152,055	(76)
NHS Patient Care	26,947	4,032	3,596	133	3,729	(303)	6,898	6,506	(1,510)	4,996	(1,902)
Patient Care Income	27,530	2,263	2,095	(15)	2,080	(183)	17,101	17,126	(4,571)	12,555	(4,546)
Other Income											
<b>Income</b>	<b>314,183</b>	<b>27,810</b>	<b>27,367</b>	<b>118</b>	<b>27,485</b>	<b>(325)</b>	<b>176,130</b>	<b>175,687</b>	<b>(6,080)</b>	<b>169,606</b>	<b>(6,524)</b>
Operating Expenses	(202,576)	(17,821)	(17,088)	(243)	(17,331)	490	(113,699)	(111,687)	(4,727)	(116,414)	(2,715)
Pay	(113,991)	(10,486)	(9,753)	(498)	(10,251)	235	(61,200)	(61,677)	(6,058)	(67,734)	(6,534)
Non Pay	(9,179)	(863)	(845)	0	(845)	18	(5,166)	(5,677)	0	(5,677)	(512)
Depreciation and Amortisation											
<b>Operating Expenses</b>	<b>(325,746)</b>	<b>(29,170)</b>	<b>(27,686)</b>	<b>(742)</b>	<b>(28,428)</b>	<b>742</b>	<b>(180,065)</b>	<b>(179,041)</b>	<b>(10,785)</b>	<b>(189,826)</b>	<b>(9,761)</b>
<b>Operating Surplus/(Deficit)</b>	<b>(11,563)</b>	<b>(1,360)</b>	<b>(319)</b>	<b>(624)</b>	<b>(943)</b>	<b>417</b>	<b>(3,935)</b>	<b>(3,354)</b>	<b>(16,865)</b>	<b>(20,219)</b>	<b>(16,284)</b>
Finance Costs	125	10	0	0	0	(10)	76	4	0	4	(73)
Investment Revenue	(4,529)	(377)	(294)	0	(294)	84	(2,423)	(2,211)	0	(2,211)	212
Finance Costs	(3,265)	(272)	(272)	0	(272)	0	(1,826)	(2,192)	0	(2,192)	(366)
Public Dividend Capital											
<b>Finance Costs</b>	<b>(7,669)</b>	<b>(639)</b>	<b>(566)</b>	<b>0</b>	<b>(566)</b>	<b>73</b>	<b>(4,173)</b>	<b>(4,400)</b>	<b>0</b>	<b>(4,400)</b>	<b>(227)</b>
<b>Total Surplus/(Deficit) - excl. Top Up</b>	<b>(19,233)</b>	<b>(1,999)</b>	<b>(885)</b>	<b>(624)</b>	<b>(1,509)</b>	<b>490</b>	<b>(8,108)</b>	<b>(7,754)</b>	<b>(16,865)</b>	<b>(24,619)</b>	<b>(16,511)</b>
Provider Sustainability Funding (PSF)	0	0	0		0	0	0	0		0	0
Central MRET Funding	0	0	0		0	0	0	0		0	(0)
Covid-19 PCI Top Up	6,115	0	0		0	0	6,115	23,111		23,111	16,996
<b>Total Surplus/(Deficit) (excl Donated Assets)</b>	<b>(13,118)</b>	<b>(1,999)</b>	<b>(885)</b>	<b>(624)</b>	<b>(1,509)</b>	<b>490</b>	<b>(1,993)</b>	<b>15,357</b>	<b>(16,865)</b>	<b>(1,509)</b>	<b>484</b>
Depreciation on donated assets	(294)	(33)	(24)		(24)	9	(129)	(162)		(162)	(33)
Donated Asset Income	154	0	8		8	8	154	10		10	(144)
<b>Total Surplus/(Deficit) (Incl Donated Assets)</b>	<b>(13,258)</b>	<b>(2,032)</b>	<b>(901)</b>	<b>(624)</b>	<b>(1,525)</b>	<b>507</b>	<b>(1,968)</b>	<b>15,205</b>	<b>(16,865)</b>	<b>(1,661)</b>	<b>307</b>
	Annual Plan	Plan	Actual				Plan	Actual YTD			
EBITDA Margin	-3.7%	-4.9%	-1.2%				-2.2%	-1.9%			
EBITDA Achieved	100.0%	100.0%	23.5%				100.0%	85.2%			
I&E Surplus Margin	-6.1%	-7.2%	-3.2%				-4.6%	-4.4%			



## Section 2: Covid - 19 Financial Impact

### Income & Expenditure Position

#### Covid-19 Income & Expenditure



	2019/20		2020/21							YTD	Total
	£'000	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20		
NHSE Reimbursement (cash received)		219	1,834	0	3,298	1,999	2,837	2,275	282	12,525	12,744
NHSE Reimbursement (reported)		2,053	3,299	1,997	2,834	2,515	1,974	4,378	0	16,997	19,049
Income Lost		390	978	1,188	1,106	789	962	1,176	(118)	6,081	6,471
Pay		620	719	1,062	1,189	791	343	379	243	4,728	5,348
Non-Pay		1,043	1,946	822	933	565	596	697	498	6,057	7,100
Annual Leave accrual		976	0	0	0	0	0	0	0	0	976
<b>Total of Income Lost and Costs</b>		<b>3,028</b>	<b>3,643</b>	<b>3,072</b>	<b>3,228</b>	<b>2,146</b>	<b>1,901</b>	<b>2,252</b>	<b>624</b>	<b>16,865</b>	<b>19,894</b>

#### Narrative:

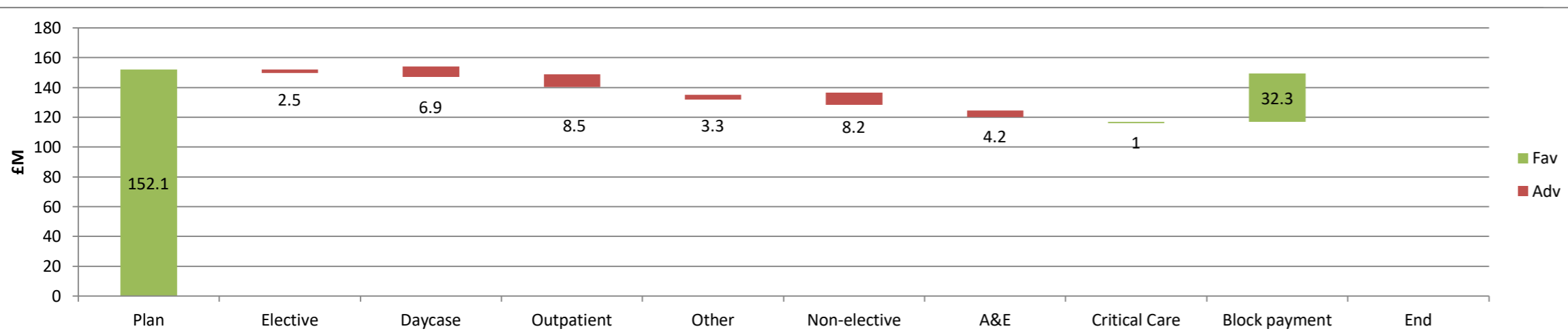
- No further top-up payments received in month. Additional funding of £3.3m per month is now shown under patient care income. Income for Covid testing is shown here which is £0.2m offset by small amount of lost income. Lost income against plan has reduced significantly as the plan now reflects updated forecast submitted in October.

- Pay costs at £243k have decreased by £136k compared to last month due to decreased backfill for absence.

- Non-pay costs at £498k have decreased by £199k compared to last month which included some extra costs for car parking and staff benefits.

- The full year forecast for Covid has been reviewed for consistency with sector partners. It has been updated to include costs of additional testing and IT costs but reduced in the areas of backfill pay costs and PPE.

#### NHS Patient Care Income - 2020/21 YTD Impact by POD



#### Narrative:

- Graph above shows the value of patient activity variances by POD against original 20/21 plan. The block payment offsets the adverse variance by £32.3m to £0.2m.

- Underlying income was only £1.5m below plan in month 7 compared to £0.1m last month due to adverse variances on non-elective income (£1.0m) and A&E (£0.5m).

- Income for daycase and elective work was £0.1m below plan in month.

- Outpatient income was £0.3m above plan in month.

#### Covid Capital - as per submission to NHSE/I on 30th July 2020

Category	2019/20		2020/21							YTD	Total
	£'000	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct		
Clinical Equipment		18	217	303	65					585	603
Infrastructure (Build)			185	251	104	7		550		1,097	1,097
IT				532				2,490		3,022	3,022
Other											
<b>TOTAL</b>		<b>18</b>	<b>402</b>	<b>1,086</b>	<b>169</b>	<b>7</b>	<b>-</b>	<b>3,040</b>	<b>-</b>	<b>4,704</b>	<b>4,722</b>

#### Narrative:

The Trust received a confirmation of £1.4m capital bid approval in September and still waiting for a response for the rest of our capital bids relating to Covid-19.

Estate /building emergency work includes £196k, clinical equipment includes scope/pumps £437k and IT includes service capacity for remote access £450k

#### Procurement

##### Highlights:

- Usage across all product lines is increasing as Covid levels go up within the hospital.
- Current local and sector supplies are good.

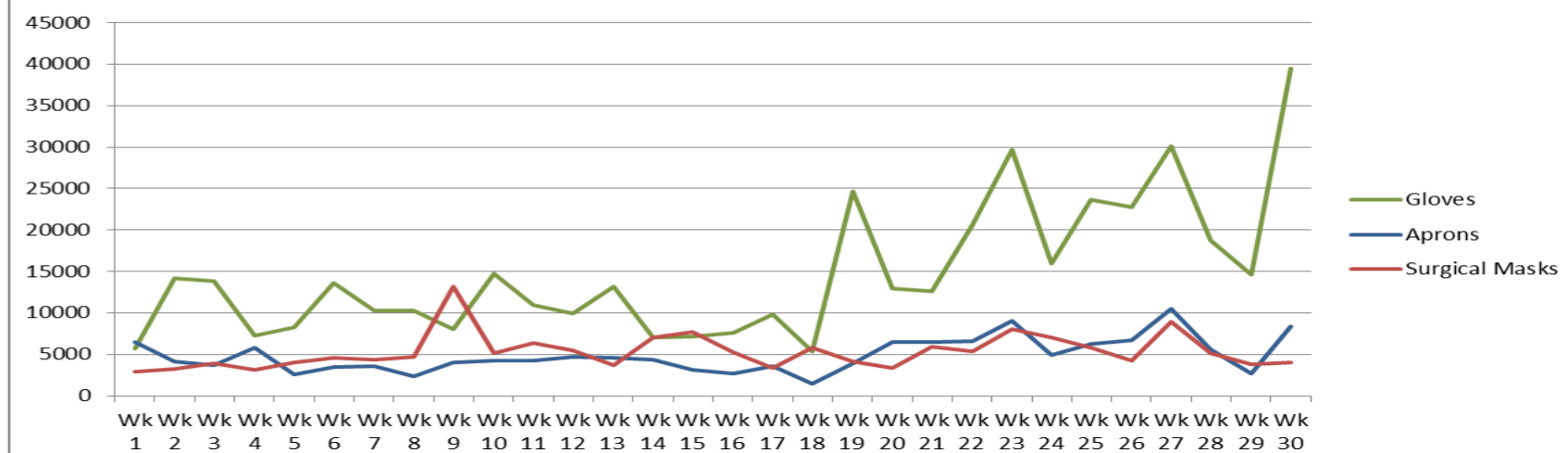
##### Key issues:

- No specific issues at present

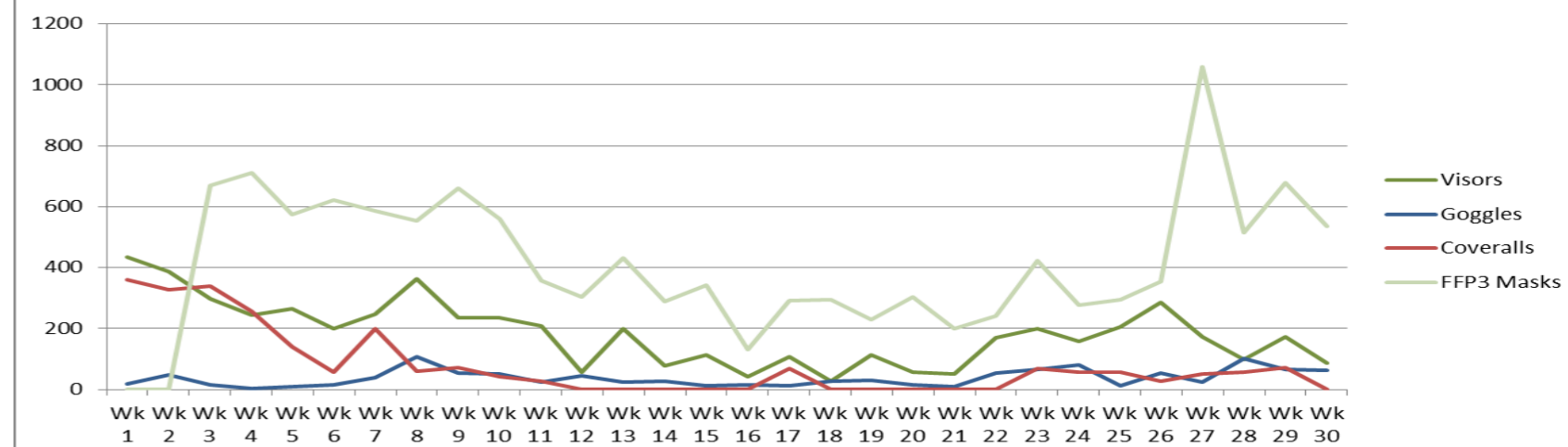
##### Actions:

- Continue to monitor PPE stock levels on a daily basis
- Liaise with Infection Control team over FFP3 mask availability and alternative options available

#### Average Daily Issues 15/4/20 - 11/11/20



#### Average Daily Issues 15/4/20 - 11/11/20



## SECTION 3: INCOME SUMMARIES

Category £000's	In-month			Year to Date			Full Year Plan
	Plan	Actual	Variance	Plan	Actual	Variance	
Elective	848	848	0	5,707	5,707	(0)	9,679
Day Cases	2,274	2,274	(0)	15,295	15,295	0	25,939
Non Elective	6,671	6,671	(0)	45,092	45,092	(0)	78,090
Outpatients	4,870	4,870	0	32,928	32,711	(216)	55,920
A&E	2,056	2,056	0	13,927	13,927	(0)	23,941
High Cost Drugs	1,326	1,326	0	8,923	8,923	0	15,133
Maternity	2,510	2,510	(0)	17,330	17,330	(0)	29,558
Other NHS	959	1,120	161	12,930	13,070	140	21,446
<b>Sub Total NHS Patient Care Income</b>	<b>21,515</b>	<b>21,676</b>	<b>161</b>	<b>152,131</b>	<b>152,055</b>	<b>(76)</b>	<b>259,706</b>
Other Patient Care	3,735	167	(3,568)	4,754	982	(3,772)	23,203
Private Patient Income	297	262	(35)	2,144	715	(1,430)	3,744
<b>Total Revenue from Patient Care</b>	<b>25,547</b>	<b>22,105</b>	<b>(3,442)</b>	<b>159,029</b>	<b>153,751</b>	<b>(5,278)</b>	<b>286,653</b>
Education & Research Income	886	847	(39)	6,215	6,169	(46)	10,646
Non-Patient Related Income	1,377	1,232	(144)	10,886	6,386	(4,499)	16,884
<b>Total Other Income</b>	<b>2,263</b>	<b>2,080</b>	<b>(183)</b>	<b>17,101</b>	<b>12,555</b>	<b>(4,546)</b>	<b>27,530</b>
<b>Total</b>	<b>27,810</b>	<b>24,185</b>	<b>(3,625)</b>	<b>176,130</b>	<b>166,306</b>	<b>(9,824)</b>	<b>314,183</b>
Donated Asset Income	-	8	8	154	10	(144)	154
<b>Total</b>	<b>27,810</b>	<b>24,192</b>	<b>(3,618)</b>	<b>176,284</b>	<b>166,317</b>	<b>(9,967)</b>	<b>314,337</b>

### COMMENTARY

#### NHS Patient Care Income

There is currently temporary block funding received from NHS Commissioners. The only other source of income is from Local Authorities in relation to GUM outpatients where there is a year to date shortfall in comparison to NHSE/I assumptions.

The block adjustment of £4.6m represents income received over and above the value of activity undertaken. This value is lower than previous months.

The income shown above excludes Covid re-imburement and Top-Up values.

#### Other Income (incl Non-NHS Patient Care)

The key drivers of lost income continue to be Private Patients, Car Parking and the product of the way the interim plan was set. NHSE/I used an unadjusted mechanism based on an average of 2019/20 (Months 8-10) which included some non-recurrent items.

# SECTION 3: NHS PATIENT CARE INCOME & ACTIVITY

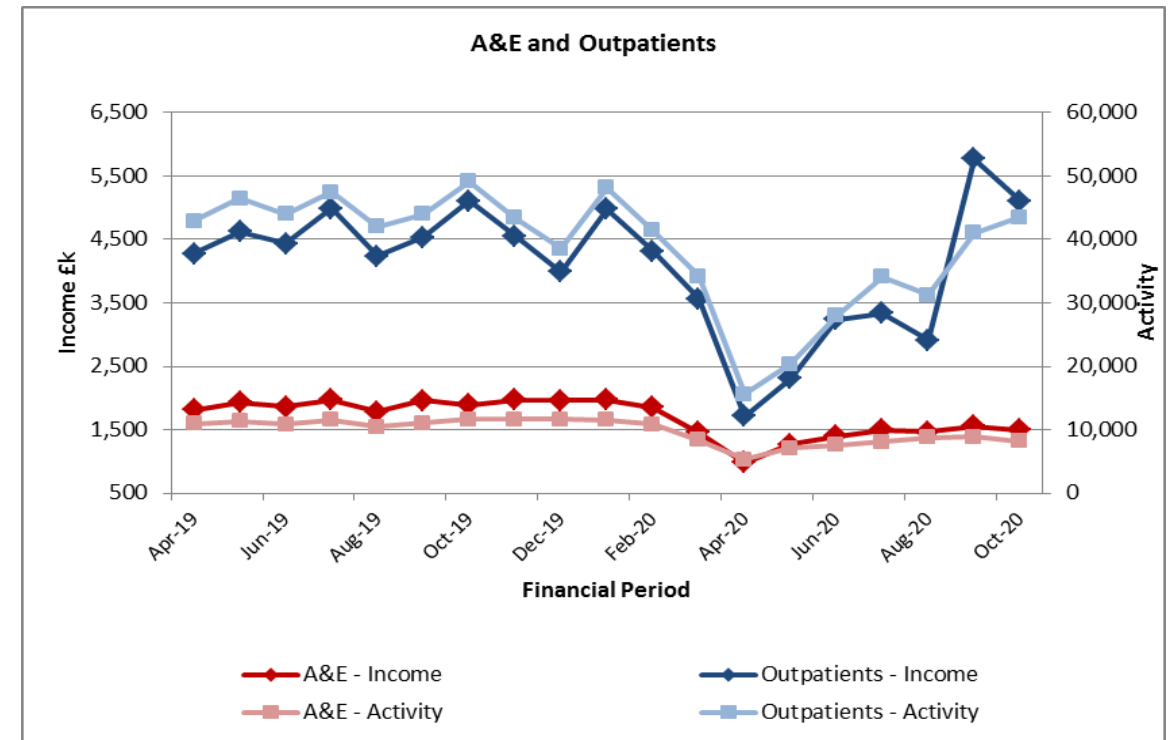
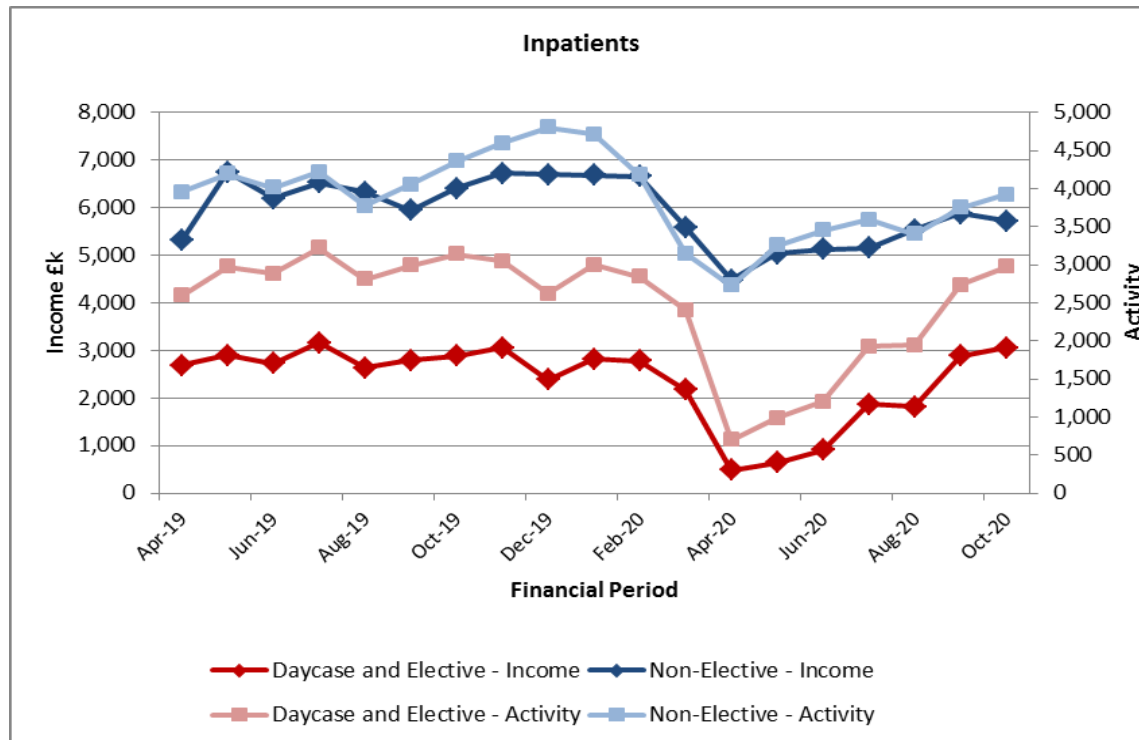
Point of Delivery	In Month						Year to Date					
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var
	Activity	Activity	Activity	£000	£000	£000	Activity	Activity	Activity	£000	£000	£000
A&E	12,038	8,195	(3,843)	2,056	1,502	(554)	81,545	54,057	(27,488)	13,927	9,679	(4,247)
Daycase and Elective	3,225	2,973	(252)	3,122	3,054	(68)	21,692	12,480	(9,212)	21,002	11,654	(9,348)
Non Elective	4,447	3,922	(525)	6,671	5,721	(950)	30,008	24,101	(5,907)	45,092	36,930	(8,162)
Outpatients	47,342	43,539	(3,803)	4,870	5,112	242	319,787	213,834	(105,953)	32,928	24,400	(8,527)
Maternity	1,199	1,447	248	2,510	2,715	205	8,273	8,823	550	17,330	17,543	213
Critical Care	762	801	39	870	828	(42)	5,259	6,196	937	6,010	7,019	1,009
High Cost Drugs	1,842	1,905	63	1,326	1,244	(82)	12,391	13,473	1,082	8,923	8,686	(237)
Other NHS	339,496	278,743	(60,753)	1,623	1,406	(217)	2,284,080	1,544,358	(739,722)	10,623	7,383	(3,239)
Block Adjustment	0	0	0	(1,534)	(64)	1,470	0	0	0	(3,703)	28,604	32,306
<b>Total</b>	<b>410,350</b>	<b>341,525</b>	<b>(68,825)</b>	<b>21,515</b>	<b>21,519</b>	<b>4</b>	<b>2,763,034</b>	<b>1,877,322</b>	<b>(885,712)</b>	<b>152,131</b>	<b>151,898</b>	<b>(233)</b>

## NHS Patient Care Income and Activity Commentary

There is currently temporary block funding received from NHS Commissioners. The above figures exclude the additional £3.3m of the KHFT share of additional sector funding, and Covid Testing Income.

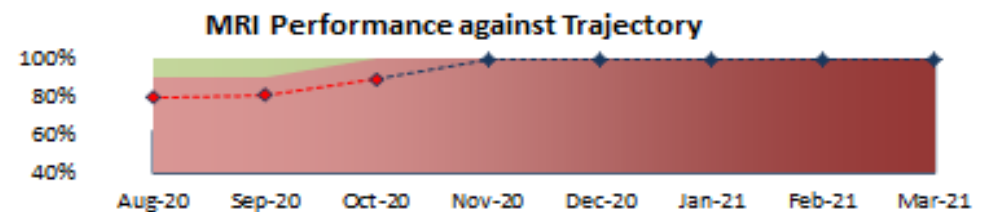
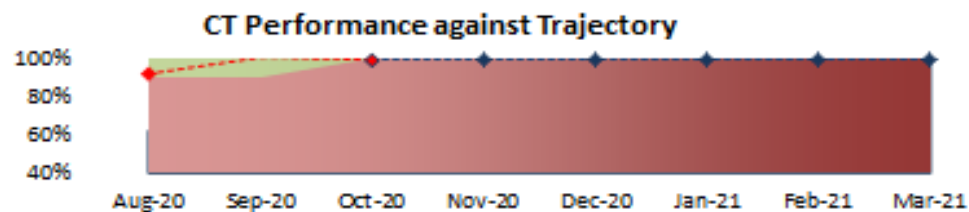
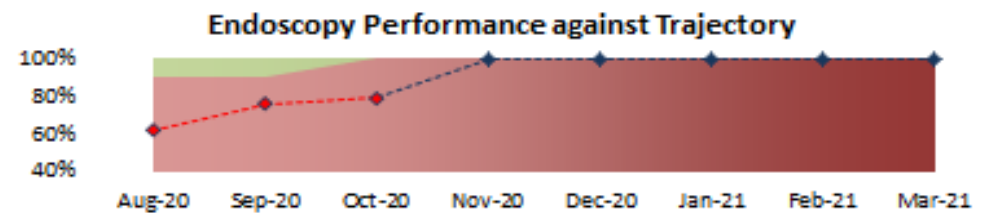
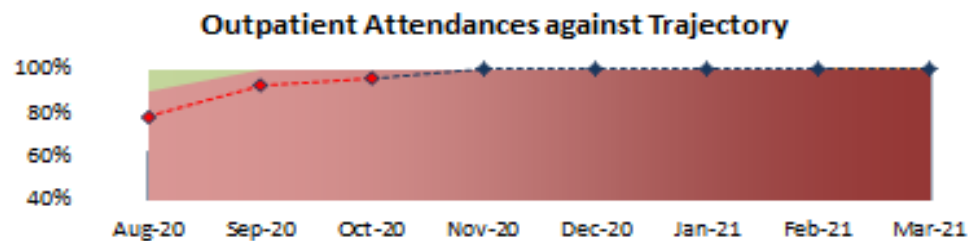
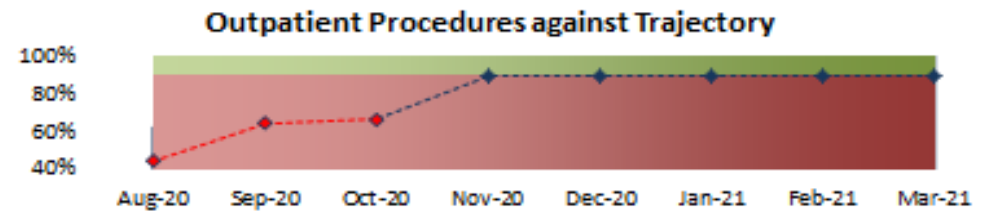
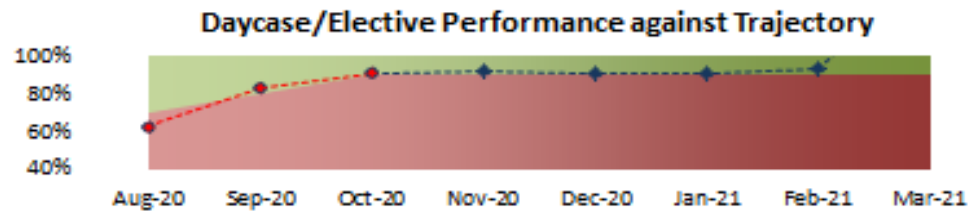
The block adjustment represents the amount required to balance to the income received after valuation of the activity undertaken. This value is £1.5m in October.

The graphs below show that in-month activity has been gradually increasing across most PODs since Month 01. With the elective recovery leading to a rise in activity per working day, admitted elective and outpatient activity has grown in Month 07. A&E attendances have reduced to 264 per day.



## SECTION 3 - Activity against Trajectory

The Charts below shows performance against the trajectory by activity type.  
The green zone represents achievement of the trajectory with the red zone showing under-achievement



### Activity Trajectory

The August to October actual values (red dots above) are based on the latest available information.

The forecast position shown is in line with the planning submission to NHSE/I.

Endoscopy activity in particular is based on an initial view, and is subject to change.

### Elective Incentive Scheme (EIS)

The EIS set trajectory figures from September, which when applied, may result in financial adjustment at system level for elective and outpatient activity. This is based on the financial value of actual activity compared to the equivalent month in 2019/20. Marginal rates would be applied for over/(under) performance. At this point we have been told not to include any adjustments to the financial position.

Based on this methodology and including independent sector activity, the Trust is ahead of EIS levels for both months 6 and 7. However, it should be noted that the EIS will only be applied in totality at a system level based on overall in month system performance.



## SECTION 4: STATEMENT OF FINANCIAL POSITION

	Sep £m	Oct £m
<b>NON CURRENT ASSETS:</b>		
Property plant and equipment	152.0	152.6
Intangible assets	15.6	15.5
Other assets	6.7	6.8
<b>TOTAL NON CURRENT ASSETS:</b>	<b>174.3</b>	<b>174.9</b>
<b>CURRENT ASSETS:</b>		
Inventories	2.0	1.9
Trade and other receivables	24.0	29.6
Cash and cash equivalents	42.8	41.0
<b>TOTAL CURRENT ASSETS</b>	<b>68.8</b>	<b>72.6</b>
<b>CURRENT LIABILITIES:</b>		
Trade and other payables	(68.5)	(69.6)
Current Borrowings	(2.3)	(2.3)
Current Provisions	(2.2)	(2.2)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(73.0)</b>	<b>(74.0)</b>
<b>NET CURRENT ASSETS LESS CURRENT LIABILITIES</b>	<b>(4.2)</b>	<b>(1.5)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>170.1</b>	<b>173.5</b>
<b>NON CURRENT LIABILITIES:</b>		
Borrowings	(36.8)	(36.6)
Provisions	(0.7)	(0.7)
Other liabilities	0.0	0.0
<b>TOTAL ASSETS EMPLOYED</b>	<b>132.7</b>	<b>136.2</b>
<b>FINANCED BY</b>		
<b>TAXPAYERS EQUITY:</b>		
Public Dividend Capital	104.1	109.2
Revaluation reserve	21.0	19.4
Income and Expenditure Reserve - Prior years	7.6	7.6
Income and Expenditure Reserve - Current Year	0.0	0.0
<b>TOTAL TAXPAYERS EQUITY</b>	<b>132.7</b>	<b>136.2</b>

### COMMENTARY

#### Non - Current Assets

There was a £0.6m increase in Non-Current Assets in October 2020 comprising of: £0.6m increase in Property Plant and Equipment, £0.1m decrease in Intangible Assets and £0.1m increase in Other Assets.

#### Current Assets

There was a £3.8m increase in Current Assets in October 2020, comprised of: £5.6m increase in Trade and Other Receivables (as analysed in Appendix 1) and £1.8m decrease in Cash and Cash Equivalents (as analysed in Section 7 Cash Flow Statement) and £0.1 decrease in Inventories.

#### Current Liabilities

There was an increase of £1.0m in Current Liabilities in October 2020 comprising; £1.1m increase in Trade and Other Payables (as analysed in Appendix 2). Current Borrowings and Current Provisions remained unchanged.

#### Taxpayers Equity

Public Dividend Capital increased by £5.0m as PDC relating to Critical Infrastructure was drawn down during October.

## SECTION 5: CAPITAL

	Capital YTD Plan £000	YTD CDEL Expenditure £000	YTD plan Variance CDEL £000	YTD FOT CDEL £000
<b>ESTATES</b>	3,990	4,351	361	11,303
<b>EQUIPMENT</b>	849	660	(189)	1,988
<b>IT</b>	2,552	1,638	(914)	5,891
<b>MES</b>	2,683	2,070	(613)	4,838
<b>PFI</b>	-	-	-	518
<b>Covid -19</b>	-	793	793	3,125
<b>TOTAL APPROVED CAPITAL PROGRAMME</b>	<b>10,074</b>	<b>9,512</b>	<b>(562)</b>	<b>27,663</b>

Capital Funding:	£'000	£'000
<b>PDC:</b>		
JAD	894	
Covid 19/20	482	
Covid 20/21	1,406	
Elective Restart	1,700	
Endoscopy	446	
Critical Infrastructure	9,589	
<b>Total PDC</b>		<b>14,517</b>
Depreciation		10,242
Cash		2,904
<b>Total</b>		<b>27,663</b>

### COMMENTARY

The CDEL for the year is currently £27.7m.

The total YTD spend for Estates is £4.4m, which is £0.4m higher than plan. The majority of the spend includes £1.8m for Endoscopy and £1.1m for Vera Brown House .

The total YTD spend for Medical Equipment is £0.7m, which is £0.2m lower than plan due to delays to business case submissions.

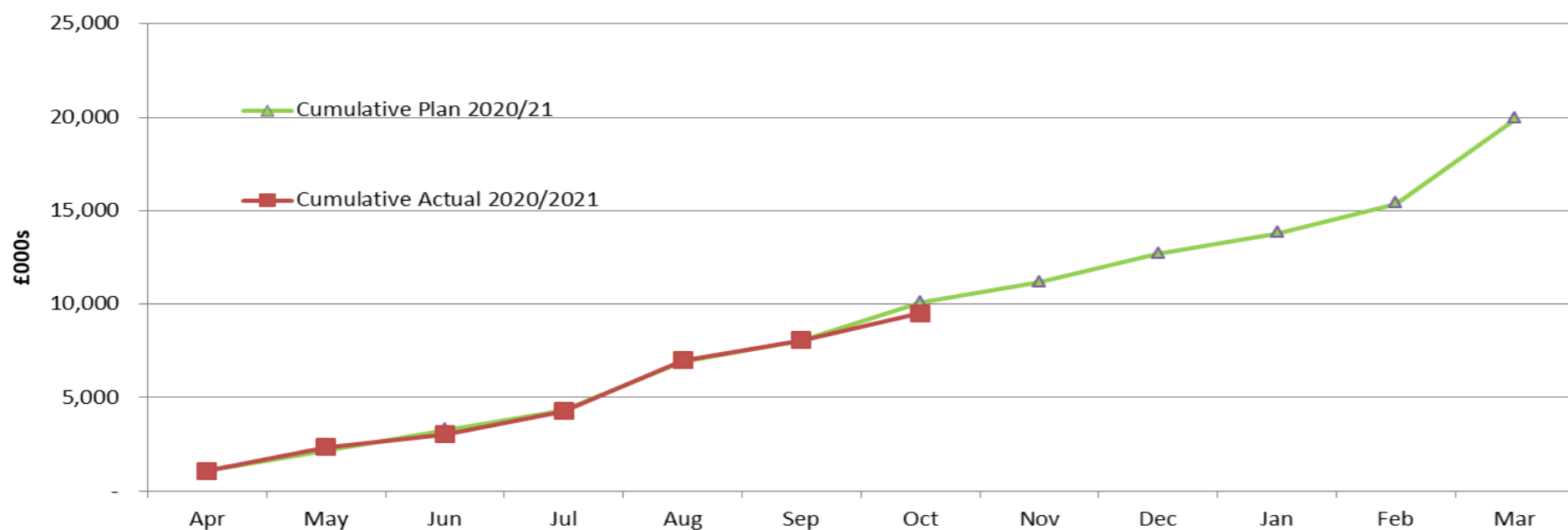
The total YTD spend for IT is £1.6m, which is lower than the plan by £0.9m as no expenditure has yet been incurred for HSLIP.

The total YTD expenditure for Elective Restart and Covid-19 is £793k, of which £290k relates to Estates projects , £67k to ITM for purchase of laptops to be used remotely and £437k to Medical Equipment.

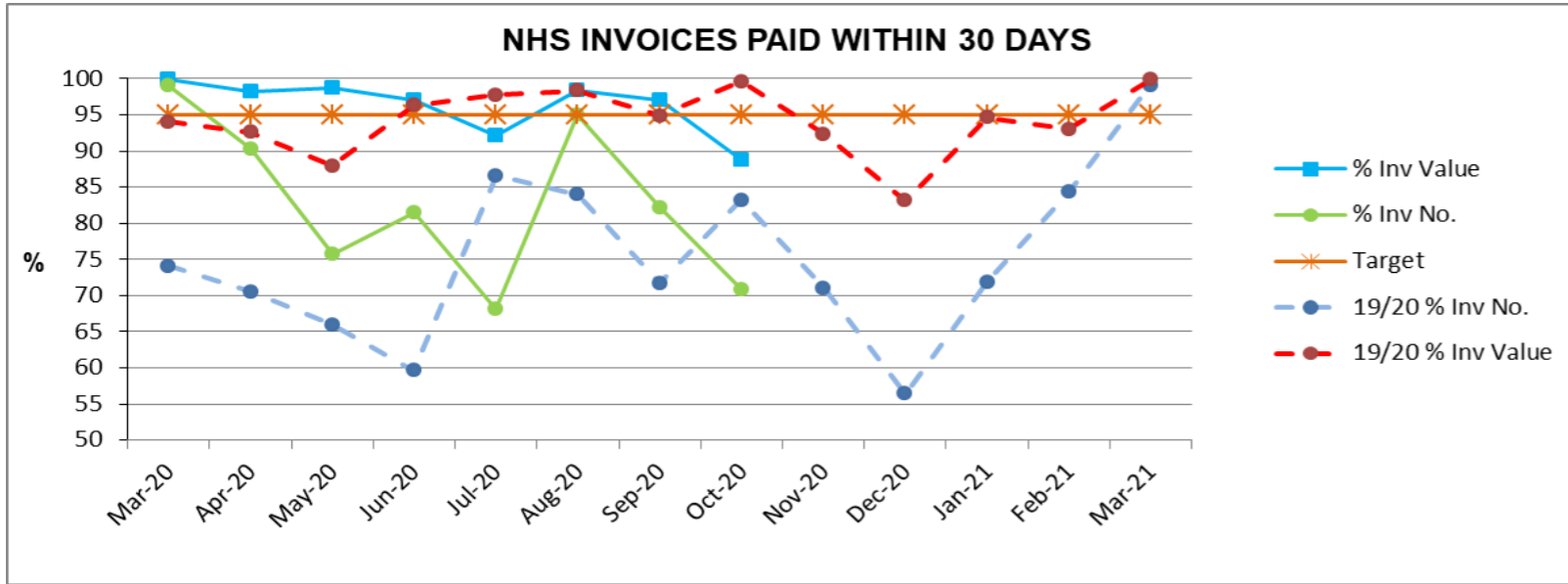
The Trust is forecasting achieving it's CDEL target and progress is monitored through the Capital Control Committee.

Any slippage within the programme will be mitigated with schemes that can be brought forward from next year, such as Medical Equipment.

### Cumulative Capital Position Against Plan



## SECTION 6: BETTER PAYMENT PRACTICE CODE



### Better Payments Practice Code

The number and value of NHS invoices paid within term in October were 71% and 88% respectively, compare 82% and 97% respectively in the previous month. The percentage by number was impacted by 25 low value invoices paid outside terms to the Royal Marsden in the month from a total of 96 NHS invoices paid.

The number and value of non-NHS invoices paid within terms were 60% and 50% respectively in October. The percentage by value decrease as high value invoices Prime Solutions (PFI) were paid outside of terms.

In the light of Covid-19 efforts continue to resolve overdue invoice queries and reduce outstanding payables, in particular for agencies and both small and medium suppliers for whom cash flow is vital.

