

**NHS Sussex Board Meeting**  
**Date of meeting: 20 September 2011**

**Item Number:**  
**51/11**

<b>Title of report:</b> Finance Report – M4 Financial Position.	
<b>Recommendation:</b> The Board is asked to note the financial position for NHS Sussex and its constituent PCTs for the 4 months to the end of July 2011.	
<b>Summary:</b> <ul style="list-style-type: none"> <li>• Whilst we are continuing to report to the SHA and DH that we are forecasting to meet the control totals for all four PCTs there are significant risks to both our position and that of provider Trusts within NHS Sussex. The savings challenge in the three health systems across NHS Sussex are driven by the historic position of the constituent health organisations moving from 2010/11 and their plans as agreed for 2011/12.</li> <li>• The current assessment of risks for NHS Sussex is set out in the table at the beginning of the attached reports. This shows two of the four PCTs facing significant risks as mentioned above. It is not unusual for there to be risks that have emerged since the plans were set and action is being taken to either mitigate those risks or to find additional savings to cover the financial impact in 2011/12.</li> <li>• NHS Sussex is working with partner organisations including the SHA. The progress in risk mitigation and savings plans will be reported each month in the finance report and formally reported to each Board meeting.</li> </ul>	
<b>Board sponsor:</b> Michael Schofield, Director of Finance	
<b>Author:</b> Michael Schofield	<b>Date of report:</b> 19/08/2011
<b>Review by other committees:</b> by executive team	
<b>Health impact:</b> N/A.	
<b>Financial implications:</b> As set out in the report.	

**NHS Sussex represents the following primary care trusts:**

NHS East Sussex Downs and Weald  
 NHS West Sussex

NHS Hastings and Rother  
 NHS Brighton and Hove

**Legal or compliance implications:**

N/A

**Link to key objective and/or assurance framework risk:**

N/A.

**Patient and public engagement:**

N/A.

**Equality impact assessment completed:**

N/A

**Forecast Out Turn (FOT) /FIMS month 4 risk adjusted**

<b>Month 4</b>	<b>2011/12</b>	<b>Control</b>	<b>Forecast</b>	<b>Risk Adj</b>	<b>Revised</b>	<b>Variance from</b>
<b>all £'000's</b>	<b>Revenue</b>	<b>Total</b>	<b>Out turn (FOT)</b>		<b>FOT</b>	<b>Control Total</b>
	<b>Budget</b>					
NHS BRIGHTON AND HOVE	478,146	4,615	4,615	2,116	<b>6,731</b>	2,116
NHS EAST SUSSEX DOWNS & WEALD	559,554	5,668	5,668	<b>-16,716</b>	<b>-11,048</b>	<b>-16,716</b>
NHS HASTINGS & ROTHER	335,247	3,351	3,351	0	<b>3,351</b>	0
NHS WEST SUSSEX	1,271,111	12,800	12,800	<b>-27,000</b>	<b>-14,200</b>	<b>-27,000</b>
<b>SUSSEX TOTAL</b>	<b>2,644,058</b>	<b>26,434</b>	<b>26,434</b>	<b>-41,600</b>	<b>-16,174</b>	<b>-41,600</b>
			1.0%		-0.6%	-1.6%

Risk Adjustment = Mid case

**2011 -12 FINANCE REPORT  
FOR THE FOUR MONTHS ENDED 31 JULY 2011**

Contents

- 1 Revenue and Surplus Statement
- 2 Operating Cost statement (I&E position)
- 3 Commissioning Analysis
- 4 Risk analysis
- 5 QIPP Progress Report
- 6 Capital Investment Programme
- 7 Better Payments Policy Code compliance
- 8 Workforce Performance Indicators
- 9 Statement of Financial Position (Balance sheet)
- 10 Cashflow Statement

Prepared by

Michael Schofield

Date

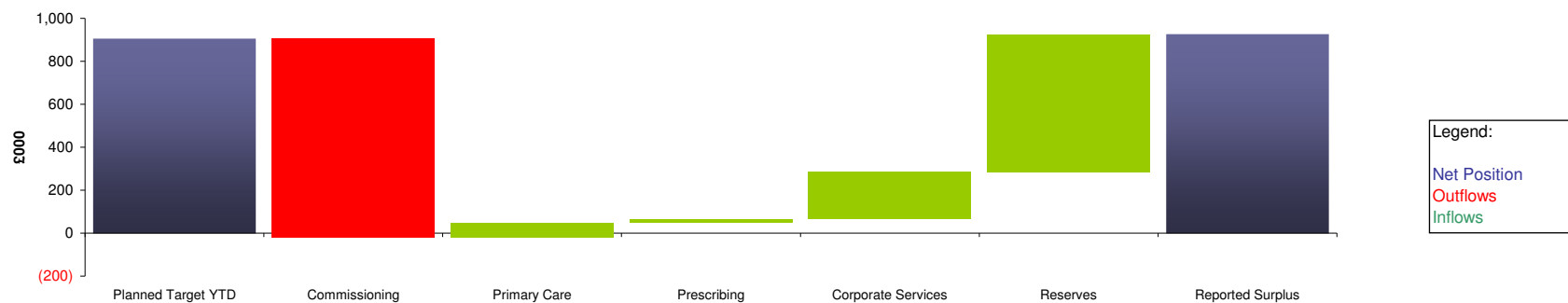
18/08/2011

1 Revenue & Surplus Statement	1	2	3	4	5	6	7	8	9	YTD	FOT
	Full Yr	This Month			Year to Date			Forecast			
	Plan	Budget	Actual	Variance	Plan	Actual	Variance	Forecast	Variance		
Notes	£000		£000	£000	£000	£000	£000	£000	£000		
<b>Operating Costs:</b>											
Commissioning	343,350	29,562	30,069	(506)	114,462	115,388	(926)	346,792	(3,441)		
Primary Care	50,296	4,121	3,945	176	16,489	16,418	70	50,246	50		
Prescribing	46,812	3,852	3,925	(73)	15,588	15,574	14	46,962	(150)		
Corporate Functions	18,666	1,853	1,576	277	6,113	5,893	221	18,629	37		
Reserves & Contingency	14,466	136	0	136	642	0	642	10,962	3,504	G	G
<b>Total Net Operating Cost for the Financial Year</b>	<b>473,591</b>	<b>39,524</b>	<b>39,514</b>	<b>10</b>	<b>153,293</b>	<b>153,272</b>	<b>21</b>	<b>473,591</b>	<b>0</b>		
Recovery Plan	0	0	0	0	0	0	0	0	0		
<b>Net Operating Cost less Non Discretionary Expenditure</b>	<b>473,591</b>	<b>39,524</b>	<b>39,514</b>	<b>10</b>	<b>153,293</b>	<b>153,272</b>	<b>21</b>	<b>473,591</b>	<b>0</b>		
Revenue Resource Limit	478,206	39,888	39,888	0	154,199	154,199	0	478,206	0		
<b>Surplus / (Deficit)</b>	<b>4,615</b>	<b>364</b>	<b>374</b>	<b>10</b>	<b>906</b>	<b>927</b>	<b>21</b>	<b>4,615</b>	<b>0</b>		

**Headlines :**

This reports presents the financial performance for the 4 months ending 31 July 2011. A year to date surplus of £927k (column 6) is being reported and it is expected that the £4,615k control total surplus will be achieved. The reported position includes a forecast overperformance of £3.0m on the BSUH contract which is currently covered by release of contingency.

**HOW WE ARE PERFORMING**





3: KEY PROVIDER CONTRACTS FOR THE FOUR MONTHS ENDED 31 JULY 2011

Notes

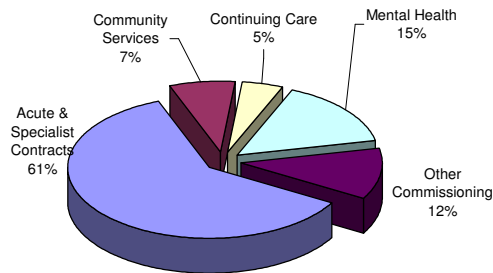
This summary presents an analysis of Commissioning budgets by Provider contract values.

Performance reports for contracts for month 3 are the basis for the reported position against the main acute contracts.

The current reported forecast position for BSUH is an overspend of £3,000k, however performance reports from CSU suggest this could be as high as £6,021k above plan. This forecast overperformance in part will reflect slippage against QIPP programmes, to the value of £824k, where plans were reflected in the demand plans for the Trust.

There are also some significant variances for a number of contracts with London Trusts, resulting in a small forecast net overperformance based on month 3 data. Performance against these contracts tends to be particularly volatile and therefore the position will need to be closely monitored.

KEY CONTRACTS



■ Acute & Specialist Contracts ■ Community Services □ Continuing Care  
 □ Mental Health ■ Other Commissioning

Commissioning	Full Year Budget £	Current Month Budget £	Current Month Actual £	Current Month Variance £	Year to date Budget £	Year to date Actual £	Year to date Variance £	Forecast Outturn £	Forecast Variance £
Brighton & Sussex Hospitals NHS Trust	169,372	14,375	14,708	(333)	56,457	57,457	(1,000)	172,372	(3,000)
Western Sussex NHS Trust	5,164	430	441	(10)	1,721	1,762	(41)	5,286	(122)
Guys and St Thom. NHSFT	3,441	233	212	20	1,147	1,087	60	3,262	179
UCLH NHSFT	1,258	72	117	(45)	419	600	(180)	1,797	(539)
Kings College Hosp. NHSFT	1,396	116	70	46	465	281	185	841	556
Queen Victoria NHS Trust	1,314	110	111	(2)	438	443	(5)	1,328	(14)
East Sussex Hospitals NHS Trust	874	73	73	0	291	293	(2)	881	(7)
St George's Healthcare	771	64	61	3	257	248	9	744	27
Royal Free	637	34	44	(10)	212	244	(31)	729	(93)
The Royal Marsden	743	73	99	(26)	248	351	(103)	1,053	(309)
Royal National Orthopaedic Hospital	667	96	80	16	222	159	64	476	191
Imperial College Healthcare	364	2	(0)	2	121	115	6	347	17
Barts and the London	437	43	23	21	146	64	82	191	246
Other SACS Acute	1,118	87	123	(35)	373	514	(141)	1,542	(424)
Specialist Contracts	6,457	538	538	0	2,152	2,150	3	6,457	0
<b>Subtotal</b>	<b>194,014</b>	<b>16,346</b>	<b>16,698</b>	<b>(352)</b>	<b>64,671</b>	<b>65,767</b>	<b>(1,096)</b>	<b>197,307</b>	<b>(3,293)</b>
Care UK/ SOTC	11,176	1,293	1,299	(6)	3,725	3,731	(6)	11,176	0
Horder Centre	827	69	92	(23)	276	299	(24)	827	0
<b>Subtotal Independent Sector Contracts</b>	<b>12,003</b>	<b>1,361</b>	<b>1,391</b>	<b>(30)</b>	<b>4,001</b>	<b>4,030</b>	<b>(29)</b>	<b>12,003</b>	<b>0</b>
Non Contract Activity	2,084	174	259	(86)	695	659	36	2,084	0
Other acute	767	64	81	(17)	256	256	(0)	767	0
<b>Total ACUTE &amp; SPECIALIST</b>	<b>208,868</b>	<b>17,945</b>	<b>18,429</b>	<b>(484)</b>	<b>69,623</b>	<b>70,712</b>	<b>(1,089)</b>	<b>212,161</b>	<b>(3,293)</b>
Sussex Community Trust	25,656	2,229	2,216	13	8,552	8,563	(11)	25,656	0
<b>Total COMMUNITY SERVICES</b>	<b>25,656</b>	<b>2,229</b>	<b>2,216</b>	<b>13</b>	<b>8,552</b>	<b>8,563</b>	<b>(11)</b>	<b>25,656</b>	<b>0</b>
Continuing Healthcare	10,428	869	869	(0)	3,476	3,476	(0)	10,428	0
Neurorehabilitation	1,683	140	140	0	561	561	0	1,683	0
Funded Nursing Care	3,825	319	251	67	1,275	1,207	67	3,825	0
<b>Total CONTINUING CARE</b>	<b>15,935</b>	<b>1,328</b>	<b>1,261</b>	<b>67</b>	<b>5,312</b>	<b>5,244</b>	<b>67</b>	<b>15,935</b>	<b>0</b>
Sussex Partnership NHSFT	44,743	3,729	3,701	28	14,914	14,804	110	44,743	0
Substance Misuse	5,002	405	405	0	1,620	1,620	0	5,002	0
Other Mental Health	2,974	249	242	7	961	940	21	2,925	49
<b>MENTAL HEALTH</b>	<b>52,719</b>	<b>4,383</b>	<b>4,348</b>	<b>35</b>	<b>17,495</b>	<b>17,364</b>	<b>131</b>	<b>52,670</b>	<b>49</b>
Children's Services	10,900	941	1,025	(84)	3,614	3,704	(90)	10,950	(50)
South East Coast Ambulance Service	10,648	887	887	(0)	3,549	3,549	(0)	10,648	0
South East Health - Out Of Hours	2,842	237	265	(28)	947	942	6	2,842	0
B.H.I.C.S.	3,393	316	313	3	1,131	1,137	(6)	3,430	(37)
Walk in Centre	1,462	122	150	(29)	487	488	(0)	1,462	0
Boots - Anti Coag	1,091	91	90	1	364	359	4	1,091	0
Long Term Conditions	3,252	481	495	(14)	1,160	1,160	(1)	3,252	0
Intermediate Care	2,631	219	245	(25)	877	894	(17)	2,631	0
Urgent Care	1,861	155	144	11	620	621	(1)	1,861	0
Planned Care	1,293	168	59	109	464	329	135	1,293	0
Learning Disabilities	800	61	142	(81)	267	321	(55)	910	(110)
<b>OTHER COMMISSIONING CONTRACTS</b>	<b>40,173</b>	<b>3,678</b>	<b>3,815</b>	<b>(138)</b>	<b>13,481</b>	<b>13,505</b>	<b>(24)</b>	<b>40,370</b>	<b>(197)</b>
<b>TOTAL</b>	<b>343,350</b>	<b>29,562</b>	<b>30,069</b>	<b>(506)</b>	<b>114,462</b>	<b>115,388</b>	<b>(926)</b>	<b>346,792</b>	<b>(3,441)</b>

**4: RISK ANALYSIS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

**Risks, Opportunities, Mitigation actions**

**Risks**

Activity at BSUH greater than reported forecast  
 Slippage against QIPP savings plans  
 Slippage against QIPP savings plans reflected in BSUH reported position  
 LHE Efficiencies - BSUH  
 LHE Efficiencies - SCT  
 Slippage against planned Prescribing Savings  
 Mental Health Specialist Placements  
 SOTC Procurement Costs  
 Continuing Healthcare Costs  
 Continuing Healthcare Assessments - Backlog

**Subtotal risks**

**Opportunities**

GP Development Monies  
 EMR surplus  
 RTF Funding for Lodgement Repayment  
 Non Recurrent opportunities / Balance sheet review

**Subtotal Opportunities before contingency**

**Net (Risks) / Opportunities before contingency**

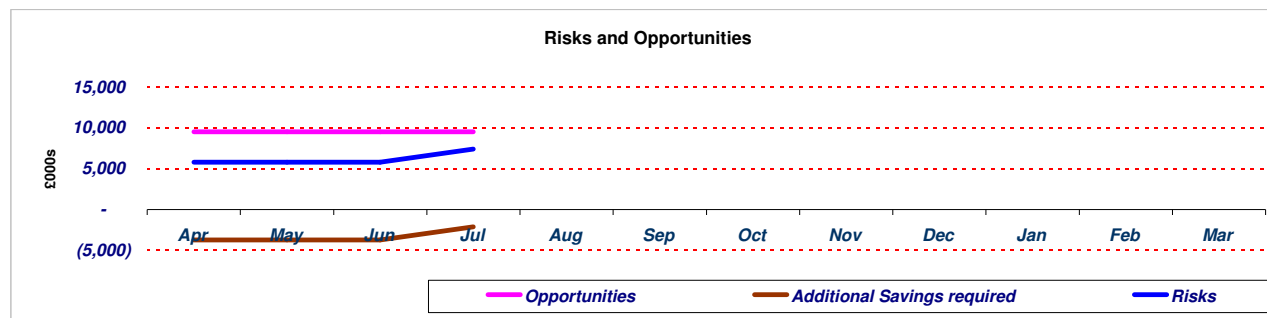
Unallocated contingency fund:

**Further Opportunities / (Savings Required)**

	Best Case	Mid Case	Worst Case	Value reflected in FOT	Value not included FOT
	£000s	£000s	£000s	£000s	£000s
	(1,000)	(3,000)	(6,021)	(3,000)	0
	(2,090)	(2,090)	(2,600)	0	(2,090)
	824	824	824	0	824
	(1,000)	(1,000)	(1,000)	(1,000)	0
	(300)	(300)	(300)	(300)	0
	0	(250)	(500)	0	(250)
	0	(280)	(500)	0	(280)
	(175)	(250)	(350)	0	(250)
	(764)	(964)	(1,164)	0	(964)
	0	(100)	(350)	0	(100)
	<b>(4,505)</b>	<b>(7,410)</b>	<b>(11,961)</b>	<b>(4,300)</b>	<b>(3,110)</b>
	200	300	400	0	300
	1,500	700	0	504	196
	3,911	3,911	3,911	0	3,911
				0	0
	<b>5,611</b>	<b>4,911</b>	<b>4,311</b>	<b>504</b>	<b>4,407</b>
	<b>1,106</b>	<b>(2,499)</b>	<b>(7,650)</b>	<b>(3,796)</b>	<b>1,297</b>
	4,615	4,615	4,615	3,000	1,615
	<b>5,721</b>	<b>2,116</b>	<b>(3,035)</b>	<b>(796)</b>	<b>2,912</b>

At month 3 we have identified potential risks of £7.4m, which are fully offset by savings opportunities and contingencies totalling £9.5m

However we are currently reporting that we will achieve our planned surplus of £4.6m due to the level of uncertainty around the possible additional £2m surplus.





**5: PROGRESS AGAINST QIPP PROGRAMMES FOR THE FOUR MONTHS ENDED 31 JULY 2011**

		Annual Plan			YTD		YTD		Forecast Cost	Forecast Savings	Net Savings
		11/12 Costs	11/12 Savings	Net	Planned Cost	Planned Saving	Actual Cost	Actual Saving			
Implementation of NHS pathways for 999 calls	Acute Care	-	(147)	(147)	-	(49)	-	(37)	-	(110)	(110)
Ambulatory Care	Acute Care	-	(490)	(490)	-	(163)	18	(82)	53	(245)	(192)
Avoiding Unnecessary Admissions	Acute Care	-	(752)	(752)	-	(251)	143	(251)	530	(752)	(222)
Stroke - Other	Acute Care	-	(80)	(80)	-	(27)	-	(13)	-	(40)	(40)
Improving care pathways for paediatric long term conditions	Children and Young People	-	(29)	(29)	-	(10)	-	(10)	-	(29)	(29)
Paediatric Acute / Urgent Care	Children and Young People	-	(59)	(59)	-	(20)	-	-	-	-	-
Personalisation - Other	Long Term Conditions	87	(533)	(446)	29	(178)	29	(103)	87	(409)	(322)
Condition Specific - Diabetes	Long Term Conditions	-	(74)	(74)	-	(25)	-	(25)	-	(74)	(74)
Normalising Birth	Maternity and Newborn	-	(267)	(267)	-	(89)	-	(45)	-	(134)	(134)
Foetal Fibronectin	Maternity and Newborn	36	(90)	(54)	12	(30)	3	(15)	18	(45)	(27)
Mental Health Systems Development	Mental Health	-	(225)	(225)	-	(75)	-	-	-	-	-
Early Intervention, Prevention and Recovery	Mental Health	-	(50)	(50)	-	(17)	-	-	-	-	-
Acute and Community Care Pathway	Mental Health	-	(50)	(50)	-	(17)	-	(17)	-	(50)	(50)
Referral Management	Planned Care	-	(1,119)	(1,119)	-	(373)	39	(257)	185	(770)	(585)
Minimising Low Priority Procedures	Planned Care	3,970	(5,524)	(1,554)	1,323	(1,841)	1,323	(1,791)	3,970	(5,374)	(1,404)
Enhanced Recovery	Planned Care	-	(75)	(75)	-	(25)	-	-	-	-	-
Management Cost Reductions	Back Office	-	(1,958)	(1,958)	-	(653)	-	(653)	-	(1,958)	(1,958)
Other non-management cost back office savings	Back Office	-	(365)	(365)	-	(122)	-	(122)	-	(365)	(365)
Contract Reviews and VFM	Primary Care Contracting	-	(250)	(250)	-	(83)	-	(83)	-	(250)	(250)
Dental	Primary Care Contracting	-	(44)	(44)	-	(15)	-	(15)	-	(44)	(44)
Improving Prescribing Efficiency in Primary Care	Medicines Management	-	(1,000)	(1,000)	-	(333)	-	(167)	-	(1,000)	(1,000)
		<b>4,093</b>	<b>(13,181)</b>	<b>(9,088)</b>	<b>1,364</b>	<b>(4,394)</b>	<b>1,556</b>	<b>(3,683)</b>	<b>4,843</b>	<b>(11,648)</b>	<b>(6,805)</b>
<b>Additional Savings Identified in Year</b>											
Improving Discharge	Acute Care				-	-	23	-	70	-	70
Education & Training	End of Life Care				-	-	-	-	7	-	7
Dementia	Mental Health				-	-	37	-	220	-	220
Enhanced Services etc	Primary Care Contracting				-	-	-	(79)	-	(490)	(490)
Further Savings to be Identified					-	-	-	-	-	(2,090)	(2,090)
		-	-	-	-	-	<b>60</b>	<b>(79)</b>	<b>297</b>	<b>(2,580)</b>	<b>(2,283)</b>
<b>Total</b>		<b>4,093</b>	<b>(13,181)</b>	<b>(9,088)</b>	<b>1,364</b>	<b>(4,394)</b>	<b>1,616</b>	<b>(3,761)</b>	<b>5,140</b>	<b>(14,228)</b>	<b>(9,088)</b>

We are currently forecasting a shortfall of £2,090k against our QIPP plans and work is underway to review this position, focusing on getting schemes back on track, whilst also looking for alternative plans to generate additional savings. At month 4 we are £885k behind planned net savings, reflecting slippage in the timescale for some work programmes. Where planned savings are reflected in allocated budgets / SLA plans, £824k of the total forecast shortfall in net savings, is currently being reflected in the PCT forecast position.

**OTHER PERFORMANCE TARGETS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

6: Capital Investment Programme	Full Yr			This Month		Year to Date			Forecast		Status	
	Plan	Plan	Actual	Variance	Plan	Actual	Variance	Forecast	Variance	YTD	FY	
	£000	£000	£000	£000	£000	£000	£000	£000	£000			
Estates Maintenance	0	0	0	0	0	0	0	0	0	0	G	G
Information Technology	50	0	0	0	0	0	0	0	50	0		
Medical Equipment	0	0	0	0	0	0	0	0	0	0		
Charge Against the Capital Resource Limit (CRL)	50	0	0	0	0	0	0	0	50	0		
Capital Resource Limit (CRL)	50	0	0	0	0	0	0	0	50	0		
<b>(Over)/Underspend Against CRL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		

**Capital Expenditure:** The PCT has a number of PCs and laptops which are now out of their warranty and close to the end of their useful life. The full £50k of the PCT's CRL for 2011/12 has been allocated for the replacement of these laptops in September 2011.

**7. Better Payments Policy Code compliance**

**Non-NHS Payables**

Total Non-NHS Trade Invoices Paid in the Year	
Total Non-NHS Trade Invoices Paid Within Target	
Percentage of Non-NHS Trade Invoices Paid Within Target	
<b>Target</b>	<b>95.00%</b>

**NHS Payables**

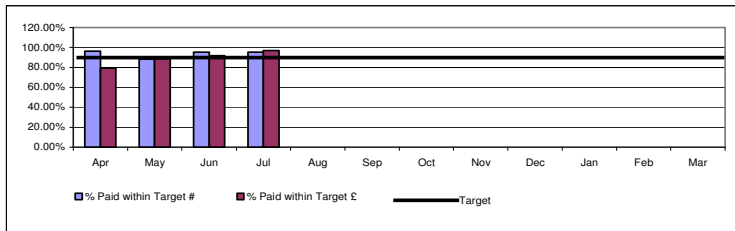
Total NHS Trade Invoices Paid in the Year	
Total NHS Trade Invoices Paid Within Target	
Percentage of NHS Trade Invoices Paid Within Target	
<b>Target</b>	<b>95.00%</b>

Target

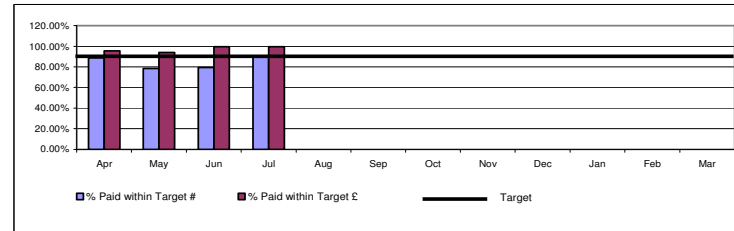
M4		Year to date	
Number	£000	Number	£000
529	6,471	2,427	38,275
504	6,271	2,280	34,545
95.27%	96.91%	93.94%	90.25%
234	23,284	709	103,850
211	23,153	601	101,119
90.17%	99.44%	84.77%	97.37%

The PCT's performance remains below target in respect of non-NHS invoices by value and NHS invoices by number. However, month 4, as demonstrated in the graphs below, has seen a significant improvement in performance in all categories. Further improvements are necessary to ensure the average monthly performance in each category exceeds the 95% target.

**Non-NHS Payables**

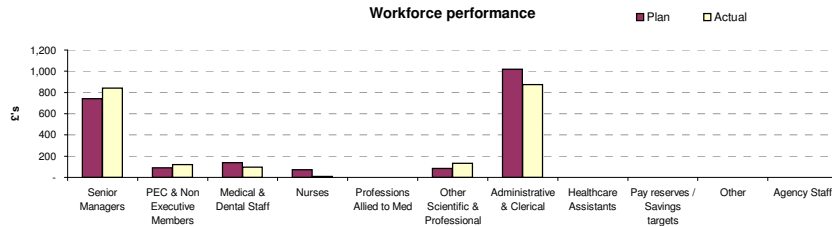
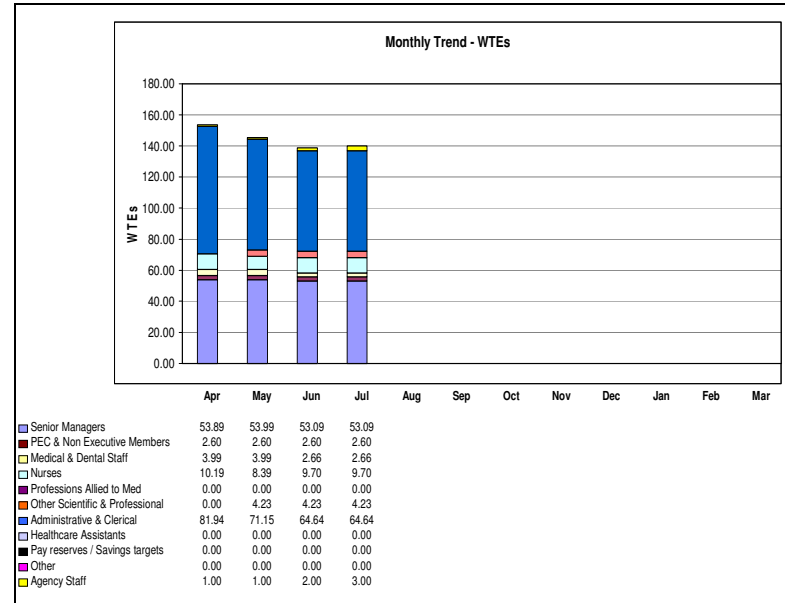


**NHS Payables**



**8: WORKFORCE PERFORMANCE INDICATORS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

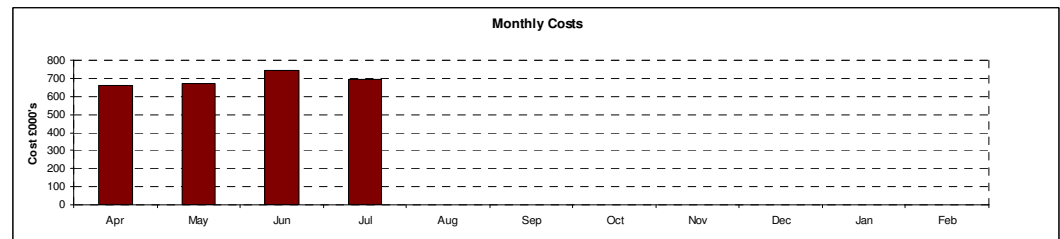
	Full Year				Year to Date		
	Plan	Plan	Actual	Variance	Plan	Actual	Variance
	£000's	£000's	£000's	£000's	Wte	Wte	Wte
Senior Managers	2,381	945	1,052	(107)	48.0	50.1	(2.1)
PEC & Non Executive Members	360	150	154	(4)	2.6	2.6	0.0
Medical & Dental Staff	162	162	125	37	1.6	2.7	(1.1)
Nurses	259	97	38	59	6.0	9.7	(3.7)
Professions Allied to Med	0	0	0	0	0.0	0.0	0.0
Other Scientific & Professional	201	97	168	(71)	3.0	4.2	(1.2)
Administrative & Clerical	3,531	1,299	1,198	101	75.6	64.6	11.0
Healthcare Assistants	0	0	0	0	0.0	0.0	0.0
Pay reserves / Savings targets	0	0	0	0	0.0	0.0	0.0
Other	0	0	0	0	0.0	0.0	0.0
Agency Staff	0	36	36	0	0.0	3.0	(3.0)
	<b>6,894</b>	<b>2,786</b>	<b>2,771</b>	<b>15</b>	<b>136.8</b>	<b>136.9</b>	<b>(0.1)</b>



	Full Year				Year to Date											
	Plan	Plan	Actual	Variance	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Corporate Services	2,769	1,119	452	667	104	118	117	113	0	0	0	0	0	0	0	
Commissioning	3,798	1,535	2,104	(569)	503	503	567	531	0	0	0	0	0	0	0	
Provider Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
PrimaryCare Support Svs	327	132	215	(83)	52	52	59	52	0	0	0	0	0	0	0	
CCRT Pooled Budget	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total cost	<b>6,894</b>	<b>2,786</b>	<b>2,771</b>	<b>15</b>	<b>659</b>	<b>673</b>	<b>743</b>	<b>696</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Notes:**

At month 3, planned numbers of staff were significantly higher than actual. However, this was due to WTEs being profiled over a longer period in the plan. There is now a greater correlation between actual and plan. In addition, staff costs remain consistent with the plan at month 4.



**9: STATEMENT OF FINANCIAL POSITION (previously BALANCE SHEET) AS AT FOR THE FOUR MONTHS ENDED 31 JULY 2011**

	NOTE	Balance b/w/d		Actual
		01 APRIL 2011	31 JULY 2011	Movement
		£000	£000	£000
<b>Non-current assets:</b>				
Property, plant and equipment	1	13,707	13,300	(407)
Intangible assets		0	0	0
<b>Total non-current assets</b>		<b>13,707</b>	<b>13,300</b>	<b>(407)</b>
<b>Current assets:</b>				
Inventories		3	3	0
Trade and other receivables	2	3,573	6,973	3,400
Cash and cash equivalents	3	56	258	202
		<b>3,632</b>	<b>7,234</b>	<b>3,602</b>
Non-current assets classified "Held for Sale"		0	0	0
<b>Total current assets</b>		<b>3,632</b>	<b>7,234</b>	<b>3,602</b>
<b>Total assets</b>		<b>17,339</b>	<b>20,534</b>	<b>3,195</b>
<b>Current liabilities</b>				
Trade and other payables	4	(38,305)	(36,800)	1,505
Other liabilities		0	0	0
Provisions		(772)	(772)	0
Borrowings	5	(11,998)	0	11,998
<b>Total current liabilities</b>		<b>(51,075) 0</b>	<b>(37,572)</b>	<b>13,503</b>
<b>Non-current assets plus/less net current assets/liabilities</b>		<b>(33,736)</b>	<b>(17,038)</b>	<b>16,698</b>
<b>Non-current liabilities</b>				
Provisions		(1,846)	(1,846)	0
<b>Total non-current liabilities</b>		<b>(1,846)</b>	<b>(1,846)</b>	<b>0</b>
<b>Total Assets Employed:</b>		<b>(35,582)</b>	<b>(18,884)</b>	<b>16,698</b>
<b>FINANCED BY:</b>				
<b>TAXPAYERS' EQUITY</b>				
General fund		(35,969)	(19,271)	16,698
Revaluation reserve		387	387	0
Donated asset reserve		0	0	0
<b>Total Taxpayers' Equity:</b>		<b>(35,582)</b>	<b>(18,884)</b>	<b>16,698</b>

**Notes on Movements**

**1 Non Current Assets** - The finance lease in respect of the Sussex Orthopaedic Centre expired June 1st 2011 and, in accordance with the contract, the building was purchased by the PCT and is included under Property, Plant and Equipment at a market value of £11,709k.

**2 Trade & Other Receivables** - Being a commissioning-only organisation, the number of invoices raised by the PCT is low and, consequently, the level of receivables is low as a proportion of total assets. The increase of £3,400k relates to prepayments due in August but paid in July 2011.

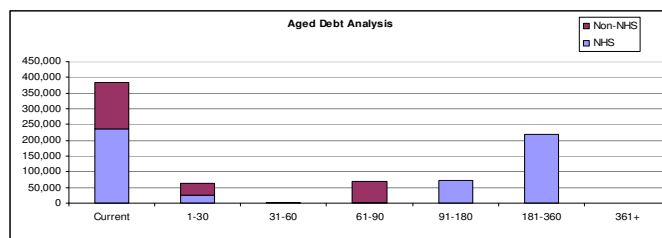
**3 Cash** - The cashflow balance is the ledger balance adjusted for timing difference when receipts and payments actually hit the bank, plus any cash in hand held as petty cash.

**4 Trade and Other Payables** - The level of payables has fallen since year-end by £1,505k. This reduction is mainly due to redundancy and MARS payments accrued at 31st March and paid in April and May 2011.

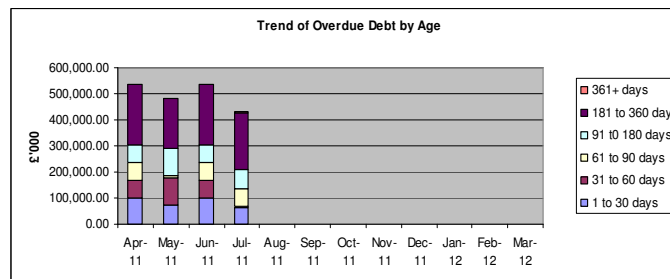
**5 Borrowings** - The £11,998k as at 1st April 2011 relates to the finance lease. See note 1 above.

**AGED DEBT Commentary:**

The percentage of invoices greater than 90 days old lies at 36% in month 4 which falls short of the PCT's target of 10%. However, this is entirely due to disputed invoices with Brighton and Sussex University Hospitals which were outstanding as at 31st March. The PCT has been in discussions with the Trust in respect of these invoices and confirmation has been received from the Trust that this debt will be honoured. However, as at 31st July 2011, payment remains outstanding.



	Current	1-30	31-60	61-90	91-180	181-360	361+
Non-NHS	146,171.55	38,822.52	2,679.62	66,107.60	310.00	0.00	1,307.70
NHS	236,161.76	25,385.00	0.00	3,552.00	71,029.36	220,375.44	0.00

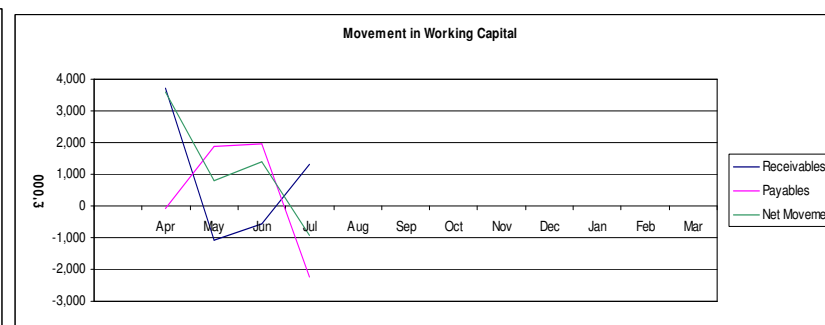
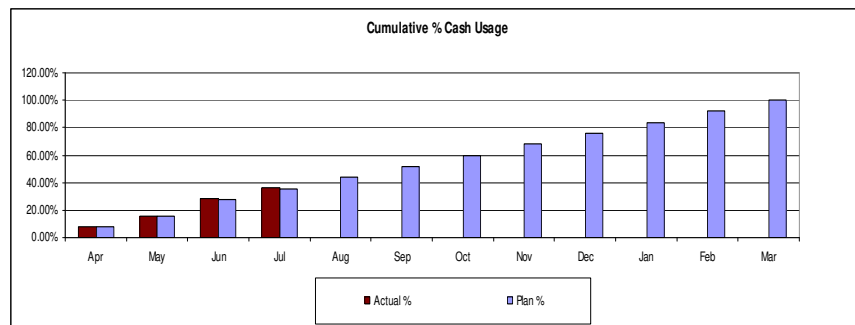


**10: STATEMENT OF CASHFLOWS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

	Full Year Plan £000s	Year to Date			Forecast Outturn £000s
		Plan £000s	Actual £000s	Variance £000s	
<b>Cash Flows from Operating Activities</b>					
<b>Net Operating Cost Before Interest</b>	<b>(472,774)</b>	<b>(158,259)</b>	<b>(153,242)</b>	<b>(5,017)</b>	<b>(472,892)</b>
Other Cash Flow Adjustments	(328)	133	160	(27)	(328)
Movements in Working Capital	(1,500)	(4,000)	1,413	(5,413)	(1,500)
Provisions utilised	(2,559)	(2,500)	0	(2,500)	(2,559)
Interest Paid	(107)	0	0	0	(107)
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>(477,268)</b>	<b>(164,626)</b>	<b>(151,669)</b>	<b>(12,957)</b>	<b>(477,386)</b>
<b>Cash Flows from Investing Activities</b>					
(Payments) for Property, Plant and Equipment	(11,759)	(11,709)	(11,709)	0	(11,759)
(Payments) for Intangible Assets	0	0	0	0	0
Proceeds from disposals of assets held for sale	0	0	0	0	0
(Payments) for Financial Assets (LIFT)	0	0	0	0	0
Proceeds from the disposal of Financial Assets (LIFT)	0	0	0	0	0
Loans Made in Respect of LIFT	0	0	0	0	0
Loans Repaid in Respect of LIFT	0	0	0	0	0
(Payments) for Other Financial Assets	0	0	0	0	0
Proceeds of Disposal of Other Financial Assets	0	0	0	0	0
Interest Received	0	0	0	0	0
Rental revenue	0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Investing Activities</b>	<b>(11,759)</b>	<b>(11,709)</b>	<b>(11,709)</b>	<b>0</b>	<b>(11,759)</b>
<b>Cash Flows from Financing Activities</b>					
Net Parliamentary Funding	488,959	176,267	163,580	12,687	488,959
Capital Receipts Surrendered	0	0	0	0	0
Capital Grants Received	0	0	0	0	0
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	0	0	0	0	0
Cash Transferred (to)/from Other NHS Bodies (free text note required)	0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>	<b>488,959</b>	<b>176,267</b>	<b>163,580</b>	<b>12,687</b>	<b>488,959</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(68)</b>	<b>(68)</b>	<b>202</b>	<b>(270)</b>	<b>(68)</b>
<b>Cash and Cash Equivalents ( and Bank Overdraft) at Beginning of the Period</b>	<b>102</b>	<b>102</b>	<b>56</b>	<b>46</b>	<b>102</b>
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies	0	0	0	0	0
<b>Cash and Cash Equivalents (and Bank Overdraft)</b>	<b>34</b>	<b>34</b>	<b>258</b>	<b>(224)</b>	<b>34</b>

Our cash management is outsourced to Shared Business Services (SBS). We monitor their performance and check the cashbooks on a daily basis. Authorisation controls remain within the PCT. Bank reconciliations produced by SBS are checked and signed off. We continue to meet our cash limits.

The Payment for Property, Plant and Equipment is in respect of the purchase of the Sussex Orthopaedic Centre building. This purchase took place on 1st June 2011. [Refer to note 1 of the Statement of Financial Position for more details.]



**2011 -12 FINANCE REPORT  
FOR THE FOUR MONTHS ENDED 31 JULY 2011**

Contents

- 1 Revenue and Surplus Statement
- 2 Operating Cost statement (I&E position)
- 3 Commissioning Analysis
- 4 Risk analysis
- 5 Recovery Report
- 6 Capital Investment Programme
- 7 Better Payments Policy Code compliance
- 8 Workforce Performance Indicators
- 9 Statement of Financial Position (Balance sheet)
- 10 Cashflow Statement

Prepared by  
Michael Schofield  
Director of Finance and Investments

Date  
AUG-11

1 Revenue & Surplus Statement	2	3		4			5		6		7		8		YTD	FOT
	Full Yr	This Month		Year to Date			Forecast		Forecast		A	R				
Notes	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000	Forecast £000	Variance £000	Forecast £000	Variance £000						
<b>Operating Costs:</b>																
Commissioning	399,197	39,109	(1,106)	141,015	142,496	(1,480)	403,636	(4,439)								
Primary Care	133,742	11,165	(20)	44,580	44,600	(20)	133,801	(59)								
Provider services	0	0	(0)	0	(0)	0	0	0								
Corporate Functions	11,020	1,134	46	3,649	3,631	19	11,020	0								
Primary Care Support Services	0	(2)	2	(0)	(5)	4	0	0								
Reserves & Contingency	9,714	0	1,100	1,525	0	1,525	5,216	4,498								
<b>Total Net Operating Cost for the Financial Year</b>	<b>553,673</b>	<b>51,406</b>	<b>22</b>	<b>190,770</b>	<b>190,722</b>	<b>48</b>	<b>553,673</b>	<b>0</b>								
Recovery Plan	0	0	0	0	0	0	0	0								
<b>Net Operating Cost less Non Discretionary Expenditure</b>	<b>553,673</b>	<b>51,406</b>	<b>22</b>	<b>190,770</b>	<b>190,722</b>	<b>48</b>	<b>553,673</b>	<b>0</b>								
Revenue Resource Limit	559,153	51,429	0	190,770	190,770	0	559,153	0								
<b>Surplus/(Deficit)</b>	<b>5,480</b>	<b>22</b>	<b>22</b>	<b>0</b>	<b>48</b>	<b>48</b>	<b>5,480</b>	<b>0</b>								

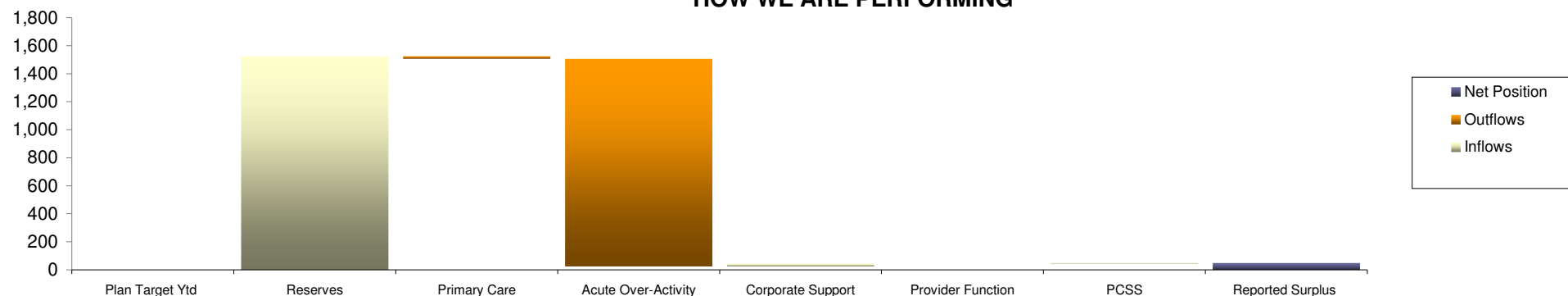
## Headlines

This report presents the financial performance for the year to date position for the first four months of 2011/12. Activity information for the main contracts is now available and estimates of overperformance based on the month 3 year to date performance have now been included in the reported position.

In order to achieve the position being reported £1,525k of contingency has been released in the month, indicating the degree of risk ESDW faces.

After including all known risks and opportunities, including slippage on the QIPP plan, at the end of month 4 the PCT has net uncovered risks of £16.7m in the mid case scenario. A plan is being developed to cover these risks in order to ensure that the forecast position is achieved.

## HOW WE ARE PERFORMING



**2: OPERATING COST STATEMENT FOR THE FOUR MONTHS ENDED 31 JULY 2011**

## Notes

**Summary :** Information has now been received with regards to the acute SLA performance for the first three months of this year. This indicates an overperformance at all local acute providers. Most other items of expenditure have been assumed to be within budget. A release of contingency was necessary in order to achieve the reported position.

Potential cost pressures are being reflected in the net risks of £16.7m.

**Commissioning:** Information has been received from the CSU which indicates some forecast overperformance against the signed Heads of Agreement / SLAs with the PCT's main providers. In addition a small overperformance on specialist activity is being reported.

**Primary Care:** The PPA forecast for the year is not yet available, but an estimate based on prescribing days indicate a potential overspend against budget on prescribing costs. This is included within the risks schedule. Other expenditure, in the main, have been assumed to be within budget.

**Corporate :** Corporate expenditure is reported as in line with plan, although an element is shown as slippage against the QIPP plan in the risks schedule.

**PCSS :** As host to PCSS the PCT does not show any variance to plan being shown by PCSS.

**Reserves :** In order to offset the overspends being reported £1,525k of contingency has been released in the year to date position.

	1	2	3	4	5	6	7	8	Status	
	Full Yr Plan £000	This month Actual £000		Year to date Plan £000			Forecast Forecast £000		YTD	FY
			Variance £000	Actual £000	Variance £000		Variance £000			
<b>Commissioning</b>										
Acute Services	229,219	20,973	(1,030)	79,773	81,178	(1,405)	233,431	(4,212)		
Community services	44,570	8,405	0	17,849	17,849	0	44,570	0		
Continuing Healthcare	25,685	2,140	0	8,562	8,562	0	25,685	0		
Learning Disabilities	0	0	0	0	0	0	0	0		
Mental Health	38,785	3,232	(0)	12,928	12,929	(0)	38,785	0		
Specialist Commissioning	38,666	3,298	(76)	12,889	12,964	(76)	38,893	(227)		
Other Commissioning	22,271	1,061	(0)	9,014	9,015	(0)	22,271	0		
<b>Subtotal Commissioning</b>	<b>399,197</b>	<b>39,109</b>	<b>(1,106)</b>	<b>141,015</b>	<b>142,496</b>	<b>(1,480)</b>	<b>403,636</b>	<b>(4,439)</b>	<b>R</b>	<b>R</b>
<b>Primary Care</b>										
General Medical services	40,745	3,396	(1)	13,582	13,582	(1)	40,745	0		
Personal Medical services	5,140	428	0	1,713	1,713	1	5,140	0		
Prescribing	70,334	5,881	(20)	23,445	23,464	(20)	70,393	(59)		
Dental	13,093	1,091	0	4,364	4,364	0	13,093	0		
Ophthalmic	2,874	239	0	958	958	0	2,874	0		
Other (PBC Schemes)	1,556	130	(0)	519	519	(0)	1,556	0		
<b>Subtotal Primary Care</b>	<b>133,742</b>	<b>11,165</b>	<b>(20)</b>	<b>44,580</b>	<b>44,600</b>	<b>(20)</b>	<b>133,801</b>	<b>(59)</b>	<b>G</b>	<b>G</b>
<b>Corporate Expenditure</b>										
Management Costs	1,476	(112)	28	468	443	25	1,476	0		
Estates Management	673	29	27	224	230	(6)	673	0		
Corp HQ Sx Critical Care	49	17	(13)	16	16	(0)	49	0		
Health Improvement	0	(3)	3	0	0	0	0	0		
H&R Recharges	8,822	1,204	(0)	2,941	2,941	(0)	8,822	0		
<b>Subtotal Corporate Expenses</b>	<b>11,020</b>	<b>1,134</b>	<b>46</b>	<b>3,649</b>	<b>3,631</b>	<b>19</b>	<b>11,020</b>	<b>0</b>	<b>G</b>	<b>A</b>
<b>Primary Care Support Service (PCSS)</b>										
Staff Costs	4,746	412	(17)	1,582	1,668	(86)	4,746	0		
Other costs	2,041	224	(54)	680	816	(136)	2,041	0		
Income	(6,787)	(638)	73	(2,262)	(2,488)	226	(6,787)	0		
<b>PCSS net operating cost</b>	<b>0</b>	<b>(2)</b>	<b>2</b>	<b>(0)</b>	<b>(5)</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>A</b>	<b>A</b>
<b>Reserves</b>										
Contingency	5,667	0	1,100	1,525	0	1,525	1,169	4,498		
Earmarked Reserves	4,047	0	0	0	0	0	4,047	0		
<b>Subtotal Other expenditure</b>	<b>9,714</b>	<b>0</b>	<b>1,100</b>	<b>1,525</b>	<b>0</b>	<b>1,525</b>	<b>5,216</b>	<b>4,498</b>	<b>G</b>	<b>G</b>
<b>PCT net operating costs before interest</b>	<b>553,673</b>	<b>51,406</b>	<b>22</b>	<b>190,770</b>	<b>190,722</b>	<b>49</b>	<b>553,673</b>	<b>0</b>		
Other (Gains)/Losses	0	0	0	0	0	0	0	0		
Recovery Plan - additional savings	0	0	0	0	0	0	0	0		
<b>Net operating costs for the year</b>	<b>553,673</b>	<b>51,406</b>	<b>22</b>	<b>190,770</b>	<b>190,722</b>	<b>49</b>	<b>553,673</b>	<b>0</b>		
Revenue Resource Limit	559,153	51,429	0	190,770	190,770	0	559,153	0		
<b>Surplus / (Deficit)</b>	<b>5,480</b>	<b>22</b>	<b>22</b>	<b>0</b>	<b>48</b>	<b>49</b>	<b>5,480</b>	<b>0</b>	<b>R</b>	<b>R</b>



**3.1: KEY PROVIDER CONTRACTS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

**Headlines**

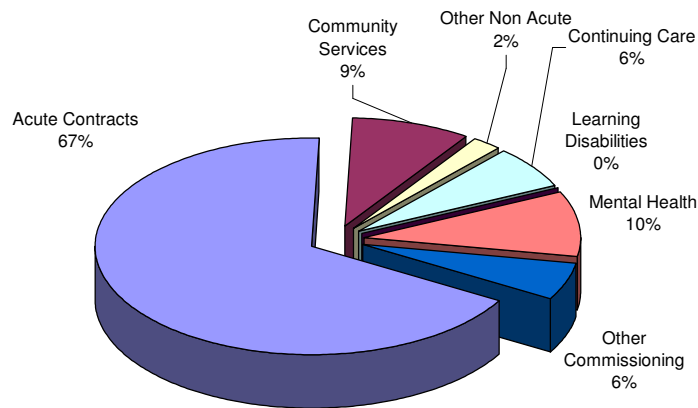
Notes

Information is now available relating to performance in the first quarter of 2011/12 which has allowed a year end forecast to be calculated based on last year's activity profile. We have assumed a proportionate part of that forecast within the year to date position. Overperformance on all major acute contracts is being reported. In addition the information received for the West Kent managed specialist contracts also shows an overperformance. Horder activity is based on actual invoices received to date.

Most other elements of commissioning spend are being reported as in line with budget. It is expected that an improved forecast for CHC will be available next month.

At this time of the year, and based on the information available there are anticipated to be other commissioning risks facing the PCT and these are included within the risk analysis.

**KEY CONTRACTS**



■ Acute Contracts   
 ■ Community Services   
 ■ Other Non Acute   
 ■ Continuing Care  
■ Learning Disabilities   
 ■ Mental Health   
 ■ Other Commissioning

Commissioning	Full Year Contract £	Year to date Budget £	Year to date Actual £	Year to date Variance £	FYOT £	Full Year Variance £
Brighton & Sussex Uni Hospitals	64,931	21,644	21,781	(137)	65,342	(411)
East Sussex Hospitals	128,886	42,962	43,731	(769)	131,192	(2,306)
Maidstone & Tunbridge Wells	19,185	6,395	6,941	(546)	20,823	(1,638)
Queen Victoria	5,367	1,789	1,685	104	5,054	313
Other SACS Acute	1,487	496	496	(0)	1,487	0
<b>Subtotal SACS</b>	<b>219,856</b>	<b>73,285</b>	<b>74,633</b>	<b>(1,348)</b>	<b>223,898</b>	<b>(4,042)</b>
West Kent PCT	21,354	7,118	7,194	(76)	21,581	(227)
SACS	17,312	5,771	5,771	(0)	17,312	0
<b>Subtotal Specialist Contracts</b>	<b>38,666</b>	<b>12,889</b>	<b>12,964</b>	<b>(76)</b>	<b>38,893</b>	<b>(227)</b>
Horder Centre	8,247	2,749	2,806	(57)	8,418	(171)
Care UK/ SOTC	3,875	1,292	1,292	(0)	3,875	0
<b>Subtotal Independent Sector Contra</b>	<b>12,122</b>	<b>4,041</b>	<b>4,098</b>	<b>(57)</b>	<b>12,293</b>	<b>(171)</b>
East Sussex Hospitals	609	203	203	(0)	609	0
Brighton & Sussex Uni Hospitals	97	32	32	(0)	97	0
HIV AIDS	2,119	706	706	(0)	2,119	0
Maidstone & Tunbridge Wells	0	(0)	0	(0)	0	0
Sussex Cancer Network	165	55	55	(0)	165	0
Non Contract Activity	2,188	729	729	0	2,188	0
Recovery Plan	(10,101)	0	0	0	(10,101)	0
Bowel Cancer Screening	488	163	163	0	488	0
Other acute	1,675	558	558	(0)	1,675	0
<b>Total ACUTE</b>	<b>267,885</b>	<b>92,662</b>	<b>94,142</b>	<b>(1,480)</b>	<b>272,324</b>	<b>(4,439)</b>
Provider Services (ESCHS)	34,061	11,354	11,354	(0)	34,061	0
South Downs Health	2,298	766	766	(0)	2,298	0
<b>Total COMMUNITY SERVICES</b>	<b>36,359</b>	<b>12,120</b>	<b>12,120</b>	<b>(0)</b>	<b>36,359</b>	<b>0</b>
Hospices	728	243	243	0	728	0
Savings Target	0	0	0	0	0	0
Other non acute	7,483	5,487	5,487	0	7,483	0
<b>Total NON ACUTE</b>	<b>8,211</b>	<b>5,730</b>	<b>5,730</b>	<b>0</b>	<b>8,211</b>	<b>0</b>
Continuing Healthcare Expenditure	29,100	9,700	9,696	4	29,100	0
Continuing Healthcare Income	(11,308)	(3,769)	(3,766)	(4)	(11,308)	0
Funded Nursing Care	7,894	2,631	2,631	(0)	7,894	0
<b>Total CONTINUING CARE</b>	<b>25,685</b>	<b>8,562</b>	<b>8,562</b>	<b>0</b>	<b>25,685</b>	<b>0</b>
Learning Disabilities Expenditure	0	0	0	0	0	0
Learning Disabilities Income	0	0	0	0	0	0
<b>Learning Disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
SPFT Block Contract	34,968	11,656	11,656	0	34,968	0
Health in Mind	2,999	1,000	1,051	(51)	2,999	0
Foremost Contracts	0	0	0	0	0	0
Other Mental Health	818	273	222	51	818	0
<b>MENTAL HEALTH</b>	<b>38,785</b>	<b>12,928</b>	<b>12,929</b>	<b>(0)</b>	<b>38,785</b>	<b>0</b>
Childrens	10,391	5,054	5,054	0	10,391	0
Childrens CHC	2,915	972	972	0	2,915	0
Drug & Alcohol Treatment	1,245	415	415	(0)	1,245	0
Out Of Hours	2,387	796	796	(0)	2,387	0
Walk in Centre	1,482	494	494	(0)	1,482	0
Prison Healthcare	3,851	1,284	1,284	0	3,851	0
RTF	0	0	0	0	0	0
<b>OTHER COMMISSIONING CONTRAC</b>	<b>22,271</b>	<b>9,014</b>	<b>9,015</b>	<b>(0)</b>	<b>22,271</b>	<b>0</b>
<b>TOTAL</b>	<b>399,197</b>	<b>141,015</b>	<b>142,496</b>	<b>(1,480)</b>	<b>403,636</b>	<b>(4,439)</b>

**4: RISK ANALYSIS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

**Risks, Opportunities, Mitigation actions**

**Risks**

Acute trust growth higher than assumed  
 Inflationary pressures higher than assumed  
 Savings programme not achieved  
 Specialist activity growth  
 Continuing Care greater than plan  
 Increased prescribing growth not contained within planning assumptions  
 18 weeks activity greater than plan  
 BSUH - pressures outside of agreed SLA  
 ESCHS - SLA renegotiation  
 Continuing Care retrospectives  
 Central funding assumptions not agreed (RTF)

Note 1  
 Note 2  
 Note 3

**Subtotal risks**

**Opportunities**

Slippage on Ear Marked Reserves  
 Non recurring opportunities

**Subtotal Opportunities before contingency**

**Net (Risks) / Opportunities before contingency**

Use of contingency

Note 4

**Further Opportunities / (Savings Required)**

Best Case	Mid Case	Worst Case	Value reflected in FOT	Value not included FOT
£000s	£000s	£000s	£000s	£000s
(1,013)	(2,864)	(5,716)	0	(2,864)
0	0	0	0	0
(10,011)	(12,052)	(12,760)	0	(12,052)
0	(150)	(250)	0	(150)
0	(250)	(750)	0	(250)
(1,000)	(1,300)	(2,000)	0	(1,300)
(375)	(750)	(1,500)	0	(750)
0	(250)	(500)	0	(250)
0	(700)	(1,400)	0	(700)
0	(100)	(500)	0	(100)
(2,173)	(4,345)	(4,345)	0	(4,345)
<b>(14,571)</b>	<b>(22,761)</b>	<b>(29,721)</b>	<b>0</b>	<b>(22,761)</b>
6,489	4,539	1,256	0	4,539
337	337	337	0	337
<b>6,826</b>	<b>4,876</b>	<b>1,593</b>	<b>0</b>	<b>4,876</b>
<b>(7,745)</b>	<b>(17,885)</b>	<b>(28,128)</b>	<b>0</b>	<b>(17,885)</b>
1,169	5,667	1,169	4,498	1,169
<b>(6,576)</b>	<b>(12,218)</b>	<b>(26,959)</b>	<b>4,498</b>	<b>(16,716)</b>

**Notes**

None of the risks or opportunities shown opposite have been recognised in the financial position as at month 4.

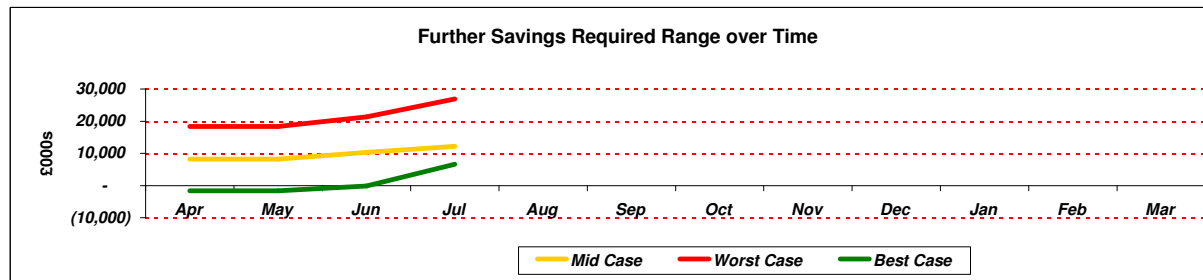
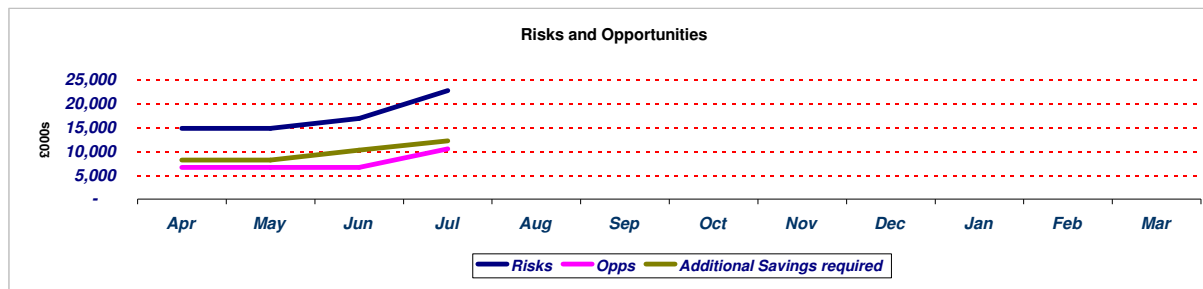
1. An element of overperformance has been included in the month 4 position, but at this stage in the year it is assumed that further overperformance may occur.

2. The current recovery report is showing potential shortfall of savings totalling c£24m against the level of savings required. The figures being reported assume that alternative schemes are implemented to offset those schemes.

3. The PCT has committed non recurrent expenditure e.g. dementia, maternity support, Community QIPP schemes etc. where funding is anticipated from the regional transitional fund. There is a risk that those resources are not made available.

4. To achieve the forecast surplus and to cover off reported overspends, £4,498k of contingency would be required, leaving only £1,169k available against to offset risks.

At this point of the year if all risks and opportunities were to materialise the PCT's net risks, against the planned surplus, would be £(16,716)k at the end of July. Plans to develop deliverable savings are being formulated as a Recovery Plan.



East Sussex PCTs - Savings Status Report

Update 5 - 2nd August 2011

Description	PCT Lead	Project Stage	ESDW				H&R				TOTAL EAST SUSSEX				FORECAST SAVINGS			KEY RISKS / ISSUES			COMMENTS	
			Plan net (£m)	Forecast Savings (£m)	Forecast costs (£m)	Forecast Net (£m)	Plan net (£m)	Forecast Savings (£m)	Forecast costs (£m)	Forecast Net (£m)	Plan net (£m)	Forecast Savings (£m)	Forecast costs (£m)	Forecast Net (£m)	Green	Amber	Red	Resource	Stakeholders	Others		
<b>Sussex Wide Schemes</b>																						
Reduction in surgical variations & Review of non 'value added' procedures	TBC	2	1.73	-	-	-	0.16	-	-	-	1.89	-	-	-				R	R	R	Nothing happening cluster wide	
Ambulatory Care Programme Development	Nicky Young	1	0.64	-	-	-	-	-	-	-	0.64	-	-	-				R	R	R		
Ceasing tariff supplements for Locally Priced Services	SN	6	0.95	-	-	-	-	-	-	-	0.95	-	-	-				R	R	R		
3 digit number NHS pathways	Ben Banfield	2	0.25	-	-	-	0.14	-	-	-	0.39	-	-	-				R	R	R		
Pathology rationalisation, impact on Direct Access tariffs	TBC	2	0.16	-	-	-	0.09	-	-	-	0.25	-	-	-				R	R	R		
Dementia - Community Investment and Reductions in Admissions	Martin Packwood	2	0.04	-	0.55	(0.55)	0.02	-	0.33	(0.33)	0.06	-	0.88	(0.88)				R	R	R	Not expecting benefits in 11/12 SEC PM not expecting benefits in 11/12 (29/7).	
<b>Total Sussex Wide Schemes</b>			<b>3.77</b>	<b>-</b>	<b>0.55</b>	<b>(0.55)</b>	<b>0.41</b>	<b>-</b>	<b>0.33</b>	<b>(0.33)</b>	<b>4.18</b>	<b>-</b>	<b>0.88</b>	<b>(0.88)</b>								
<b>Service Redesign</b>																						
Nursing Homes	Ben Banfield	3	1.36	0.39	0.08	0.31	0.50	0.23	0.04	0.19	1.86	0.62	0.12	0.50				R	A	R	First staff in post from 5th Sept (29/7).	
RACOP & Enhanced Community Therapy Response	Nicky Young	3	0.92	0.56	0.23	0.34	0.53	0.32	0.15	0.17	1.45	0.88	0.38	0.51				R	A	R		
Cardiology efficiency review	TBC	0	0.64	-	-	-	0.36	-	-	-	1.00	-	-	-				R	R	R		
MSK Fracture liaison service	Fiona Streeter	0	0.64	-	-	-	0.19	-	-	-	0.83	-	-	-				R	R	R		
Palliative Care Pathway	Nicky Young	tbc	0.27	-	-	-	0.16	-	-	-	0.43	-	-	-				R	R	R		
Community IV (Antibiotics & Blood transfusion)	Nicky Young	3	0.26	-	-	-	0.15	-	-	-	0.41	-	-	-				A	A	A		
Workforce development, on ACP, LCP DNACPR	Kay Muir	tbc	0.20	0.18	0.10	0.08	0.11	0.10	0.05	0.05	0.31	0.28	0.15	0.13				A	G	A		
Ophthalmology - Stable glaucoma monitoring	Alan Lewis	tbc	0.19	0.10	0.02	0.08	0.11	0.05	0.02	0.03	0.30	0.15	0.05	0.10				R	R	R		
Frequent Users	Nicky Young	2	0.16	0.23	0.07	0.16	0.09	0.13	0.04	0.09	0.25	0.36	0.11	0.25		0.25		R	A	R		
Others with planned savings less than £250k		3	0.81	0.93	0.59	0.35	0.47	0.32	0.29	0.03	1.28	1.25	0.88	0.38		0.38		R	R	R		
<b>Total Service Redesign</b>			<b>5.45</b>	<b>2.39</b>	<b>1.08</b>	<b>1.31</b>	<b>2.67</b>	<b>1.15</b>	<b>0.59</b>	<b>0.56</b>	<b>8.12</b>	<b>3.54</b>	<b>1.68</b>	<b>1.86</b>							Needs tender waiver and funding source.	
<b>Demand Management Schemes</b>																						
Demand Management - Planned	TBC	0	4.05	-	-	-	-	-	-	-	4.05	-	-	-				R	R	R	BI support urgently required	
Demand Management - Acute	TBC	0	1.91	-	-	-	-	-	-	-	1.91	-	-	-				R	R	R		
Demand Management - LTC	TBC	0	0.32	-	-	-	0.18	-	-	-	0.50	-	-	-				R	R	R		
<b>Total Demand Management Schemes</b>			<b>6.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.46</b>	<b>-</b>	<b>-</b>	<b>-</b>								
<b>Back Office, Contracting changes or Budget adjustments</b>																						
Better prescribing, targetting outliers, etc	Sue Mills	3	4.02	2.62	-	2.62	2.67	1.77	-	1.77	6.69	4.39	-	4.39	4.39				A	A	G	Additional stretch target doubtful No longer part of PCT savings
Provider services efficiency improvement	TBA	4	2.08	-	-	-	1.12	-	-	-	3.20	-	-	-				R	R	R		
Full year effect of 2010/11 reductions	SN	4	1.39	1.39	-	1.39	1.29	1.29	-	1.29	2.68	2.68	-	2.68	2.00	0.28	0.40	G	G	G		
FYE NPFT savings	TBA	4	1.37	1.32	-	1.32	0.69	0.74	-	0.74	2.06	2.06	-	2.06	2.06				G	G	G	
Year 2 of Community Services Redesign	TBA	3	1.30	0.46	-	0.46	0.70	0.24	-	0.24	2.00	0.70	-	0.70		0.70		G	R	G		
Ceasing Tariff supplement for Maternity Services	SN	2	1.63	-	-	-	-	-	-	-	1.63	-	-	-				R	R	R		
A&E / MIU / WIC / OOH retender	TBC	0	1.27	-	-	-	-	-	-	-	1.27	-	-	-				R	R	R		
Provider share of Management Costs savings	TBA	3	0.69	0.18	-	0.18	0.37	0.09	-	0.09	1.06	0.27	-	0.27		0.27		G	R	G		
SPFT Contract renegotiation	TBA	4	1.02	0.12	-	0.12	-	-	-	-	1.02	0.12	-	0.12	0.12				G	G	G	
MFF	TBA	4	0.53	0.53	-	0.53	0.35	0.35	-	0.35	0.88	0.88	-	0.88	0.88				G	G	G	
Stroke tariff share	Ali Hopcroft	tbc	0.82	-	-	-	-	-	-	-	0.82	-	-	-				R	R	R		
Savings expected from CSU, PCSS, SBS etc.	SN	4	0.29	0.15	-	0.15	0.26	0.09	-	0.09	0.55	0.24	-	0.24	0.24				G	G	G	
NCS/Primary care contract review	Murray King	4	0.32	0.32	-	0.32	0.18	0.18	-	0.18	0.50	0.50	-	0.50	0.50				G	G	G	
Intelligent commissioning for Health Improvement	Anita Counsell	4	0.21	0.21	-	0.21	0.19	0.19	-	0.19	0.40	0.40	-	0.40	0.40				G	G	G	
Others below £400k		4	0.27	0.71	-	0.71	0.24	0.47	-	0.47	0.51	1.18	-	1.18	1.18				G	G	G	
<b>Total Back Office, Contracting changes or Budget adjustments</b>			<b>17.21</b>	<b>8.01</b>	<b>-</b>	<b>8.01</b>	<b>8.06</b>	<b>5.41</b>	<b>-</b>	<b>5.41</b>	<b>25.27</b>	<b>13.43</b>	<b>-</b>	<b>13.43</b>	<b>11.77</b>	<b>1.25</b>	<b>0.40</b>					
<b>Further Savings Required</b>																						
		0																			29.62	
<b>TOTAL SAVINGS</b>			<b>32.71</b>	<b>10.40</b>	<b>1.63</b>	<b>8.77</b>	<b>11.32</b>	<b>6.56</b>	<b>0.92</b>	<b>5.64</b>	<b>44.03</b>	<b>16.97</b>	<b>2.56</b>	<b>14.41</b>	<b>11.77</b>	<b>1.88</b>	<b>30.38</b>					

Status Report Commentary at Month 4:

- The PCTs still require £44m of savings to achieve their planned surpluses for 2011/12
- The demand management schemes can only be monitored once the acute provider SLA monitoring information is received.
- To cover off the shortfall between the planned savings and the currently forecast savings £30m of savings need identifying.
- Additional resources are being identified to support the PMO, however longstanding issues with lack of knowledge mgt support still have not been adequately resolved. Because of these we are unable to quantify savings for the following workstreams:

RACOP  
Dermatology  
BNP testing  
Community Cardiology  
MSK  
EOLC

Stage of project

Not started	0	-	-	29.62
Feasibility	1	-	-	-
Planning	2	-	0.25	(0.88)
Implementation	3	4.39	1.35	1.01
Monitoring	4	7.38	0.28	0.40
Completed	5	-	-	-
Abandoned	6	-	-	-
To be Confirmed	tbc	-	-	0.23
		<b>11.77</b>	<b>1.88</b>	<b>30.38</b>

**OTHER PERFORMANCE TARGETS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

**6: Capital Investment Programme**

	Full Yr			This Month			Year to Date			Forecast	
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance	Forecast	Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Estates Maintenance	2,965	0	0	0	0	0	0	0	0	2,965	0
Information Technology	400	15	(15)	0	15	(15)	0	15	(15)	400	0
Charge Against the Capital Resource Limit (CRL)	3,365	15	(15)	0	15	(15)	0	15	(15)	3,365	0
Capital Resource Limit (CRL)	3,365	0	0	0	0	0	0	0	0	3,365	0
<b>(Over)/Underspend Against CRL</b>	<b>0</b>	<b>(15)</b>	<b>(15)</b>	<b>0</b>	<b>(15)</b>	<b>(15)</b>	<b>0</b>	<b>(15)</b>	<b>(15)</b>	<b>0</b>	<b>0</b>

Status	
YTD	FY
G	G

**Capital Expenditure:** There is no planned capital expenditure expected until M5, however a small amount has been spent on IT this month.

**7. Better Payments Policy Code compliance**

**Non-NHS Payables**

Total Non-NHS Trade Invoices Paid in the Year  
Total Non-NHS Trade Invoices Paid Within Target

Percentage of Non-NHS Trade Invoices Paid Within Target

**NHS Payables**

Total NHS Trade Invoices Paid in the Year  
Total NHS Trade Invoices Paid Within Target

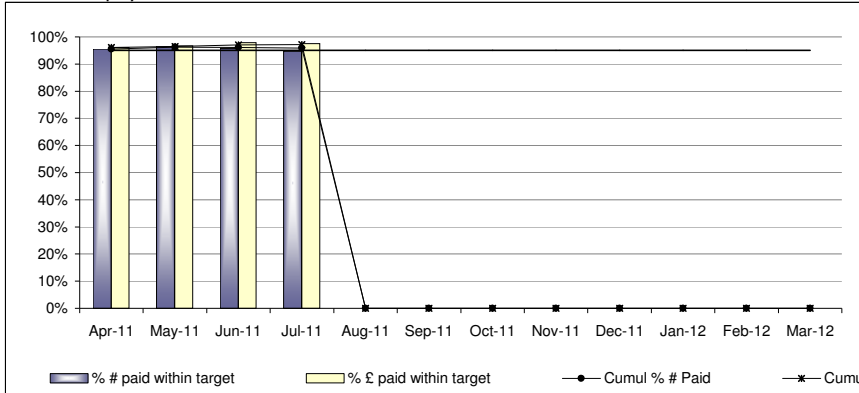
Percentage of NHS Trade Invoices Paid Within Target

Target	This Month		Year to date	
	Number	£000	Number	£000
	1,359	9,894	7,075	27,644
	1,287	9,648	6,779	26,877
95.00%	94.70%	97.51%	95.82%	97.23%
	212	34,445	917	126,786
	180	32,332	812	124,509
95.00%	84.91%	93.87%	88.55%	98.20%

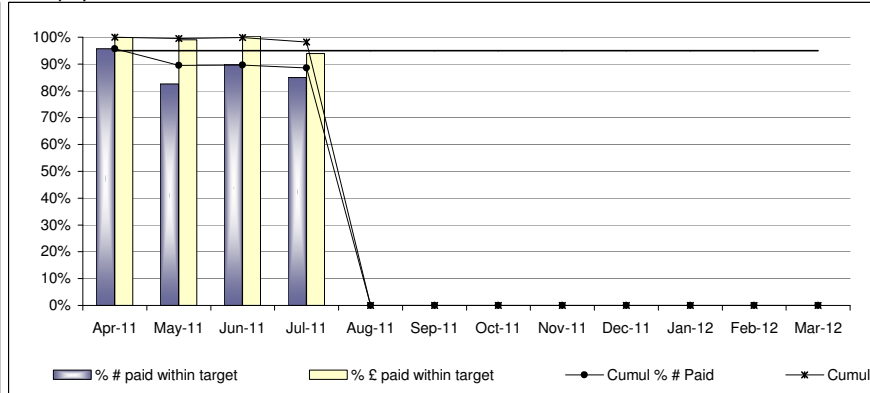
Performance against the 95% targets has been above target for non-NHS payables. The low number of NHS invoices paid is attributed to authorisation delays for some invoices.

Status	
MTH	YTD
A	G
R	A

Non- NHS payables



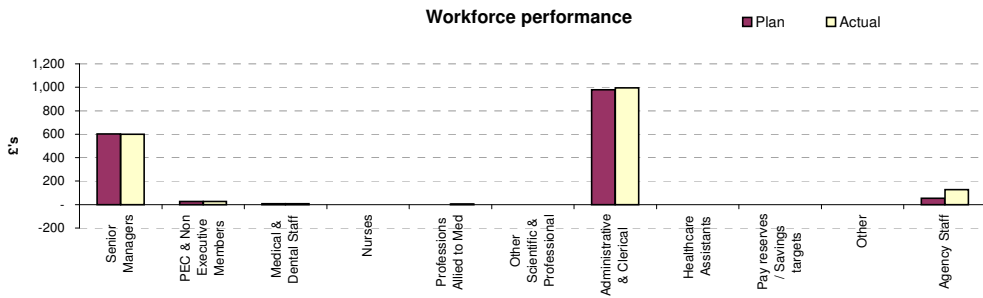
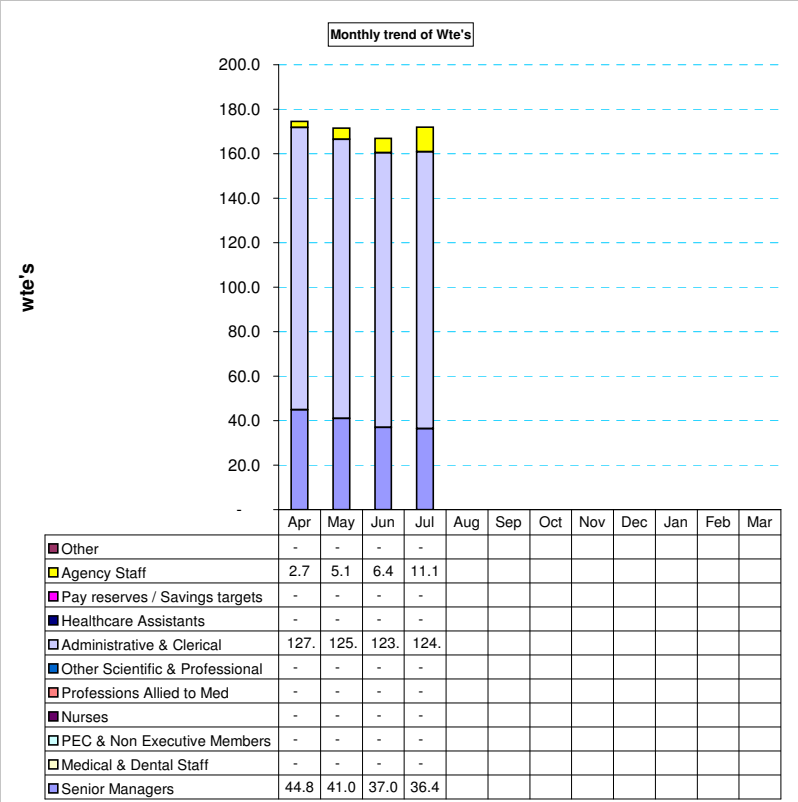
NHS payables



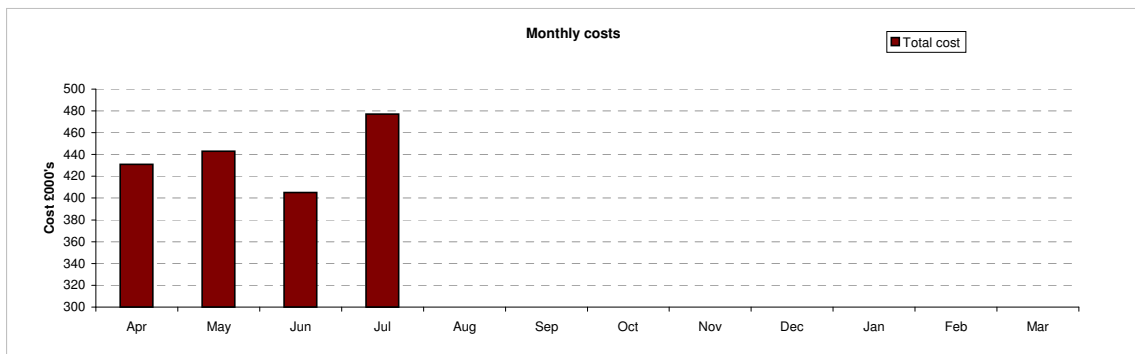
**8: WORKFORCE PERFORMANCE INDICATORS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

**8.1 : Workforce**

Analysis by Pay Group	Full Year		Year to Date		Plan Wte	Month Wte	YTD Wte	Variance Wte
	Plan	Plan	Actual	Variance				
	£000's	£000's	£000's	£000's				
Senior Managers	1,806	602	599	3	35.9	36.4	39.8	(3.9)
PEC & Non Executive Members	78	26	26	(0)	0.0	0.0	0.0	0.0
Medical & Dental Staff	20	7	7	(0)	0.0	0.0	0.0	0.0
Nurses	0	0	0	(0)	0.0	0.0	0.0	0.0
Professions Allied to Med	0	0	3	(3)	0.0	0.0	0.0	0.0
Other Scientific & Professional	0	0	(0)	0	0.0	0.0	0.0	0.0
Administrative & Clerical	2,940	980	994	(14)	133.4	124.4	125.1	8.3
Healthcare Assistants	0	0	0	0	0.0	0.0	0.0	0.0
Pay reserves / Savings targets	0	0	(0)	0	0.0	0.0	0.0	0.0
Other	0	0	(0)	0	0.0	0.0	0.0	0.0
Agency Staff	158	53	127	(74)	0.0	11.1	6.3	(6.3)
<b>Total</b>	<b>5,002</b>	<b>1,667</b>	<b>1,756</b>	<b>(89)</b>	<b>169.3</b>	<b>171.9</b>	<b>171.2</b>	<b>(1.9)</b>



Staff Costs Analysed by Directorate	Full Year				Year to Date											
	Plan	Plan	Actual	Variance	Apr Actual	May Actual	Jun Actual	Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Actual	Mar Actual
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Services	256	85	89	(4)	5	7	12	65								
PrimaryCare Support Svs	4,746	1,582	1,667	(85)	426	436	393	412								
<b>Total cost</b>	<b>5,002</b>	<b>1,667</b>	<b>1,756</b>	<b>(89)</b>	<b>431</b>	<b>443</b>	<b>405</b>	<b>477</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**9: STATEMENT OF FINANCIAL POSITION (previously BALANCE / SHEET) AS AT 31 JULY 2011**

	NOTE	Balance b/w		Movement
		01 APRIL 2010	31 JULY 2011	
		£000	£000	£000
<b>Non-current assets:</b>				
Property, plant and equipment	1	54,435	54,171	(264)
Intangible assets		0	0	0
<b>Total non-current assets</b>		<b>54,435</b>	<b>54,171</b>	<b>(264)</b>
<b>Current assets:</b>				
Inventories		141	55	(86)
Trade and other receivables	2	15,211	21,842	6,631
Cash and cash equivalents	3	9	5,655	5,646
		<b>15,361</b>	<b>27,552</b>	<b>12,191</b>
Non-current assets classified "Held for Sale"		0	0	0
<b>Total current assets</b>		<b>15,361</b>	<b>27,552</b>	<b>12,191</b>
<b>Total assets</b>		<b>69,796</b>	<b>81,723</b>	<b>11,927</b>
<b>Current liabilities</b>				
Trade and other payables	4	(43,925)	(44,666)	(741)
Other liabilities		0	0	0
Provisions		(219)	0	219
<b>Total current liabilities</b>		<b>(44,144)</b>	<b>(44,666)</b>	<b>(522)</b>
<b>Non-current assets plus/less net current assets/liabilities</b>		<b>25,652</b>	<b>37,057</b>	<b>11,405</b>
<b>Non-current liabilities</b>				
Provisions		(1,303)	(1,465)	(162)
<b>Total non-current liabilities</b>		<b>(1,303)</b>	<b>(1,465)</b>	<b>(162)</b>
<b>Total Assets Employed:</b>		<b>24,349</b>	<b>35,592</b>	<b>11,243</b>
<b>FINANCED BY:</b>				
<b>TAXPAYERS' EQUITY</b>				
General fund		(1,525)	9,787	11,312
Revaluation reserve		17,889	17,881	(8)
Donated asset reserve		7,985	7,924	(61)
<b>Total Taxpayers' Equity:</b>		<b>24,349</b>	<b>35,592</b>	<b>11,243</b>

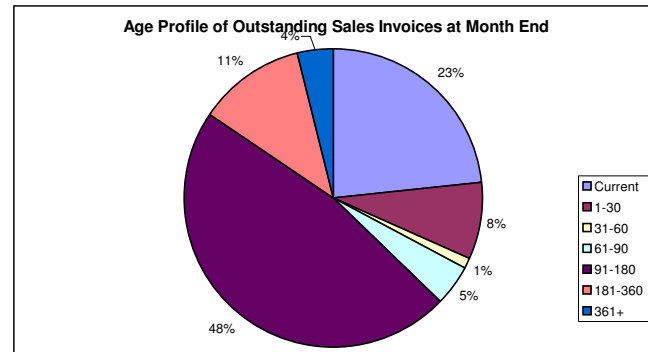
**Notes on Movements**

**1 Non Current Assets** - The decrease of £264k is the net of depreciation charged for the first four months and capital schemes started in 2011/12.

**2 Trade & Other Receivables** - The increase of £6.631m relates to the prepayment of the S75 Children Commissioning Pooled budget paid in advance.

**3 Cash** - The cashflow balance is the ledger balance adjusted for timing difference when receipts and payments actually hit the bank, plus any cash in hand held as petty cash. The cash book balance excluding petty cash is £5.562m. This is higher than normal as additional cash (£7m) was draw down to pay the S75 contract with ESCC, however this was not approved to be paid.

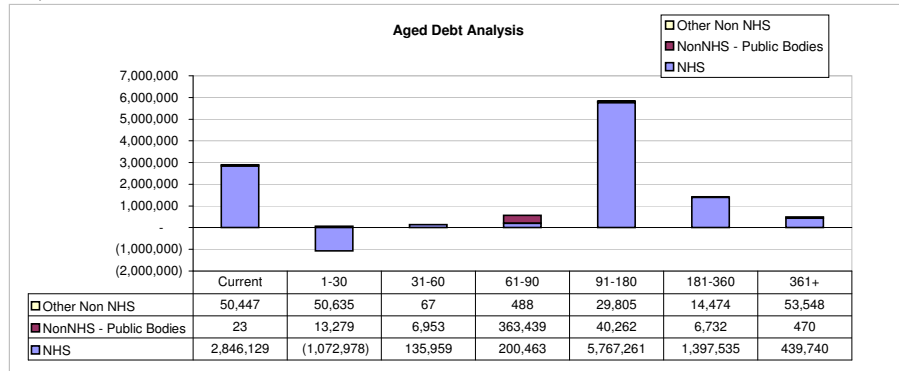
**4 Trade and Other Payables** - The increase of £741k relates to a small increase in the Non PO Accruals by SBS.



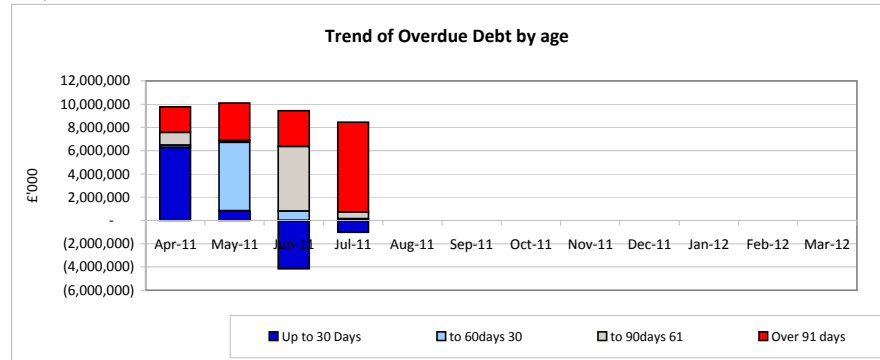
**AGED DEBT Commentary:**

At the end of July 2011, the PCT had £7.448m overdue debtors (Total Debtors excluding current debtors) of which 112% are over 60 days overdue (due to credit note). Of the aged debts that are more than 90 days old 98% are within the NHS and the rest with other Non NHS Public bodies.

Graph BS1



Graph BS2



Overdue debt excludes accruals and debtors less than 30 days.

## 10: STATEMENT OF CASHFLOWS FOR THE FOUR MONTHS ENDED 31 JULY 2011

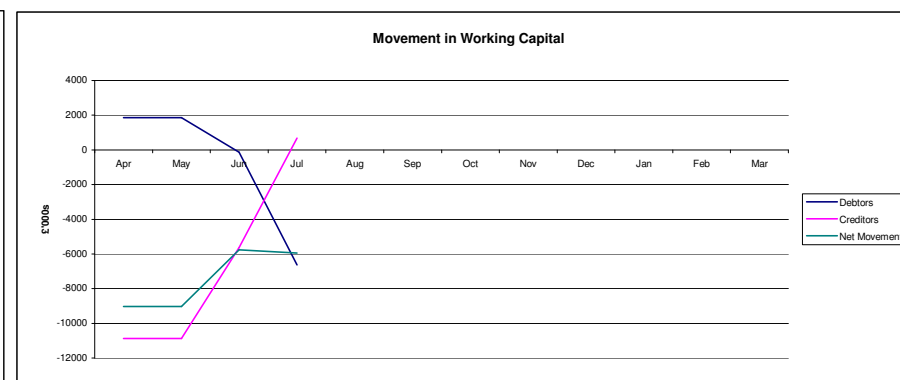
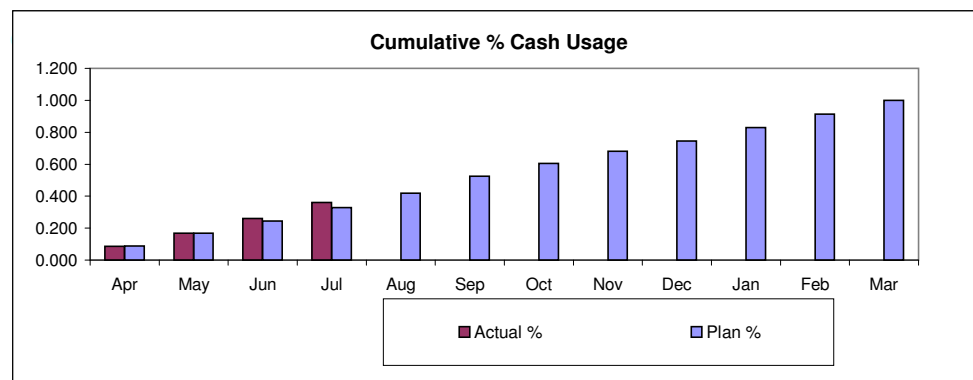
	NOTE	Full Year	Year to Date			Forecast
		Plan	Plan	Actual	Variance	Outturn
		£000s	£000s	£000s	£000s	£000s
<b>Cash Flows from Operating Activities</b>						
Net Operating Cost Before Interest		(555,118)	(188,955)	(190,722)	1,767	(553,673)
Other Cash Flow Adjustments (see PCT24)		1,806	602	(228)	830	1,806
Movements in Working Capital (See PCT24)		812	5,697	(5,890)	11,587	(4,518)
Provisions utilised		(1,305)	(435)	(57)	(378)	(1,305)
Interest Paid		0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		<b>(553,805)</b>	<b>(183,091)</b>	<b>(196,897)</b>	<b>13,806</b>	<b>(557,690)</b>
<b>Cash Flows from Investing Activities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(Payments) for Property, Plant and Equipment		(3,815)	0	(15)	15	(3,815)
(Payments) for Intangible Assets		0	0	0	0	0
Proceeds from disposals of assets held for sale		0	0	0	0	0
(Payments) for Financial Assets (LIFT)		0	0	0	0	0
Proceeds from the disposal of Financial Assets (LIFT)		0	0	0	0	0
Loans Made in Respect of LIFT		0	0	0	0	0
Loans Repaid in Respect of LIFT		0	0	0	0	0
(Payments) for Other Financial Assets		0	0	0	0	0
Proceeds of Disposal of Other Financial Assets		0	0	0	0	0
Interest Received		0	0	0	0	0
Rental revenue		0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Investing Activities</b>		<b>(3,815)</b>	<b>0</b>	<b>(15)</b>	<b>15</b>	<b>(3,815)</b>
<b>Cash Flows from Financing Activities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Parliamentary Funding		557,620	183,090	202,558	(19,468)	561,505
Capital Receipts Surrendered		0	0	0	0	0
Capital Grants Received		0	0	0	0	0
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT		0	0	0	0	0
Cash Transferred (to)/from Other NHS Bodies (free text note required)		0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>		<b>557,620</b>	<b>183,090</b>	<b>202,558</b>	<b>(19,468)</b>	<b>561,505</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>0</b>	<b>(1)</b>	<b>5,646</b>	<b>(5,647)</b>	<b>0</b>
<b>Cash and Cash Equivalents ( and Bank Overdraft) at Beginning of the Period</b>		<b>25</b>	<b>25</b>	<b>9</b>	<b>16</b>	<b>9</b>
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies		0	0	0	0	0
<b>Cash and Cash Equivalents (and Bank Overdraft)</b>		<b>25</b>	<b>24</b>	<b>5,655</b>	<b>(5,631)</b>	<b>9</b>

## Notes

Summary: The PCT continues to manage within its overall cash limit, and has utilised fully its planned draw-down.

The cash limit drawn down each month is based on monthly forecast of cash requirements at the time. The PCT has drawdown 36.1% of its anticipated Cash Limit at Month 4 against a planned drawdown of 32.8%. The PCT drew down extra due to the timing of some large payments due to ESCC.

Forecast: The PCT will meet its cashlimit projections at year end.



**2011 -12 FINANCE REPORT  
FOR THE FOUR MONTHS ENDED 31 JULY 2011**

Contents

- 1 Revenue and Surplus Statement
- 2 Operating Cost statement (I&E position)
- 3 Commissioning Analysis
- 4 Provider Services
- 5 Risk analysis
- 6 Recovery Report
- 7 Capital Investment Programme
- 8 Better Payments Policy Code compliance
- 9 Workforce Performance Indicators
- 10 Statement of Financial Position (Balance sheet)
- 11 Cashflow Statement

Prepared by  
Michael Schofield  
Director of Finance and Investments

Date  
AUG-11



1 Revenue & Surplus Statement	2	3		4			5		6		7		8		YTD	FOT
	Full Yr	This Month		Year to Date			Forecast		Forecast	Variance	YTD	FOT				
	Notes	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000	£000					£000			
<b>Operating Costs:</b>																
Commissioning		237,563	23,050	(551)	80,837	81,547	(710)	239,251	(1,687)							
Primary Care		77,035	6,565	(146)	25,678	25,824	(146)	77,473	(438)							
Corporate Functions		8,385	658	(39)	2,794	2,866	(72)	8,385	0							
Provider Services		0	(0)	32	137	109	29	0	(0)							
Reserves & Contingency		8,911	0	630	900	0	900	6,786	2,125			A	G			
<b>Total Net Operating Cost for the Financial Year</b>		<b>331,894</b>	<b>30,273</b>	<b>(74)</b>	<b>110,347</b>	<b>110,346</b>	<b>1</b>	<b>331,894</b>	<b>0</b>							
Recovery Plan		0	0	0	0	0	0	0	0							
<b>Net Operating Cost less Non Discretionary Expenditure</b>		<b>331,894</b>	<b>30,273</b>	<b>(74)</b>	<b>110,347</b>	<b>110,346</b>	<b>1</b>	<b>331,894</b>	<b>0</b>							
Revenue Resource Limit		335,247	30,326	0	110,610	110,610	0	335,247	0							
<b>Surplus/(Deficit)</b>		<b>3,353</b>	<b>53</b>	<b>(74)</b>	<b>263</b>	<b>264</b>	<b>1</b>	<b>3,353</b>	<b>0</b>							

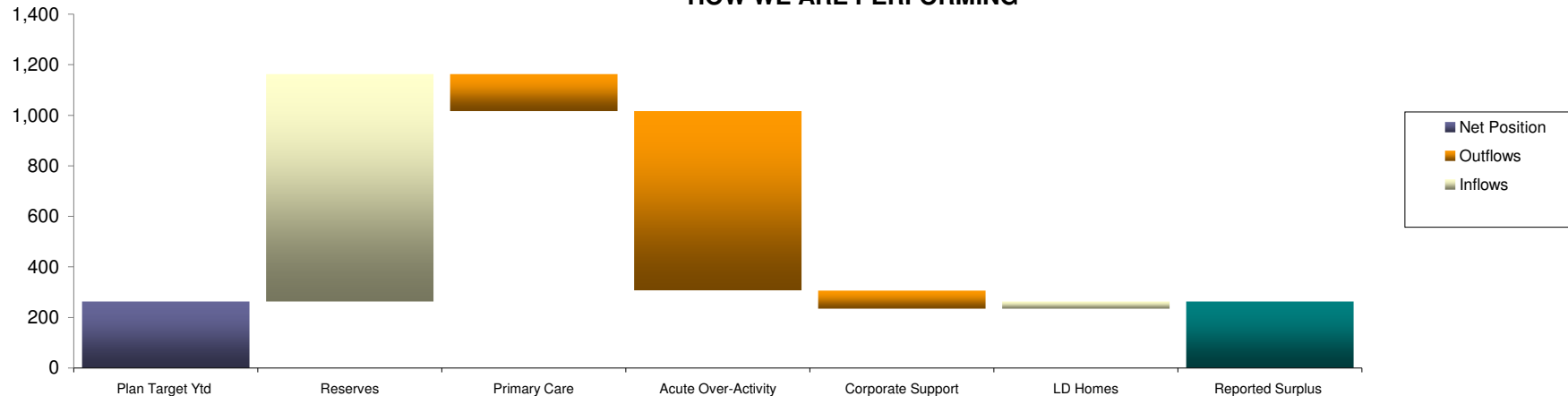
## Headlines

This report presents the financial performance for the year to date position for the first four months of 2011/12. Activity information for the main contracts is now available and estimates of overperformance based on the month 3 year to date performance have now been included in the reported position.

In order to achieve the position being reported £900k of contingency has been released in the month.

After including all known risks and opportunities, including slippage on the QIPP plan, at the end of month 4 the PCT has net uncovered risks of £1.0m in the mid case scenario. Whilst at this stage in the year net risks of £1m are manageable, a plan is being developed to ensure that the forecast position is achieved.

## HOW WE ARE PERFORMING



**2: OPERATING COST STATEMENT FOR THE FOUR MONTHS ENDED 31 JULY 2011****Notes**

**Summary :** Information has now been received with regards to the acute SLA performance for the first three months of this year allowing an annual forecast to be calculated. This indicates an overperformance at ESHT. Most other items of expenditure have been assumed to be within budget. A release of contingency was necessary in order to achieve the reported position.

Potential cost pressures are being reflected in the net risks of £1.0m.

**Commissioning:** Information has been received from the CSU which indicates some forecast overperformance against the signed Heads of Agreement / SLAs with the PCT's main providers. In addition a small overperformance on specialist activity is being reported.

**Primary Care:** The PPA forecast for the year is not yet available, but an estimate based on prescribing days indicates a potential overspend against budget on prescribing costs. A further risk is included within the risks schedule.

Other expenditure, in the main, have been assumed to be within budget.

**Corporate :** Corporate expenditure is slightly over plan, as a result of slippage against the corporate elements of the QIPP plan.

**Provider :** Learning Disability home expenditure in Hastings & Rother is in line with plan.

**Reserves :** £900k of contingency has been released to offset the overspends being reported.

	1	2	3	4	5	6	7	8	Status	
	Full Yr	This month		Year to date			Forecast		YTD	FY
	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000	Forecast £000	Variance £000		
<b>Commissioning</b>										
Acute Services	135,985	12,130	(489)	45,328	45,912	(584)	137,611	(1,626)		
Community services	25,005	4,432	4	9,930	9,926	4	25,005	0		
Continuing Healthcare	14,823	1,171	64	4,941	4,941	0	14,823	0		
Learning Disabilities	539	45	0	180	180	0	539	0		
Mental Health	23,566	1,976	0	7,761	7,761	0	23,566	0		
Specialist Commissioning	22,503	1,992	(131)	7,501	7,632	(131)	22,559	(56)		
Other Commissioning	15,142	1,304	0	5,197	5,197	0	15,148	(6)		
<b>Subtotal Commissioning</b>	<b>237,563</b>	<b>23,050</b>	<b>(551)</b>	<b>80,837</b>	<b>81,547</b>	<b>(710)</b>	<b>239,251</b>	<b>(1,687)</b>	<b>R</b>	<b>R</b>
<b>Primary Care</b>										
General Medical services	21,370	1,781	(1)	7,123	7,123	0	21,370	0		
Personal Medical services	4,120	343	1	1,373	1,373	(0)	4,120	0		
Prescribing	41,874	3,635	(146)	13,958	14,104	(146)	42,312	(438)		
Dental	7,771	648	(0)	2,590	2,590	0	7,771	0		
Ophthalmic	1,702	142	0	567	567	0	1,702	0		
Other (PBC Schemes)	197	16	(0)	66	66	(0)	197	0		
<b>Subtotal Primary Care</b>	<b>77,035</b>	<b>6,565</b>	<b>(146)</b>	<b>25,678</b>	<b>25,824</b>	<b>(146)</b>	<b>77,473</b>	<b>(438)</b>	<b>G</b>	<b>G</b>
<b>Corporate Functions</b>										
Corporate management	505	94	(50)	168	419	(251)	505	0		
Patient & Public Engagement	4,128	260	35	1,376	1,241	135	4,128	0		
Public Health	3,665	295	10	1,221	1,145	76	3,665	0		
Human Resources	393	(80)	(33)	131	172	(41)	393	0		
Contracting, Performance and Procurement	3,375	295	(10)	1,125	1,149	(24)	3,375	0		
Strategy and Primary Care	1,125	92	2	375	328	47	1,125	0		
Financial Management	3,128	870	10	1,043	1,050	(7)	3,128	0		
Estates	889	31	2	296	297	(0)	889	0		
ESDW Recharge	(8,822)	(1,199)	(5)	(2,941)	(2,935)	(5)	(8,822)	0		
<b>Subtotal Corporate Expenses</b>	<b>8,385</b>	<b>658</b>	<b>(39)</b>	<b>2,794</b>	<b>2,866</b>	<b>(72)</b>	<b>8,385</b>	<b>0</b>	<b>A</b>	<b>A</b>
<b>Provider Services</b>										
LD Homes	0	(0)	32	137	109	29	0	(0)		
<b>Reserves</b>										
Contingency	3,350	0	630	900	0	900	1,225	2,125		
Earmarked Reserves	5,561	0	0	0	0	0	5,561	0		
<b>Subtotal Other expenditure</b>	<b>8,911</b>	<b>0</b>	<b>630</b>	<b>900</b>	<b>0</b>	<b>900</b>	<b>6,786</b>	<b>2,125</b>	<b>G</b>	<b>G</b>
<b>Commissioning net operating cost</b>	<b>331,894</b>	<b>30,273</b>	<b>(74)</b>	<b>110,347</b>	<b>110,346</b>	<b>1</b>	<b>331,894</b>	<b>0</b>		
<b>PCT net operating costs before interest</b>	<b>331,894</b>	<b>30,273</b>	<b>(74)</b>	<b>110,347</b>	<b>110,346</b>	<b>1</b>	<b>331,894</b>	<b>0</b>		
Other (Gains)/Losses	0	0	0	0	0	0	0	0		
Recovery Plan - additional savings	0	0	0	0	0	0	0	0	<b>A</b>	<b>A</b>
<b>Net operating costs for the year</b>	<b>331,894</b>	<b>30,273</b>	<b>(74)</b>	<b>110,347</b>	<b>110,346</b>	<b>1</b>	<b>331,894</b>	<b>0</b>		
Revenue Resource Limit	335,247	30,326	0	110,610	110,610	0	335,247	0		
<b>Surplus / (Deficit)</b>	<b>3,353</b>	<b>53</b>	<b>(74)</b>	<b>263</b>	<b>264</b>	<b>1</b>	<b>3,353</b>	<b>0</b>	<b>G</b>	<b>G</b>

**3.1: KEY PROVIDER CONTRACTS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

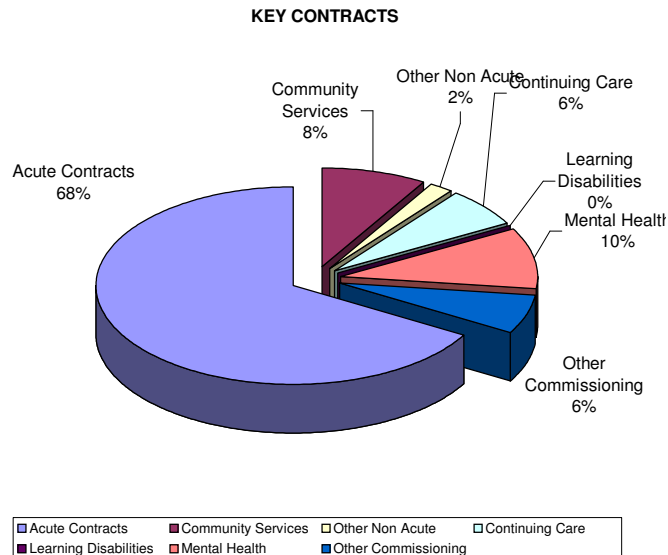
**Headlines**

Notes

Information is now available relating to performance in the first quarter of 2011/12 which has allowed a year end forecast to be calculated based on last year's activity profile. We have assumed a proportionate part of that forecast within the year to date position. Overperformance on all major acute contracts is being reported. In addition the information received for the West Kent managed specialist contracts also shows an overperformance. Horder activity is based on actual invoices received to date.

Most other elements of commissioning spend are being reported as in line with budget. It is expected that an improved forecast for CHC will be available next month.

At this time of the year, and based on the information available there are anticipated to be other commissioning risks facing the PCT and these are included within the risk analysis.



Commissioning	Full Year Contract £	Year to date Budget £	Year to date Actual £	Year to date Variance £	FYOT £	Full Year Variance £
Brighton & Sussex Uni Hospitals	10,918	3,639	3,526	113	10,918	0
East Sussex Hospitals	115,098	38,366	38,780	(414)	116,340	(1,242)
Maidstone & Tunbridge Wells	1,985	662	604	57	1,985	0
Queen Victoria	1,434	478	572	(94)	1,434	0
Other SACS Acute	393	131	270	(139)	393	0
<b>Subtotal SACS</b>	<b>129,828</b>	<b>43,276</b>	<b>43,752</b>	<b>(476)</b>	<b>131,070</b>	<b>(1,242)</b>
West Kent PCT	13,394	4,465	4,596	(131)	13,450	(56)
SACS	9,109	3,036	3,036	(0)	9,109	0
<b>Subtotal Specialist Contracts</b>	<b>22,503</b>	<b>7,501</b>	<b>7,632</b>	<b>(131)</b>	<b>22,559</b>	<b>(56)</b>
Horder Centre	1,544	515	641	(126)	1,922	(378)
Spire Healthcare	1,207	402	402	(0)	1,207	0
Other Independent Acute Providers	459	153	153	(0)	459	0
<b>Subtotal Independent Sector Contr</b>	<b>3,210</b>	<b>1,070</b>	<b>1,196</b>	<b>(126)</b>	<b>3,588</b>	<b>(378)</b>
East Sussex Hospitals	248	83	83	(0)	248	0
Brighton & Sussex Uni Hospitals	0	0	0	0	0	0
HIV AIDS	700	233	233	(0)	700	0
Maidstone & Tunbridge Wells	56	19	0	19	56	0
Sussex Cancer Network	92	31	31	(0)	92	0
Non Contract Activity	1,096	365	365	0	1,096	0
Commissioning Challenges	0	0	0	0	0	0
Bowel Cancer Screening	257	86	86	(0)	257	0
Other acute	498	166	166	(0)	504	(6)
<b>Total ACUTE</b>	<b>158,488</b>	<b>52,829</b>	<b>53,544</b>	<b>(715)</b>	<b>160,169</b>	<b>(1,682)</b>
Provider Services (ESCHS)	19,959	6,653	6,653	0	19,959	0
South Downs Health	187	62	62	(0)	187	0
<b>Total COMMUNITY SERVICES</b>	<b>20,146</b>	<b>6,715</b>	<b>6,715</b>	<b>(0)</b>	<b>20,146</b>	<b>0</b>
Hospices	1,500	500	500	(0)	1,500	0
Savings Target	0	0	0	0	0	0
Other non acute	3,359	2,715	2,710	5	3,359	0
<b>Total NON ACUTE</b>	<b>4,859</b>	<b>3,215</b>	<b>3,211</b>	<b>4</b>	<b>4,859</b>	<b>0</b>
Continuing Healthcare Expenditure	10,649	3,550	3,550	(0)	10,649	0
Continuing Healthcare Income	0	0	0	0	0	0
Funded Nursing Care	4,174	1,391	1,391	0	4,174	0
<b>Total CONTINUING CARE</b>	<b>14,823</b>	<b>4,941</b>	<b>4,941</b>	<b>0</b>	<b>14,823</b>	<b>0</b>
Learning Disabilities Expenditure	539	180	180	0	539	0
Learning Disabilities Income	0	0	0	0	0	0
<b>Learning Disabilities</b>	<b>539</b>	<b>180</b>	<b>180</b>	<b>0</b>	<b>539</b>	<b>0</b>
SPFT Block Contract	20,866	6,860	7,033	(173)	20,866	0
Health in Mind	1,970	657	658	(1)	1,970	0
Other Mental Health	731	244	69	174	731	0
<b>MENTAL HEALTH</b>	<b>23,566</b>	<b>7,761</b>	<b>7,761</b>	<b>0</b>	<b>23,566</b>	<b>0</b>
Childrens	6,140	2,196	2,196	0	6,140	0
Childrens CHC	798	266	266	0	798	0
Drug & Alcohol Treatment	4,980	1,660	1,660	(0)	4,980	0
Out Of Hours	2,093	698	698	0	2,093	0
Walk in Centre	1,115	372	372	(0)	1,121	(6)
Urgent Care	0	0	0	0	0	0
Planned Care	16	5	5	(0)	16	0
Transformation Misc	0	0	0	0	0	0
<b>OTHER COMMISSIONING CONTRA</b>	<b>15,142</b>	<b>5,197</b>	<b>5,197</b>	<b>0</b>	<b>15,148</b>	<b>(6)</b>
<b>TOTAL</b>	<b>237,563</b>	<b>80,837</b>	<b>81,547</b>	<b>(710)</b>	<b>239,251</b>	<b>(1,687)</b>

**4: PROVIDER PERFORMANCE FOR THE FOUR MONTHS ENDED 31 JULY 2011**

Notes		Full Year		This Month		Year to Date			Forecast		RAG Status	
		Plan £000s	Actual £000s	Actual £000s	Variance £000s	Plan £000s	Actual £000s	Variance £000s	Forecast £000s	Variance £000s	YTD	FY
	<b>EXPENDITURE</b>											
At M4 the Provider LD performance overall is showing a slight underspend of £29k Year-to-date and breakeven at year end. There is some work to do tidying up the ledger as unfortunately when the staff were transferred from ESDW PCT payroll a large proportion have been wrongly coded in ESR which has fed incorrectly into the ledger distorting the workforce performance figures.	LD - 14 Beckley Close	364	30	33	(2)	121	133	(11)	364	0		
	LD - 14 Westfield Lane	181	90	32	58	181	128	53	181	0		
	LD - 17 Penland Road	0	0	(1)	1	0	7	(7)	0	0		
	LD - Cregg-Na-Ba	469	39	32	7	156	131	26	469	0		
	LD - Fairmount	517	43	41	2	172	168	4	517	0		
	LD - Highglades Resource Centre	0	0	0	(0)	0	1	(1)	0	0		
	LD - Jasmine Lodge	456	38	38	0	152	138	15	456	0		
	LD - Management & Administration	242	20	42	(22)	81	182	(102)	242	0		
	LD - Pedros & Annex	625	15	41	(25)	172	185	(14)	625	0		
	LD - The Firs	80	0	1	(1)	80	58	22	80	0		
	LD - The Views	406	34	32	2	135	120	15	406	0		
	LD - The Willows	418	35	24	11	139	111	28	418	0		
	LD - Wistmans	0	0	0	(0)	0	0	(0)	0	0		
	Contingency	0	0	0	0	0	0	0	0	0		
	<b>Provider gross operating costs</b>	<b>3,758</b>	<b>345</b>	<b>314</b>	<b>31</b>	<b>1,390</b>	<b>1,362</b>	<b>28</b>	<b>3,758</b>	<b>0</b>	A	A
	<b>Operating Income</b>											
	Income from Activities	(3,758)	(313)	(314)	1	(1,253)	(1,253)	0	(3,758)	0		
	<b>Provider Income</b>	<b>(3,758)</b>	<b>(313)</b>	<b>(314)</b>	<b>1</b>	<b>(1,253)</b>	<b>(1,253)</b>	<b>0</b>	<b>(3,758)</b>	<b>0</b>	A	A
	<b>Under/(Over) Recovery of Costs</b>	<b>0</b>	<b>32</b>	<b>(0)</b>	<b>32</b>	<b>137</b>	<b>109</b>	<b>29</b>	<b>0</b>	<b>0</b>	A	A

**INCOME & EXPENDITURE TYPE**

Provider Income Analysis	Annual Budget	This Month			Year to Date		
		Plan	Actual	Variance	Plan	Actual	Variance
<b>Income from Activities</b>	£k	£k	£k	£k	£k	£k	£k
Other Primary Care Trusts	0	0	0	0	0	0	0
Strategic HA Income	0	0	0	0	0	0	0
NHS Trusts Income	0	0	0	0	0	0	0
Local Authority Income	(3,758)	(313)	(313)	0	(1,253)	(1,252)	(0)
Non-NHS other	0	0	0	0	0	0	0
Other Income	0	0	(1)	1	0	(1)	1
<b>Provider Operating Income</b>	<b>(3,758)</b>	<b>(313)</b>	<b>(314)</b>	<b>1</b>	<b>(1,253)</b>	<b>(1,253)</b>	<b>0</b>
PCT allocation	0	0	0	0	0	0	0
<b>Total Income</b>	<b>(3,758)</b>	<b>(313)</b>	<b>(314)</b>	<b>1</b>	<b>(1,253)</b>	<b>(1,253)</b>	<b>0</b>
Pay costs	3,120	320	288	32	1,189	1,242	(53)
Non-Pay	638	25	25	(0)	201	120	81
	<b>0</b>	<b>32</b>	<b>(0)</b>	<b>32</b>	<b>137</b>	<b>109</b>	<b>29</b>

**WORKFORCE PERFORMANCE**

	FY Budget	Bud to date £'000	Actual £'000	Variance £'000	Budget WTE	Paid WTE	Variance WTE	RAG Status	
								Ytd	FY
Senior Managers	63	21	0	21	1.00	0.00	1.00		
Medical Consultants & Staff	0	0	0	0	0.00	0.00	0.00		
Nurses	821	314	61	253	15.40	4.67	10.73		
Professions Allied to Med	0	0	0	0	0.00	0.00	0.00		
Administrative & Clerical	0	0	102	(102)	0.00	7.14	(7.14)		
Healthcare assistants & other support staff	2,135	820	1,049	(228)	110.02	125.81	(15.79)		
Pay reserves / Savings targets	101	34	0	34	0.00	0.00	0.00		
Agency Staff	0	0	30	(30)	0.00	0.00	0.00		
	<b>3,120</b>	<b>1,189</b>	<b>1,242</b>	<b>(53)</b>	<b>126.42</b>	<b>137.62</b>	<b>(11.20)</b>		

RAG Status	
Ytd	FY
A	R

**5: RISK ANALYSIS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

Risks, Opportunities, Mitigation actions		Best Case	Mid Case	Worst Case	Value reflected in FOT	Value not included FOT
		£000s	£000s	£000s	£000s	£000s
<b>Risks</b>	Note					
Acute trust growth higher than assumed	Note 1	(750)	(1,500)	(3,000)	0	(1,500)
Inflationary pressures higher than assumed		0	0	0	0	0
Savings programme not achieved	Note 2	(1,990)	(2,650)	(5,131)	(1,362)	(1,288)
Specialist activity growth		0	(105)	(175)	0	(105)
Continuing Care greater than plan		(650)	(190)	0	0	(190)
Increased prescribing growth not contained within planning assumptions		(1,000)	(1,300)	(2,000)	0	(1,300)
18 weeks activity greater than plan		(250)	(500)	(1,000)	0	(500)
ESCHS - SLA renegotiation		0	(300)	(600)	0	(300)
Continuing Care retrospectives		0	(100)	(500)	0	(100)
Central funding assumptions not agreed (RTF)	Note 3	(1,282)	(2,563)	(2,563)	0	(2,563)
<b>Subtotal risks</b>		<b>(5,922)</b>	<b>(9,208)</b>	<b>(14,969)</b>	<b>(1,362)</b>	<b>(7,846)</b>
<b>Opportunities</b>						
Slippage on Ear Marked Reserves		5,561	4,651	4,651	0	4,651
Non recurring opportunities		962	962	962	0	962
<b>Subtotal Opportunities before contingency</b>		<b>6,523</b>	<b>5,613</b>	<b>5,613</b>	<b>0</b>	<b>5,613</b>
<b>Net (Risks) / Opportunities before contingency</b>		<b>602</b>	<b>(3,595)</b>	<b>(9,356)</b>	<b>(1,362)</b>	<b>(2,233)</b>
Use of contingency	Note 4	1,225	3,350	1,225	2,125	1,225
<b>Further Opportunities / (Savings Required)</b>		<b>1,827</b>	<b>(245)</b>	<b>(8,131)</b>	<b>763</b>	<b>(1,008)</b>



Notes

None of the risks or opportunities shown opposite have been recognised in the financial position as at month 4.

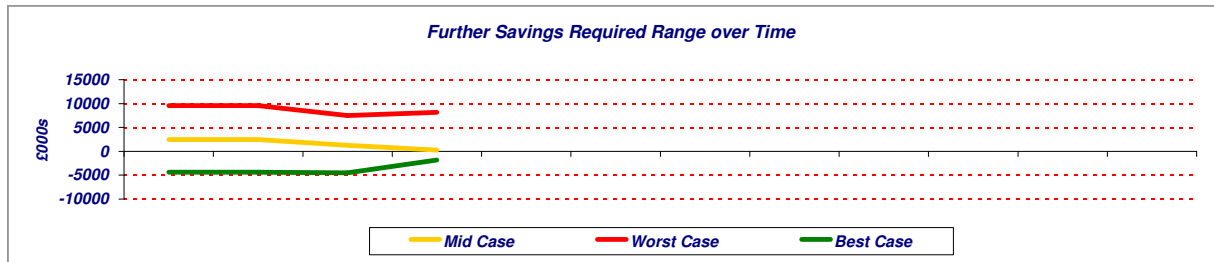
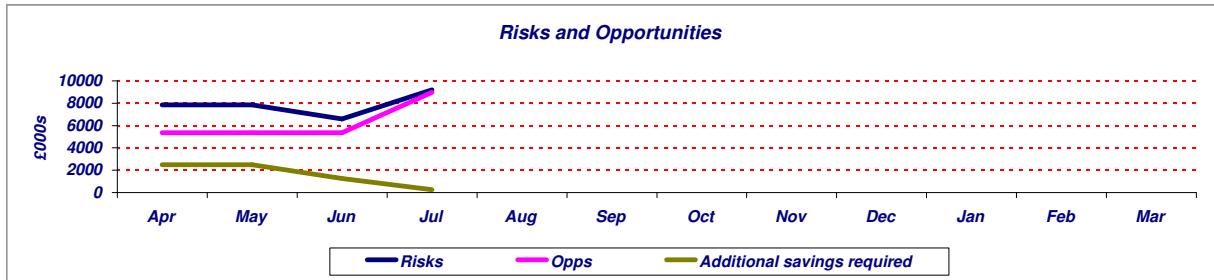
1. An element of overperformance has been included in the month 4 position, but at this stage in the year it is assumed that further overperformance may occur.

2. The current recovery report is showing potential shortfall of savings totalling c£5m against the level of savings required. The figures being reported assume that alternative schemes are implemented to offset those schemes.

3. The PCT has committed non recurrent expenditure e.g. dementia, maternity support, Community QIPP schemes etc. where funding is anticipated from the regional transitional fund. There is a risk that those resources are not made available.

4. To achieve the forecast surplus and to cover off reported overspends, £2,125k of contingency would be required, leaving £1,225k available against to offset risks.

At this point of the year if all risks and opportunities were to materialise the PCT's net risks, against the planned surplus, would be £(1,008)k at the end of July.



East Sussex PCTs - Savings Status Report

Update 5 - 2nd August 2011		Lead manager	ESDW				H&R				TOTAL EAST SUSSEX				FORECAST SAVINGS			KEY RISKS / ISSUES			COMMENTS
Description	PCT Lead	Project Stage	Plan net (£m)	Forecast Savings (£m)	Forecast costs (£m)	Forecast Net (£m)	Plan net (£m)	Forecast Savings (£m)	Forecast costs (£m)	Forecast Net (£m)	Plan net (£m)	Forecast Savings (£m)	Forecast costs (£m)	Forecast Net (£m)	Green	Amber	Red	Resource	Stakeholders	Others	
<b>Sussex Wide Schemes</b>																					
Reduction in surgical variations & Review of non 'value added' procedures																					
	TBC	2	1.73	-	-	-	0.16	-	-	-	1.89	-	-	-				R	R	R	Nothing happening cluster wide
	Nicky Young	1	0.64	-	-	-	-	-	-	-	0.64	-	-	-				R	R	R	
Ambulatory Care Programme Development																					
Ceasing tariff supplements for Locally Priced Services																					
	SN	6	0.95	-	-	-	-	-	-	-	0.95	-	-	-				R	R	R	Not expecting benefits in 11/12 SEC PM not expecting benefits in 11/12 (29/7).
	Ben Banfield	2	0.25	-	-	-	0.14	-	-	-	0.39	-	-	-				R	R	R	
3 digit number NHS pathways																					
Pathology rationalisation, impact on Direct Access tariffs																					
	TBC	2	0.16	-	-	-	0.09	-	-	-	0.25	-	-	-				R	R	R	
Dementia - Community Investment and Reductions in Admissions																					
	Packwood	2	0.04	-	0.55	(0.55)	0.02	-	0.33	(0.33)	0.06	-	0.88	(0.88)				R	R	R	
<b>Total Sussex Wide Schemes</b>			<b>3.77</b>	<b>-</b>	<b>0.55</b>	<b>(0.55)</b>	<b>0.41</b>	<b>-</b>	<b>0.33</b>	<b>(0.33)</b>	<b>4.18</b>	<b>-</b>	<b>0.88</b>	<b>(0.88)</b>							
<b>Service Redesign</b>																					
Nursing Homes																					
	Ben Banfield	3	1.36	0.39	0.08	0.31	0.50	0.23	0.04	0.19	1.86	0.62	0.12	0.50			0.50	R	A	R	First staff in post from 5th Sept (29/7).
RACOP & Enhanced Community Therapy Response																					
	Nicky Young	3	0.92	0.56	0.23	0.34	0.53	0.32	0.15	0.17	1.45	0.88	0.38	0.51			0.51	R	A	R	
Cardiology efficiency review																					
	TBC	0	0.64	-	-	-	0.36	-	-	-	1.00	-	-	-				R	R	R	
MSK Fracture liaison service																					
	Fiona Streeter	0	0.64	-	-	-	0.19	-	-	-	0.83	-	-	-				R	R	R	
Palliative Care Pathway																					
	Nicky Young	tbc	0.27	-	-	-	0.16	-	-	-	0.43	-	-	-				R	R	R	
Community IV (Antibiotics & Blood transfusion)																					
	Nicky Young	3	0.26	-	-	-	0.15	-	-	-	0.41	-	-	-				A	A	A	
Workforce development, on ACP, LCP DNACPR																					
	Kay Muir	tbc	0.20	0.18	0.10	0.08	0.11	0.10	0.05	0.05	0.31	0.28	0.15	0.13			0.13	A	G	A	
Ophthalmology - Stable glaucoma monitoring																					
	Alan Lewis	tbc	0.19	0.10	0.02	0.08	0.11	0.05	0.02	0.03	0.30	0.15	0.05	0.10			0.10	R	R	R	
Frequent Users																					
	Nicky Young	2	0.16	0.23	0.07	0.16	0.09	0.13	0.04	0.09	0.25	0.36	0.11	0.25		0.25		R	A	R	Needs tender waiver and funding source.
Others with planned savings less than £250k																					
	Nicky Young	3	0.81	0.93	0.59	0.35	0.47	0.32	0.29	0.03	1.28	1.25	0.88	0.38		0.38		R	R	R	
<b>Total Service Redesign</b>			<b>5.45</b>	<b>2.39</b>	<b>1.08</b>	<b>1.31</b>	<b>2.67</b>	<b>1.15</b>	<b>0.59</b>	<b>0.56</b>	<b>8.12</b>	<b>3.54</b>	<b>1.68</b>	<b>1.86</b>		<b>0.63</b>	<b>1.24</b>				
<b>Demand Management Schemes</b>																					
Demand Management - Planned																					
	TBC	0	4.05	-	-	-	-	-	-	-	4.05	-	-	-				R	R	R	BI support urgently required
Demand Management - Acute																					
	TBC	0	1.91	-	-	-	-	-	-	-	1.91	-	-	-				R	R	R	
Demand Management - LTC																					
	TBC	0	0.32	-	-	-	0.18	-	-	-	0.50	-	-	-				R	R	R	
<b>Total Demand Management Schemes</b>			<b>6.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.46</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>				
<b>Back Office, Contracting changes or Budget adjustments</b>																					
Better prescribing, targetting outliers, etc																					
	Sue Mills	3	4.02	2.62	-	2.62	2.67	1.77	-	1.77	6.69	4.39	-	4.39	4.39			A	A	G	Additional stretch target doubtful
Provider services efficiency improvement																					
	TBA	4	2.08	-	-	-	1.12	-	-	-	3.20	-	-	-				R	R	R	
Full year effect of 2010/11 reductions																					
	SN	4	1.39	1.39	-	1.39	1.29	1.29	-	1.29	2.68	2.68	-	2.68	2.00	0.28	0.40	G	G	G	
FYE NPFIT savings																					
	TBA	4	1.37	1.32	-	1.32	0.69	0.74	-	0.74	2.06	2.06	-	2.06	2.06			G	G	G	
Year 2 of Community Services Redesign																					
	TBA	3	1.30	0.46	-	0.46	0.70	0.24	-	0.24	2.00	0.70	-	0.70		0.70		G	R	G	
Ceasing Tariff supplement for Maternity Services																					
	SN	2	1.63	-	-	-	-	-	-	-	1.63	-	-	-				R	R	R	
A&E / MIU / WIC / OOH retender																					
	TBC	0	1.27	-	-	-	-	-	-	-	1.27	-	-	-				R	R	R	
Provider share of Management Costs savings																					
	TBA	3	0.69	0.18	-	0.18	0.37	0.09	-	0.09	1.06	0.27	-	0.27		0.27		G	R	G	
SPFT Contract renegotiation																					
	TBA	4	1.02	0.12	-	0.12	-	-	-	1.02	0.12	-	0.12	0.12				G	G	G	
MFF																					
	TBA	4	0.53	0.53	-	0.53	0.35	0.35	-	0.35	0.88	0.88	-	0.88	0.88			G	G	G	
Stroke tariff share																					
	Ali Hoptruff	tbc	0.82	-	-	-	-	-	-	-	0.82	-	-	-				R	R	R	
Savings expected from CSU, PCSS, SBS etc.																					
	SN	4	0.29	0.15	-	0.15	0.26	0.09	-	0.09	0.55	0.24	-	0.24	0.24			G	G	G	
NCS/Primary care contract review																					
	Murray King	4	0.32	0.32	-	0.32	0.18	0.18	-	0.18	0.50	0.50	-	0.50	0.50			G	G	G	
Intelligent commissioning for Health Improvement																					
	Anita Counsell	4	0.21	0.21	-	0.21	0.19	0.19	-	0.19	0.40	0.40	-	0.40	0.40			G	G	G	
Others below £400k																					
		4	0.27	0.71	-	0.71	0.24	0.47	-	0.47	0.51	1.18	-	1.18	1.18			G	G	G	
<b>Total Back Office, Contracting changes or Budget adjustments</b>			<b>17.21</b>	<b>8.01</b>	<b>-</b>	<b>8.01</b>	<b>8.06</b>	<b>5.41</b>	<b>-</b>	<b>5.41</b>	<b>25.27</b>	<b>13.43</b>	<b>-</b>	<b>13.43</b>	<b>11.77</b>	<b>1.25</b>	<b>0.40</b>				
<b>Further Savings Required</b>																					
		0																			29.62
<b>TOTAL SAVINGS</b>			<b>32.71</b>	<b>10.40</b>	<b>1.63</b>	<b>8.77</b>	<b>11.32</b>	<b>6.56</b>	<b>0.92</b>	<b>5.64</b>	<b>44.03</b>	<b>16.97</b>	<b>2.56</b>	<b>14.41</b>	<b>11.77</b>	<b>1.88</b>	<b>30.38</b>				

**Status Report Commentary at Month 4:**

1. The PCTs still require £44m of savings to achieve their planned surpluses for 2011/12
2. The demand management schemes can only be monitored once the acute provider SLA monitoring information is received.
3. To cover off the shortfall between the planned savings and the currently forecast savings £30m of savings need identifying.
4. Additional resources are being identified to support the PMO, however longstanding issues with lack of knowledge mgt support still have not been adequately resolved. Because of these we are unable to quantify savings for the following workstreams:

RACOP  
Dermatology  
BNP testing  
Community Cardiology  
MSK  
EOLC

**Stage of project**

Not started	0	-	-	29.62
Feasibility	1	-	-	-
Planning	2	-	0.25	(0.88)
Implementation	3	4.39	1.35	1.01
Monitoring	4	7.38	0.28	0.40
Completed	5	-	-	-
Abandoned	6	-	-	-
To be Confirmed	tbc	-	-	0.23
		<b>11.77</b>	<b>1.88</b>	<b>30.38</b>

**OTHER PERFORMANCE TARGETS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

1 2 3 4 5 6 7 8

**7: Capital Investment Programme**

	Full Yr	This Month		Year to Date			Forecast	
	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000	Outturn £000	Variance £000
Total Gross Capital Expenditure								
Estates Maintenance	2,217	0	0	0	0	0	2,217	0
IT Equipment	250	0	0	0	0	0	250	0
Charge Against the Capital Resource Limit (CRL)	2,467	0	0	0	0	0	2,467	0
Capital Resource Limit (CRL)	2,467	0	0	0	0	0	2,467	0
<b>(Over)/Underspend Against CRL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Status	
YTD	FY
G	G

Capital Expenditure: No expenditure is expected until M5.

**8. Better Payments Policy Code compliance**

**Non-NHS Payables**

Total Non-NHS Trade Invoices Paid in the Year  
 Total Non-NHS Trade Invoices Paid Within Target  
 Percentage of Non-NHS Trade Invoices Paid Within Target

**NHS Payables**

Total NHS Trade Invoices Paid in the Year  
 Total NHS Trade Invoices Paid Within Target

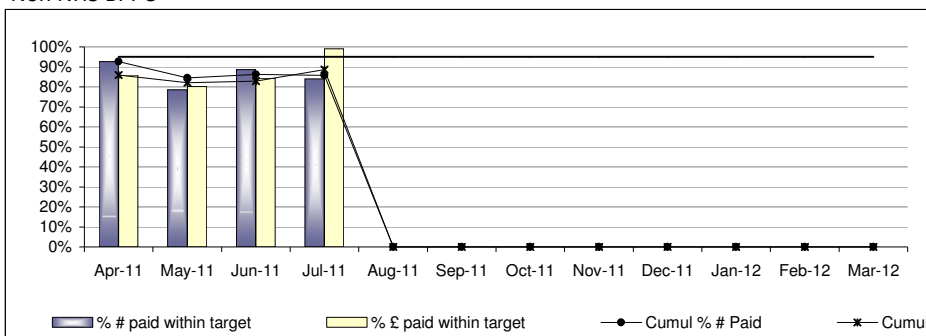
Percentage of NHS Trade Invoices Paid Within Target

Target	This Month		Year to date	
	Number	£000	Number	£000
	276	3,679	1,251	6,738
	232	3,646	1,073	5,583
95.00%	84.06%	99.10%	85.77%	82.86%
	109	19,155	643	75,562
	99	17,754	596	72,798
95.00%	90.83%	92.69%	92.69%	96.34%

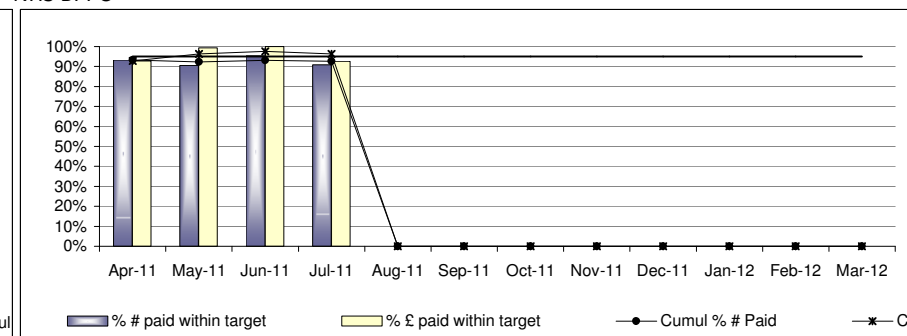
Performance against the 95% targets has been low, Improvement is expected in the year

Status	
MTH	YTD
R	A
A	A

Non NHS BPPC



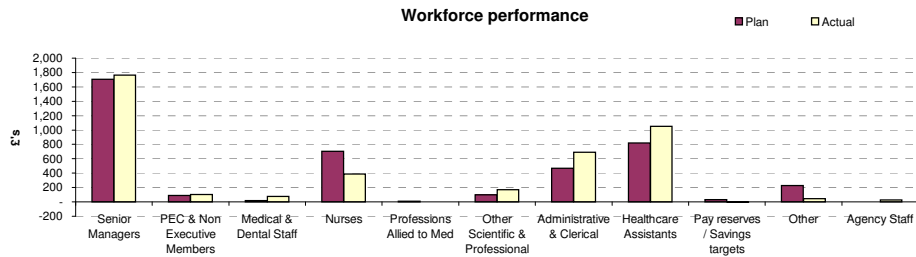
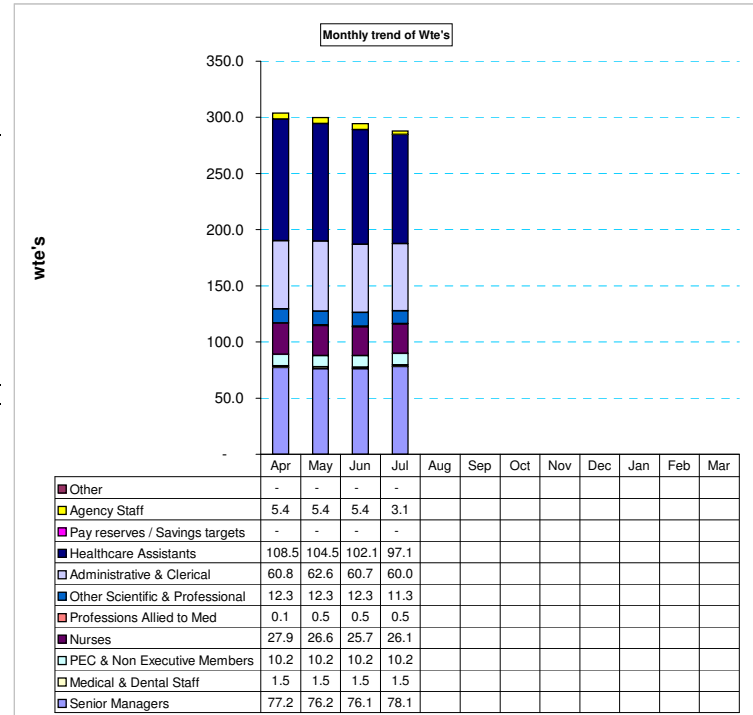
NHS BPPC



**9: WORKFORCE PERFORMANCE INDICATORS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

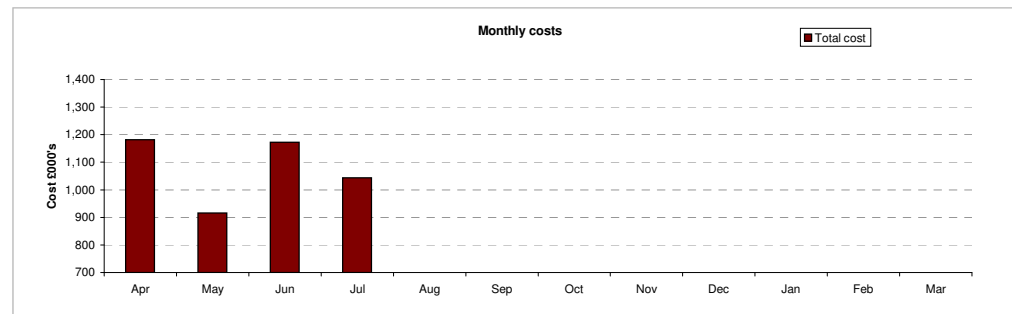
**9.1 : Workforce**

	Full Year				Year to Date			
	Plan	Plan	Actual	Variance	Plan	Month Cont	YTD	Variance
	£000's	£000's	£000's	£000's	Wte	Wte	Wte	Wte
Senior Managers	5,117	1,706	1,766	(60)	75.4	78.1	76.9	(1.5)
PEC & Non Executive Members	274	91	105	(14)	12.0	10.2	10.2	1.8
Medical & Dental Staff	56	19	77	(58)	0.0	1.5	1.5	(1.5)
Nurses	1,987	703	388	315	41.7	24.2	26.6	15.1
Professions Allied to Med	26	9	0	9	0.7	0.5	0.4	0.2
Other Scientific & Professional	292	97	171	(74)	6.2	11.3	12.1	(5.8)
Administrative & Clerical	1,404	468	689	(221)	45.6	59.9	61.0	(15.4)
Healthcare Assistants	2,135	821	1,050	(230)	110.0	97.1	103.0	7.0
Pay reserves / Savings targets	101	34	(5)	39	0.0	0.0	0.0	0.0
Other	677	226	45	181	15.7	0.0	0.0	15.7
Agency Staff	0	0	29	(29)	0.0	3.1	4.8	(4.8)
<b>Total</b>	<b>12,069</b>	<b>4,172</b>	<b>4,315</b>	<b>(143)</b>	<b>307.3</b>	<b>285.9</b>	<b>296.5</b>	<b>10.8</b>



	Full Year				Year to Date				Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
	Plan	Plan	Actual	Variance	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Corporate Management	623	208	346	(138)	173	35	49	89													
Patient & Public Engagement mgmt	3,404	1,135	1,035	100	264	263	254	254													
Public Health Management	1,115	372	432	(60)	138	91	105	98													
Human Resources	132	44	65	(21)	8	25	16	16													
Contracting, Performance and Procurement	2,348	783	805	(22)	176	188	229	212													
Strategy and Primary Care	113	38	7	31	5	1	0	1													
Finance	1,214	405	383	22	99	112	86	86													
LD Homes	3,120	1,189	1,242	(53)	319	201	434	288													
<b>Total cost</b>	<b>12,069</b>	<b>4,172</b>	<b>4,315</b>	<b>(143)</b>	<b>1,182</b>	<b>916</b>	<b>1,173</b>	<b>1,044</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Some corrective adjustments have been made to June's actual figures to show the position after the transfer of some corporate staff to ESHT for community services.





**10: STATEMENT OF FINANCIAL POSITION (previously BALANCE / SHEET) AS AT 31 JULY 2011**

	NOTE	Opening Balance		Actual
		01 APRIL 2011	31 JULY 2011	Movement
		£000	£000	£000
<b>Non-current assets:</b>				
Property, plant and equipment	1	31,216	32,495	1,279
Intangible assets		0	0	0
<b>Total non-current assets</b>		<b>31,216</b>	<b>32,495</b>	<b>1,279</b>
<b>Current assets:</b>				
Inventories		0	0	0
Trade and other receivables	2	9,928	8,124	(1,804)
Cash and cash equivalents	3	7	899	892
		<b>9,935</b>	<b>9,023</b>	<b>(912)</b>
Non-current assets classified "Held for Sale"		0	0	0
<b>Total current assets</b>		<b>9,935</b>	<b>9,023</b>	<b>(912)</b>
<b>Total assets</b>		<b>41,151</b>	<b>41,518</b>	<b>367</b>
<b>Current liabilities</b>				
Trade and other payables	4	(29,010)	(26,646)	2,364
Other liabilities		0	0	0
Provisions		(117)	0	117
<b>Total current liabilities</b>		<b>(29,127)</b>	<b>(26,646)</b>	<b>2,481</b>
<b>Non-current assets plus/less net current assets/liabilities</b>		<b>12,024</b>	<b>14,872</b>	<b>2,848</b>
<b>Non-current liabilities</b>				
Provisions		(600)	(451)	149
<b>Total non-current liabilities</b>		<b>(600)</b>	<b>(451)</b>	<b>149</b>
<b>Total Assets Employed:</b>		<b>11,424</b>	<b>14,421</b>	<b>2,997</b>
<b>FINANCED BY:</b>				
<b>TAXPAYERS' EQUITY</b>				
General fund		2,866	5,886	3,020
Revaluation reserve		6,324	6,324	0
Donated asset reserve		2,234	2,211	(23)
<b>Total Taxpayers' Equity:</b>		<b>11,424</b>	<b>14,421</b>	<b>2,997</b>

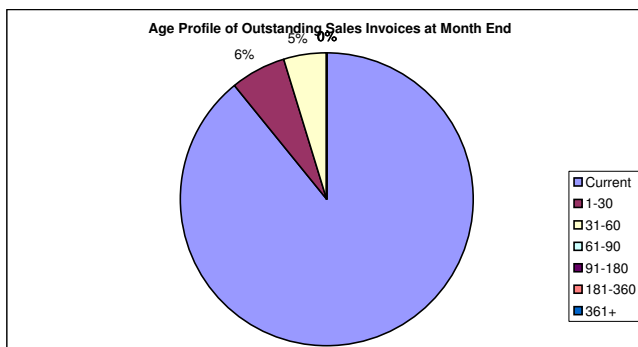
**Notes on Movements**

**1 Non Current Assets** - The increase of £1,279k is the net of VAT refund on Station Plaza accrued at the end of last year and the depreciation charges for the first four months on the new year.

**2 Trade and Other Receivables** - The decrease of £1.804m is due to the reversal of a year end debtor relating to the overcharging of Provider Services in 2010/11.

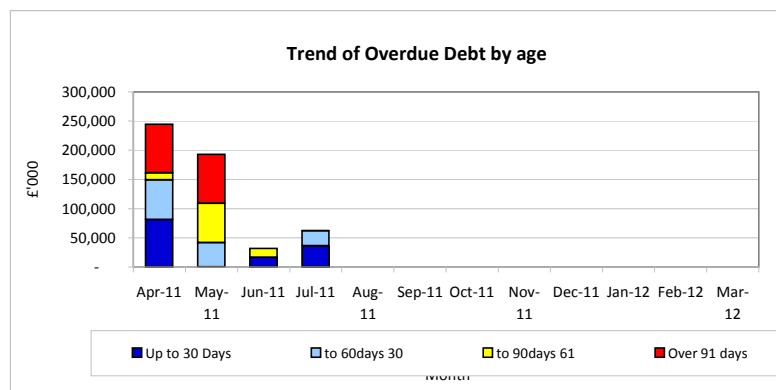
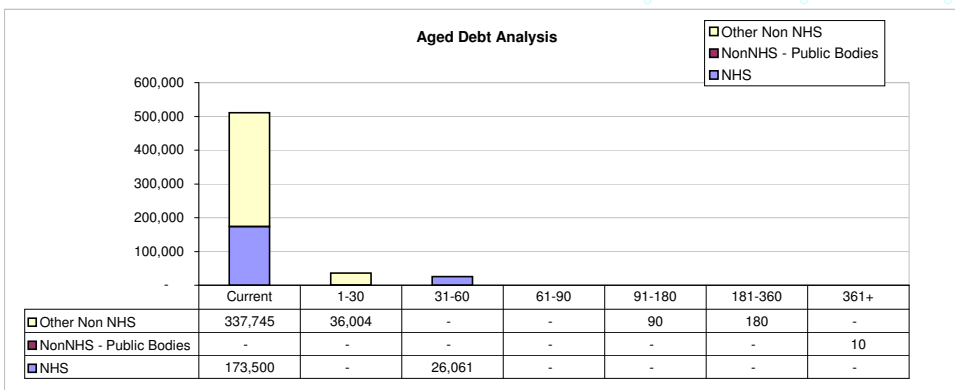
**3 Cash** - The cashflow balance is the ledger balance adjusted for timing difference when receipts and payments actually hit the bank, plus any cash in hand held as petty cash. The cash book balance excluding petty cash is £896k.

**4 Trade and Other Payables** - The decrease of £2.364m relates to a reduction in the month end accrual required for Prescribing, due to actuals being available.



**AGED DEBT Commentary:**

At the end of July 2011, the PCT had £62k overdue debtors (Total Debtors excluding current debtors) of which 0.01% are over 60 days overdue.



**11: STATEMENT OF CASHFLOWS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

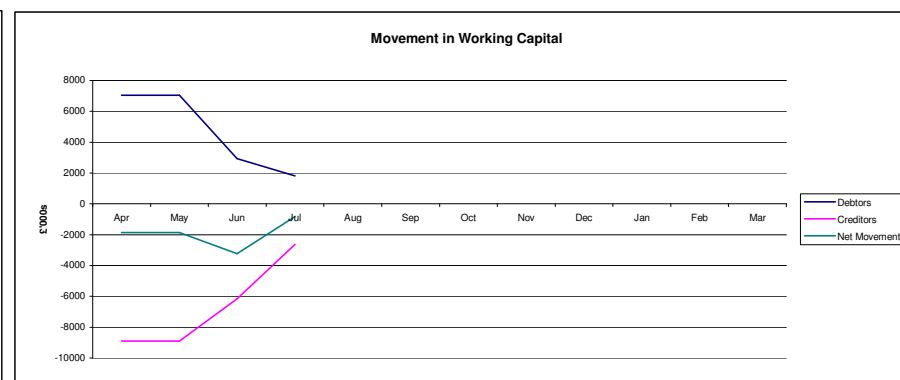
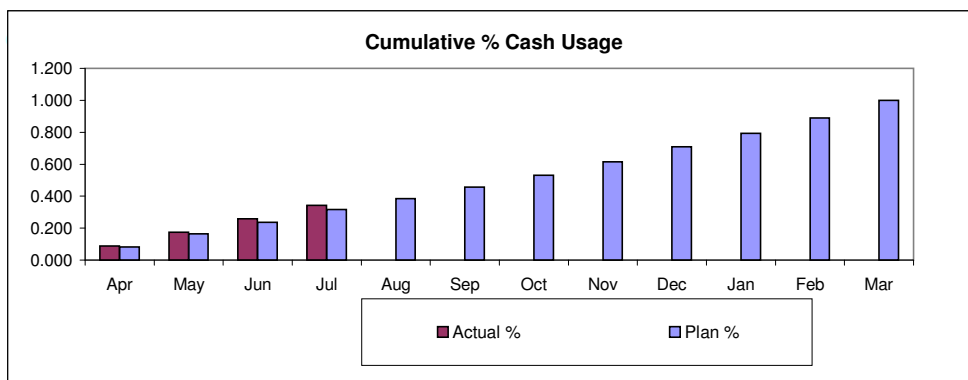
	NOTE	Full Year	Year to Date			Forecast
		Plan	Plan	Actual	Variance	Outturn
		£000s	£000s	£000s	£000s	£000s
<b>Cash Flows from Operating Activities</b>						
Net Operating Cost Before Interest		(330,758)	(111,065)	(110,346)	(719)	(331,894)
Other Cash Flow Adjustments (see PCT24)		1,138	379	(1,729)	2,108	1,138
Movements in Working Capital (See PCT24)		3,079	6,727	(560)	7,287	2,252
Provisions utilised		(780)	(260)	(266)	6	(780)
Interest Paid		0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		<b>(327,321)</b>	<b>(104,219)</b>	<b>(112,901)</b>	<b>8,682</b>	<b>(329,284)</b>
<b>Cash Flows from Investing Activities</b>						
(Payments) for Property, Plant and Equipment		(2,767)	0	0	0	(2,767)
(Payments) for Intangible Assets		0	0	0	0	0
Proceeds from disposals of assets held for sale		0	0	0	0	0
(Payments) for Financial Assets (LIFT)		0	0	0	0	0
Proceeds from the disposal of Financial Assets (LIFT)		0	0	0	0	0
Loans Made in Respect of LIFT		0	0	0	0	0
Loans Repaid in Respect of LIFT		0	0	0	0	0
(Payments) for Other Financial Assets		0	0	0	0	0
Proceeds of Disposal of Other Financial Assets		0	0	0	0	0
Interest Received		0	0	0	0	0
Rental revenue		0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Investing Activities</b>		<b>(2,767)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,767)</b>
<b>Cash Flows from Financing Activities</b>						
Net Parliamentary Funding		330,088	104,218	113,793	(9,575)	332,051
Capital Receipts Surrendered		0	0	0	0	0
Capital Grants Received		0	0	0	0	0
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT		0	0	0	0	0
Cash Transferred (to)/from Other NHS Bodies (free text note required)		0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>		<b>330,088</b>	<b>104,218</b>	<b>113,793</b>	<b>(9,575)</b>	<b>332,051</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>0</b>	<b>(1)</b>	<b>892</b>	<b>(893)</b>	<b>(0)</b>
<b>Cash and Cash Equivalents ( and Bank Overdraft) at Beginning of the Period</b>		<b>25</b>	<b>25</b>	<b>7</b>	<b>18</b>	<b>7</b>
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies		0	0	0	0	0
<b>Cash and Cash Equivalents (and Bank Overdraft)</b>		<b>25</b>	<b>24</b>	<b>899</b>	<b>(875)</b>	<b>7</b>

Notes

Summary: The PCT continues to manage within its overall cash limit, and has utilised fully its planned draw-down.

The cash limit drawn down each month is based on monthly forecast of cash requirements at the time. The PCT has drawdown 34.3% of its anticipated Cash Limit at Month 4 against a planned drawdown of 31.6%. The PCT drew down extra this month due to the timing of some large payments to ESCC.

Forecast: The PCT will meet its cashlimit projections at year end.



**2011 -12 FINANCE REPORT**  
**FOR THE FOUR MONTHS ENDED 31 JULY 2011**

Contents

- 1 Revenue and Surplus Statement
- 2 Operating Cost statement (I&E position)
- 3 Commissioning Analysis
- 4 Risk analysis
- 5 QIPP financial assessment
- 6 Capital Investment Programme
- 7 Better Payments Policy Code compliance
- 8 Workforce Performance Indicators
- 9 Statement of Financial Position (Balance sheet)
- 10 Cashflow Statement

Presented by  
Michael Schofield  
Director of Finance and Investments

Date  
Sep-11

1 Revenue & Surplus Statement	2	3		4			5		6		7		8		YTD	FOT
	Full Yr	This Month		Year to Date			Forecast		Forecast	Variance *	Forecast	Variance *				
Notes	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance * £000	Forecast £000	Variance * £000	Forecast £000	Variance * £000	Forecast £000	Variance * £000				
<b>Operating Costs:</b>																
PCT Cluster and Central	323,955	24,132	(328)	111,053	112,248	(1,195)	334,092	(10,137)	334,092	(10,137)	R	R	R	R		
Joint Commissioning Unit	174,581	15,302	(745)	58,194	58,983	(789)	177,385	(2,804)	177,385	(2,804)	R	R	R	R		
Public Health	22,655	4,414	(64)	7,377	6,432	945	21,072	1,583	21,072	1,583	G	G	G	G		
CWS Consortia	407,209	33,743	(2,264)	137,793	139,967	(2,174)	419,127	(11,917)	419,127	(11,917)	R	R	R	R		
NWSCA Consortia	315,953	29,691	(2,421)	107,724	110,119	(2,395)	324,341	(8,388)	324,341	(8,388)	R	R	R	R		
Reserves	16,697	1,045	29	6,130	6,697	(568)	18,822	(2,125)	18,822	(2,125)	R	R	R	R		
Contingency	9,543	(2,386)	3,181	3,181	0	3,181	0	9,543	0	9,543	G	G	G	G		
<b>Total Net Operating Cost for the Financial Year</b>	<b>1,270,593</b>	<b>105,942</b>	<b>(2,613)</b>	<b>431,451</b>	<b>434,446</b>	<b>(2,995)</b>	<b>1,294,839</b>	<b>(24,245)</b>	<b>1,294,839</b>	<b>(24,245)</b>						
Risks in mid case not included above	0	0	0	0	0	0	20,285	(20,285)	20,285	(20,285)						
Additional opportunities/ savings	0	0	0	0	0	0	(44,530)	44,530	(44,530)	44,530	R	R	R	R		
<b>Net Operating Cost less Non Discretionary Expenditure</b>	<b>1,270,593</b>	<b>105,942</b>	<b>(2,613)</b>	<b>431,451</b>	<b>434,446</b>	<b>(2,995)</b>	<b>1,270,594</b>	<b>0</b>	<b>1,270,594</b>	<b>0</b>						
Revenue Resource Limit	1,283,394	104,396	0	435,718	435,718	0	1,283,394	0	1,283,394	0						
<b>Surplus/(Deficit)</b>	<b>12,801</b>	<b>(1,546)</b>	<b>(2,613)</b>	<b>4,267</b>	<b>1,271</b>	<b>(2,995)</b>	<b>12,800</b>	<b>0</b>	<b>12,800</b>	<b>0</b>	R	R	R	R		

\* Favourable/ (Adverse)

## Headlines

This report presents the financial performance for the year to date position for the first four months of 2011/12

YTD - The YTD position now includes the shortfall on CIP & DMS QIPP schemes that have materialised and this is a major factor in the adverse movement of £2.6m in month that has given rise to a YTD adverse variance of £3m. The YTD surplus is now £1.3m compared to the plan of £4.3m. The YTD position includes use of £3.1m of the contingency reserve. The YTD position does not include the risk around those QIPP schemes that are profiled to deliver later in the year.

Forecast annual outturn (FOT)- The forecast is still being reported in line with the control total of a surplus of £12.8m. A recent external due diligence exercise has confirmed significant risks to the achievement of this plan and this is reported as the worst case risk in the risk and mitigation section. The reported FOT is based on the mid case risks of £60.9m before mitigations. The contingency of £9.5m has now all been factored in to the FOT.

A detailed review is currently being undertaken of all budgets and expenditure in order to manage specific risks and to identify all potential opportunities. The relevant mitigations and savings plans are being agreed and worked up with the relevant Executive Team members and budget holders. The PCT is working with providers to ensure the local health economy risks are identified and managed collectively in addressing the opportunities / savings.

□

**2: OPERATING COST STATEMENT FOR THE FOUR MONTHS ENDED 31 JULY 2011**

Notes

The HQ & corporate overspend arises largely from slippage in 2010/11 of hosted services that is expected to be reinvested.

The primary care forecast overspend is based on the financial assessment of the QIPP scheme for primary care and cost pressures including forecast costs of QOF being higher than planned

See section 3 (commissioning for headlines on specialist, SECAMB & Coastal/ NWSA acute variances)

Operating plan investments forecast variance arises from central QIPP savings slippage

Mental Health forecast variance arises from the removal of the assumed transformation funding for dementia and the planned savings from responsible commissioner not being agreed

The forecast outturn variances for medicines management in NWSA & Coastal are based on 2 months PPA data forecast adjusted for prescribing days

	2: OPERATING COST STATEMENT FOR THE FOUR MONTHS ENDED 31 JULY 2011								Status		Reconciliation to section 3 commissioning		
	Full Yr Plan £000	Month		Year to date			Forecast		YTD	FY	Full Yr Plan £000	Forecast £000	Variance * £000
		Actual £000	Variance £000	Plan £000	Actual £000	Variance * £000	Forecast £000	Variance * £000					
<b>PCT Cluster and Central</b>													
HQ and Corporate	10,045	1,031	124	3,634	3,745	(112)	11,004	(959)					
Primary Care	99,518	8,125	92	33,171	33,165	6	101,705	(2,187)			8,497	7,942	555
Dental	32,566	2,632	81	10,855	11,122	(267)	32,422	143					
Ophthalmic	6,566	514	34	2,189	2,291	(102)	6,492	73					
Estates	1,662	164	(27)	567	348	219	1,005	656					
Community Services SCT contract	112,486	9,350	24	37,495	37,399	97	112,197	290			112,486	112,197	290
Community Services Other	(1,014)	183	(66)	468	261	207	(129)	(886)					
JCU/Public Health/ Other recharges (Community)	(32,164)	(4,633)	(24)	(10,721)	(10,625)	(97)	(31,874)	(290)					
Community Services (net)	79,308	4,899	(66)	27,242	27,035	207	80,194	(886)					
Other Acute	8,147	455	(74)	3,546	3,135	410	8,257	(111)			8,147	8,257	(111)
Specialist	22,101	1,890	(49)	7,367	7,911	(544)	22,982	(881)			22,101	22,982	(881)
Sussex Ambulance	27,058	2,418	(161)	9,002	9,483	(482)	28,299	(1,241)			27,058	28,299	(1,241)
Continuing Care	52,504	4,575	(189)	17,501	17,905	(404)	53,366	(862)			52,504	53,366	(862)
Other Commissioning	3,187	406	(141)	1,062	1,256	(194)	3,769	(582)			3,187	3,769	(582)
JCU recharge (acute)	(16,023)	(2,670)		(5,341)	(5,341)		(16,023)						
Operating Plan investments	(2,684)	(308)	48	259	191	67	619	(3,303)					
<b>Subtotal PCT Cluster and Central</b>	<b>323,955</b>	<b>24,132</b>	<b>(328)</b>	<b>111,053</b>	<b>112,248</b>	<b>(1,195)</b>	<b>334,092</b>	<b>(10,137)</b>	<b>R</b>	<b>R</b>	<b>233,981</b>	<b>236,812</b>	<b>(2,831)</b>
<b>Joint Commissioning Unit</b>													
Adults and older people	117	10		39	39		117	0					
Specialist Support and Children	40,662	3,484	(88)	13,554	13,486	67	40,513	148					
Additional Services	15,419	1,252	33	5,140	5,007	133	15,269	150			1,100	1,100	(0)
Mental Health	103,491	9,328	(704)	34,497	35,410	(913)	106,498	(3,006)			103,491	106,498	(3,006)
Learning Disabilities	14,724	1,241	(14)	4,908	5,011	(103)	14,901	(177)			14,724	14,901	(177)
Joint commissioning mgt team	168	(13)	27	56	29	27	87	81					
<b>Subtotal Joint Commissioning unit</b>	<b>174,581</b>	<b>15,302</b>	<b>(745)</b>	<b>58,194</b>	<b>58,983</b>	<b>(789)</b>	<b>177,385</b>	<b>(2,804)</b>	<b>R</b>	<b>R</b>	<b>119,315</b>	<b>122,499</b>	<b>(3,183)</b>
<b>Public Health</b>													
Public Health commissioning	22,655	4,414	(64)	7,377	6,432	945	21,072	1,583					
<b>Subtotal Public Health</b>	<b>22,655</b>	<b>4,414</b>	<b>(64)</b>	<b>7,377</b>	<b>6,432</b>	<b>945</b>	<b>21,072</b>	<b>1,583</b>	<b>G</b>	<b>G</b>			
<b>CWS Consortia Board</b>													
Corporate	2,076	133	48	692	532	159	1,857	219					
Local Acute	290,928	23,575	(1,357)	99,311	100,954	(1,643)	301,557	(10,628)			290,928	301,557	(10,628)
Other Acute	1,814	175	(24)	605	432	173	1,296	519			1,814	1,296	519
Primary Care Enhanced Services	8,250	798	(112)	2,748	2,884	(137)	8,455	(205)					
Medicines Management	83,301	7,299	(792)	27,491	28,281	(790)	85,254	(1,953)					
Other Commissioning	6,980	706	(125)	2,327	2,369	(42)	7,161	(181)			6,980	7,161	(181)
<b>Subtotal CWS Consortia</b>	<b>407,209</b>	<b>33,743</b>	<b>(2,264)</b>	<b>137,793</b>	<b>139,967</b>	<b>(2,174)</b>	<b>419,127</b>	<b>(11,917)</b>	<b>R</b>	<b>R</b>	<b>299,722</b>	<b>310,014</b>	<b>(10,290)</b>
<b>NWSA Consortia</b>													
Corporate	1,293	109	(2)	431	421	11	1,277	17					
Local Acute	201,931	19,952	(1,791)	69,902	71,667	(1,766)	208,457	(6,526)			201,931	208,457	(6,526)
Other Acute	11,317	941	(139)	3,772	4,181	(409)	12,544	(1,226)			11,317	12,544	(1,226)
London Acute	33,667	2,788	18	11,222	11,090	133	33,269	398			33,667	33,269	398
Primary Care Enhanced Services	5,893	434	57	1,964	1,918	46	5,847	46					
Medicines Management	48,339	4,391	(616)	15,953	16,378	(425)	49,465	(1,126)					
Community Pharmacy	7,721	592	52	2,574	2,515	58	7,546	174					
Other Commissioning	5,791	484	0	1,905	1,949	(44)	5,936	(145)			5,791	5,936	(145)
<b>Subtotal NWSA Consortia</b>	<b>315,953</b>	<b>29,691</b>	<b>(2,421)</b>	<b>107,724</b>	<b>110,119</b>	<b>(2,395)</b>	<b>324,341</b>	<b>(8,388)</b>	<b>R</b>	<b>R</b>	<b>252,707</b>	<b>260,206</b>	<b>(7,500)</b>
<b>Reserves</b>													
Contingency	9,543	(2,386)	3,181	3,181		3,181	0	9,543	<b>G</b>	<b>G</b>			
Earmarked Reserves	16,697	1,045	29	6,130	6,697	(568)	18,822	(2,125)	<b>R</b>	<b>R</b>			
<b>Subtotal Other expenditure</b>	<b>26,240</b>	<b>(1,341)</b>	<b>3,210</b>	<b>9,311</b>	<b>6,697</b>	<b>2,613</b>	<b>18,822</b>	<b>7,418</b>					
<b>Commissioning net operating cost</b>	<b>1,270,594</b>	<b>105,942</b>	<b>(2,613)</b>	<b>431,451</b>	<b>434,446</b>	<b>(2,995)</b>	<b>1,294,839</b>	<b>(24,245)</b>			<b>905,725</b>	<b>929,531</b>	<b>(23,805)</b>
<b>PCT net operating costs before interest</b>	<b>1,270,594</b>	<b>105,942</b>	<b>(2,613)</b>	<b>431,451</b>	<b>434,446</b>	<b>(2,995)</b>	<b>1,294,839</b>	<b>(24,245)</b>					
Other (Gains)/Losses													
Risks not included in forecast							20,285	(20,285)					
Additional opportunities/ savings							(44,530)	44,530	<b>R</b>	<b>R</b>			
<b>Net operating costs for the year</b>	<b>1,270,594</b>	<b>105,942</b>	<b>(2,613)</b>	<b>431,451</b>	<b>434,446</b>	<b>(2,995)</b>	<b>1,270,594</b>	<b>0</b>					
Revenue Resource Limit	1,283,394	104,396		435,718	435,718		1,283,394						
<b>Surplus / (Deficit)</b>	<b>12,800</b>	<b>(1,545)</b>	<b>(2,613)</b>	<b>4,267</b>	<b>1,270</b>	<b>(2,995)</b>	<b>12,800</b>	<b>0</b>	<b>R</b>	<b>R</b>			
* Favourable/ (Adverse)													

## 3.1: KEY PROVIDER CONTRACTS FOR THE FOUR MONTHS ENDED 31 JULY 2011

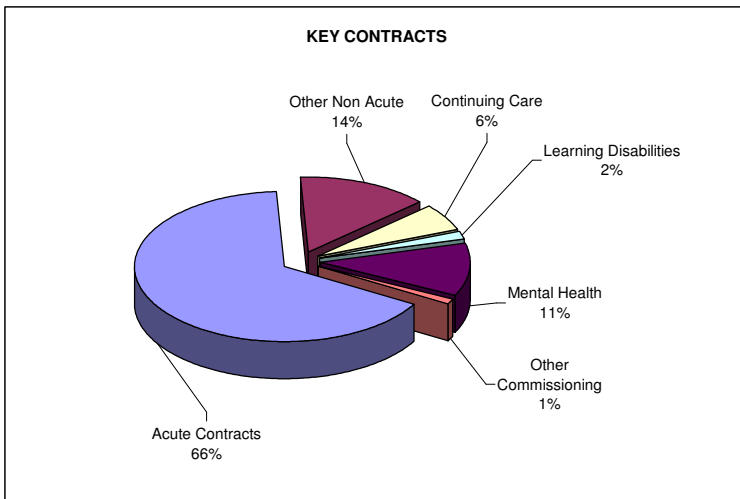
## Headlines

Month 4 acute contract position for WSHT is based on the month 3 YTD activity, operational data for KPIs and includes the risk assessment of the delivery of QIPP schemes and the costs to deliver 18 weeks

Similarly the SASH forecast outturn is based on month 3 YTD activity and includes a risk assessment of the delivery of QIPP schemes.

Specialist commissioning & SECAMB budgets include QIPP savings. As at month 3 the forecast outturn does not assume full delivery of these savings.

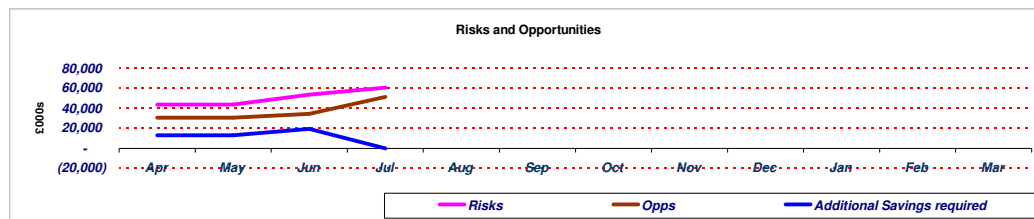
Other acute includes a reserve for acute contract items (readmissions/ sch 7) and the QIPP contracting & efficiency scheme. The QIPP scheme has been profiled to deliver savings for the latter part of the year.



Commissioning	Full Year Budget £(000)	Year to date Budget £(000)	Year to date Actual £(000)	Year to date Variance £(000)	FYOT £(000)	Full Year Variance £(000)
Portsmouth Hospitals	14,855	4,952	5,214	(262)	14,855	0
Southampton Hospitals	8,841	2,947	2,840	107	8,901	(60)
Western Sussex Hospitals	276,833	94,613	96,096	(1,484)	287,391	(10,558)
Sexual Health in WSHT commissioned from Public Health	(9,601)	(3,200)	(3,200)	0	(9,601)	0
Brighton & Sussex Uni Hospitals	95,638	33,178	34,754	(1,575)	99,022	(3,383)
Royal Surrey County	10,927	3,642	3,983	(340)	11,948	(1,021)
Surrey & Sussex Hospitals	80,273	27,903	27,626	277	82,393	(2,120)
Queen Victoria	12,186	4,209	4,102	108	12,236	(49)
Other Local Acute	2,907	969	1,207	(238)	2,870	37
<b>Subtotal Local acute</b>	<b>492,859</b>	<b>169,212</b>	<b>172,621</b>	<b>(3,409)</b>	<b>510,013</b>	<b>(17,155)</b>
Specialist commissioning	22,101	7,367	7,911	(544)	22,983	(882)
SECAMB	26,228	8,743	9,376	(633)	27,469	(1,241)
<b>Subtotal Specialist &amp; SECAMB</b>	<b>48,329</b>	<b>16,110</b>	<b>17,286</b>	<b>(1,177)</b>	<b>50,452</b>	<b>(2,123)</b>
<b>Total London Acute</b>	<b>33,667</b>	<b>11,222</b>	<b>11,090</b>	<b>133</b>	<b>33,269</b>	<b>398</b>
The Bridge	0	0	(8)	8	(23)	23
Care UK/ SOTC	6,004	2,001	2,328	(326)	6,983	(979)
Nuffield Haywards Heath	0	0	10	(10)	30	(30)
Horder centre	829	276	283	(7)	849	(20)
The Spire	1,637	546	606	(61)	1,818	(182)
Nuffield Chichester	0	0	1	(1)	2	(2)
BMI Goring Hall	0	0	8	(8)	23	(23)
BMI Netcare	1,517	506	423	82	1,270	247
NCA Non NHS	675	225	131	94	392	283
<b>Subtotal Independent Sector Contra</b>	<b>10,662</b>	<b>3,554</b>	<b>3,782</b>	<b>(228)</b>	<b>11,345</b>	<b>(684)</b>
Patient transport	830	259	108	151	830	0
Epsom & St Helier	2,470	823	831	(8)	2,494	(24)
NCA NHS	7,079	2,360	2,368	(8)	7,103	(24)
Care at home drugs	2,360	787	434	353	1,247	1,113
Other acute	(1,292)	399	334	65	(93)	(1,199)
<b>Total ACUTE</b>	<b>596,964</b>	<b>204,726</b>	<b>208,853</b>	<b>(4,127)</b>	<b>616,661</b>	<b>(19,697)</b>
Sussex Community Trust	112,486	37,495	37,399	97	112,197	290
Hospices	3,360	1,120	1,114	6	3,360	0
Home oxygen service	1,439	480	543	(63)	1,629	(190)
Darlington Court	1,047	349	354	(5)	1,051	(5)
Clinical commissioning LIS/ GPC	2,907	485	525	(40)	2,880	27
Other non acute (< £1m individually)	7,205	2,861	3,039	(178)	7,945	(740)
<b>Total NON ACUTE</b>	<b>128,445</b>	<b>42,790</b>	<b>42,973</b>	<b>(183)</b>	<b>129,063</b>	<b>(618)</b>
Continuing Healthcare	37,765	12,588	12,777	(188)	38,330	(565)
Funded Nursing Care	14,740	4,913	5,128	(215)	15,036	(296)
<b>Total CONTINUING CARE</b>	<b>52,504</b>	<b>17,501</b>	<b>17,905</b>	<b>(404)</b>	<b>53,366</b>	<b>(862)</b>
Learning Disabilities Expenditure	14,724	4,908	5,011	(103)	14,901	(177)
<b>Learning Disabilities</b>	<b>14,724</b>	<b>4,908</b>	<b>5,011</b>	<b>(103)</b>	<b>14,901</b>	<b>(177)</b>
SPFT Block Contract	72,654	24,218	24,745	(527)	74,236	(1,582)
Sussex Community Trust	7,108	2,369	2,369	0	7,108	0
Other Mental Health	17,921	6,942	7,328	(386)	19,345	(1,424)
Substance Misuse	5,809	968	968	0	5,809	0
<b>MENTAL HEALTH</b>	<b>103,491</b>	<b>34,497</b>	<b>35,410</b>	<b>(913)</b>	<b>106,498</b>	<b>(3,006)</b>
Carers breaks	1,100	367	367	(0)	1,100	(0)
Out of hours	7,246	2,415	2,415	(0)	7,246	(0)
Walk in centre	1,251	417	232	185	696	555
<b>OTHER COMMISSIONING CONTRAC</b>	<b>9,597</b>	<b>3,199</b>	<b>3,014</b>	<b>185</b>	<b>9,042</b>	<b>555</b>
<b>GRAND TOTAL</b>	<b>905,725</b>	<b>307,621</b>	<b>313,167</b>	<b>(5,546)</b>	<b>929,531</b>	<b>(23,806)</b>

**4: RISK ANALYSIS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

Risks, Opportunities, Mitigation actions	Note	Best Case	Mid Case	Worst Case	Value reflected in FOT	Value not included FOT
		£000s	£000s	£000s	£000s	£000s
<b>Risks</b>						
Achievement of Cost Improvements		(12,479)	(12,488)	(19,142)	(12,479)	(9)
Achievement of Service Redesign/ demand management		(10,149)	(22,058)	(22,058)	(10,149)	(11,909)
Acute trust growth higher than assumed		0	(5,256)	(12,500)	(3,000)	(2,256)
Achievement of 18 weeks		(4,500)	(4,500)	(3,900)	(4,500)	0
Prescribing growth higher than assumed		(1,350)	(2,700)	(2,700)	(589)	(2,111)
Specialist/ SECAMB growth higher than assumed			(366)	0	(112)	(254)
Other operational (hq & hosted)		(1,115)	(1,115)	(2,000)	(1,115)	0
Other operational (primary care QOF & walk in centre)		(437)	(437)	(500)	(437)	0
Other operational (cont care)		(306)	(612)	0	(612)	0
Responsible commissioner MH not agreed		(1,500)	(1,500)	0	(1,500)	0
Central funding assumptions not agreed (RTF, reablement)		(1,506)	(1,506)	(4,600)	(1,506)	0
ISTC dual tariff impact		(613)	(1,226)	0	(1,226)	0
Contract issues		(291)	(582)	0	(582)	0
Registrars not fully reimbursed by workforce development funds		0	(1,000)	(1,000)	(1,000)	0
Provisions		(1,000)	(1,000)	(1,000)	(1,000)	0
Impairments		0	(4,163)			(4,163)
IVF				(800)	0	
Public Health				(500)	0	
Local price review				(2,800)	0	0
Other					(796)	416
<b>Subtotal risks</b>		<b>(35,247)</b>	<b>(60,889)</b>	<b>(73,500)</b>	<b>(40,604)</b>	<b>(20,285)</b>
<b>Opportunities</b>						
DMS upside		5,524	5,524			5,524
Reduce QIPP investments where ROI is low/ delivery risk high		1,579	1,579		1,183	396
Manage overperformance with mitigations to address specific areas		529	529			529
Impairments			4,163			4,163
Forecast outturn underspends		5,632	5,632		5,632	0
See action plan further mitigations :						
- Stop RTF schemes not funded/ alternative funding		2,300	1,300			1,300
- Slippage in NPFIT		2,000	1,000			1,000
- Public Health OP plan investments		1,000	500			500
- Social care fund		2,000	1,000			1,000
- Mental Health op plan investments		1,000	500			500
- Other OP plan investments		500	250			250
- Bariatrics QIPP upside		1,479	540	0		540
- Mitigate GP registrars income risk		1,000	500			500
Coastal - delivery of FOT before PWC QIPP risk			3,587			3,587
NWA - delivery of FOT before PWC QIPP risk			6,231			6,231
Other mitigations			(142)			(142)
Decommission						0
Lodgements						0
To be identified - Including Cost interrogation through star chamber		5,854	18,654			18,654
<b>Subtotal Opportunities before contingency</b>		<b>30,396</b>	<b>51,347</b>	<b>0</b>	<b>6,815</b>	<b>44,531</b>
<b>Net (Risks) / Opportunities before contingency</b>		<b>(4,851)</b>	<b>(9,543)</b>	<b>(73,500)</b>	<b>(33,789)</b>	<b>24,246</b>
Use of contingency		0	9,543			9,543
<b>Further Opportunities / (Savings Required)</b>		<b>(4,851)</b>	<b>0</b>	<b>(73,500)</b>	<b>(24,246)</b>	<b>24,246</b>
					<b>0</b>	



## 5 : QIPP status report as at July 2011

## FINANCES

	Financials to date				Forecast OUTTURN		
	PLAN NET SAVINGS	Plan NET savings - TO DATE	Actual NET savings - TO DATE	Variance	Forecast Outturn	Variance	PROJECT LEAD RAG FOT
	£000	£000	£000	£000	£000	£000	
<b>Coastal West Sussex Federation</b>							
ACUTE CARE	(2,708)	(903)	(903)	0	(2,708)	0	G
LTC	(83)	(28)	0	(28)	(72)	(11)	A
PLANNED CARE	(2,620)	(873)	(834)	(40)	(2,556)	(64)	A
MEDICINES MANAGEMENT	(2,994)	(998)	(206)	(792)	(1,898)	(1,096)	G
OTHER	(5,407)	0	0	0	(1,344)	(4,064)	R
	(13,812)	(2,802)	(1,942)	(860)	(8,577)	(5,235)	R
<b>North West Sussex Association</b>							
ACUTE CARE	(4,686)	(599)	(377)	(222)	(4,149)	(537)	R
EOLC	(46)	(15)	0	(15)	(25)	(21)	G
LTC	(21)	(2)	0	(2)	(175)	154	G
PLANNED CARE	(2,057)	(201)	(74)	(127)	(1,707)	(349)	G
MEDICINES MANAGEMENT	(1,893)	(210)	0	(210)	(1,420)	(473)	G
OTHER	(3,401)	0	0	0	0	(3,401)	R
	(12,104)	(1,028)	(451)	(577)	(7,476)	(4,628)	R
<b>PCT Central</b>							
Acute Care	(4,584)	(1,528)	(95)	(1,433)	(1,922)	(2,662)	R
LTC	(113)	(65)	0	(65)	0	(113)	G
Maternity	(82)	(27)	0	(27)	(64)	(18)	R
Planned Care (including Cancer)	(3,615)	(1,205)	(827)	(378)	(3,333)	(282)	R
Back Office	(1,687)	(562)	(281)	(281)	(844)	(843)	G
Medicines Management	(155)	(52)	0	(52)	(94)	(61)	R
Estates	(414)	(138)	(138)	0	(415)	1	G
Other	(9,462)	(1,546)	(1,213)	(333)	(5,893)	(3,569)	R
	(20,113)	(5,124)	(2,554)	(2,570)	(12,565)	(7,548)	R
<b>Public Health / Health &amp; Wellbeing</b>							
Acute Care	(61)	(20)	0	(20)	0	(61)	R
Staying Healthy	(2,670)	(890)	(810)	(80)	(2,338)	(332)	R
	(2,731)	(910)	(810)	(100)	(2,338)	(393)	R
<b>Joint Commissioning Unit</b>							
Children	(770)	(257)	0	(257)	(765)	(5)	G
Mental Health	(1,570)	(523)	(152)	(372)	(455)	(1,115)	R
Contract Efficiencies & Procurement	(1,326)	(442)	(300)	(142)	(899)	(427)	G
	(3,667)	(1,222)	(451)	(771)	(2,119)	(1,548)	R
<b>Commissioning Support Unit</b>							
Primary Care Commissioning	(1,665)	(555)	(281)	(274)	(842)	(823)	R
Contract Efficiencies and Procurement	(4,907)	(830)	(415)	(415)	(2,454)	(2,454)	R
	(6,572)	(1,385)	(696)	(689)	(3,296)	(3,276)	R
<b>Total of all schemes &amp; opportunities</b>	<b>(59,000)</b>	<b>(12,471)</b>	<b>(6,904)</b>	<b>(5,567)</b>	<b>(36,372)</b>	<b>(22,628)</b>	<b>R</b>



**OTHER PERFORMANCE TARGETS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

**6: Capital Investment Programme**

	Full Yr			This Month			Year to Date			Forecast	
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance	Forecast	Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Estates Maintenance	13,540	91	1,037	4,513	467	4,046	12,740	800			
Information Technology	335	0	28	112	0	112	335	0			
Private Sector Grants (Place to Live)	(886)	0	(74)	(295)	0	(295)	(886)	0			
Charge Against the Capital Resource Limit (CRL)	12,989	91	991	4,330	467	3,863	12,189	800			
Capital Resource Limit (CRL)	12,989	1,082	0	4,330	4,330	0	12,989	0			
<b>(Over)/Underspend Against CRL</b>	<b>0</b>	<b>991</b>	<b>991</b>	<b>0</b>	<b>3,863</b>	<b>3,863</b>	<b>800</b>	<b>(800)</b>			

Status	
YTD	FY
A	R

**Capital Expenditure:** Initial discussions held with SHA with regards to delaying a number of high value strategic projects such as Horsham Therapies & Crawley developments pending outcome of Strategic Health Care Planning Exercise. SHA have advised us to confirm value of capital to be returned at Spring Supply (Oct 2011)

**7. Better Payments Policy Code compliance**

**Non-NHS Payables**

Total Non-NHS Trade Invoices Paid in the Year  
Total Non-NHS Trade Invoices Paid Within Target

Percentage of Non-NHS Trade Invoices Paid Within Target

**NHS Payables**

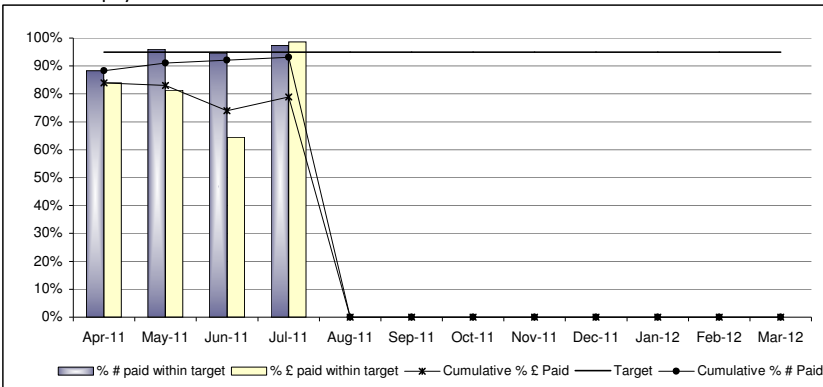
Total NHS Trade Invoices Paid in the Year  
Total NHS Trade Invoices Paid Within Target  
Percentage of NHS Trade Invoices Paid Within Target

Target	This Month		Year to date	
	Number	£000	Number	£000
	2,804	14,880	13,814	73,027
	2,729	14,667	12,868	57,649
95.00%	97.33%	98.57%	93.15%	78.94%
	533	176,236	2,101	739,531
	449	173,063	1,515	679,293
95.00%	84.24%	98.20%	72.11%	91.85%

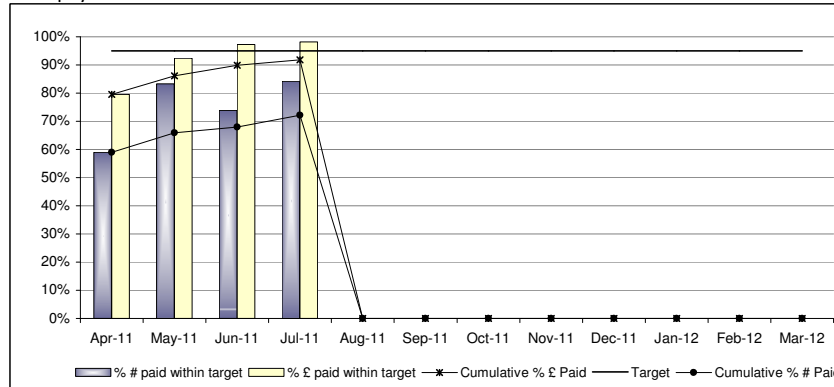
Performance against the 95% target has improved in July with all measures except NHS payables by number exceeding the 95% target, though all measures are below the 95% target for the year to date still.

Their are still too many NHS payables held up for payment although it has improved significantly from June and work to improve this continues.

Non- NHS payables



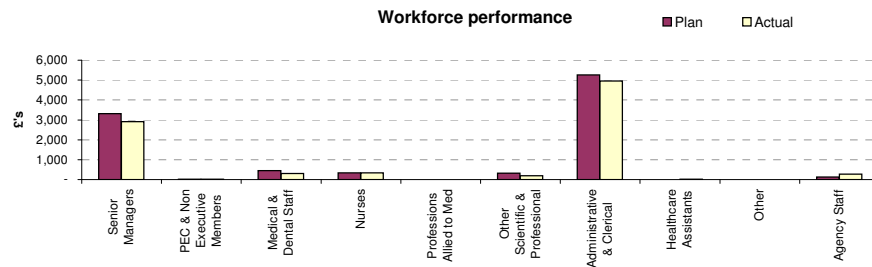
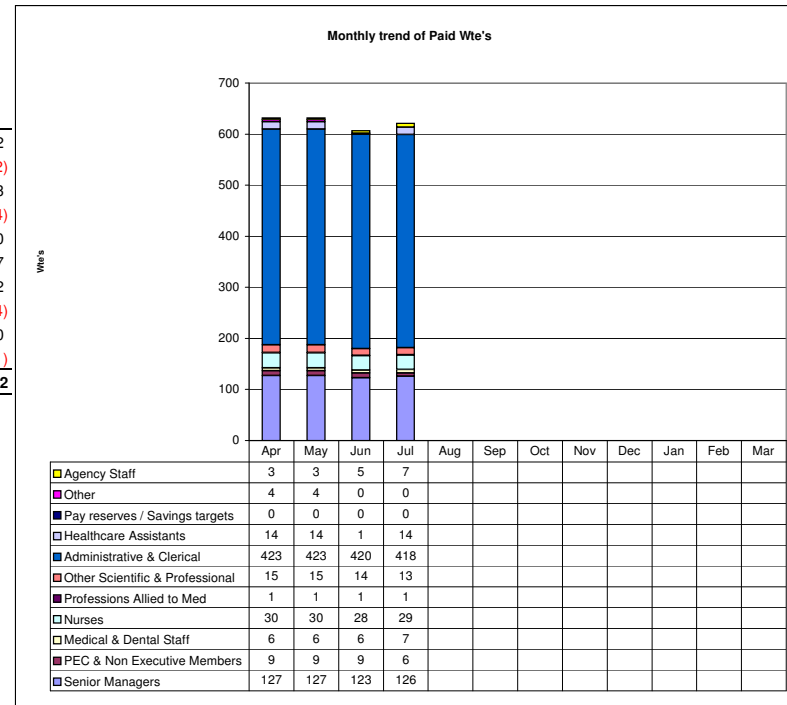
NHS payables



**8: WORKFORCE PERFORMANCE INDICATORS FOR THE FOUR MONTHS ENDED 31 JULY 2011**

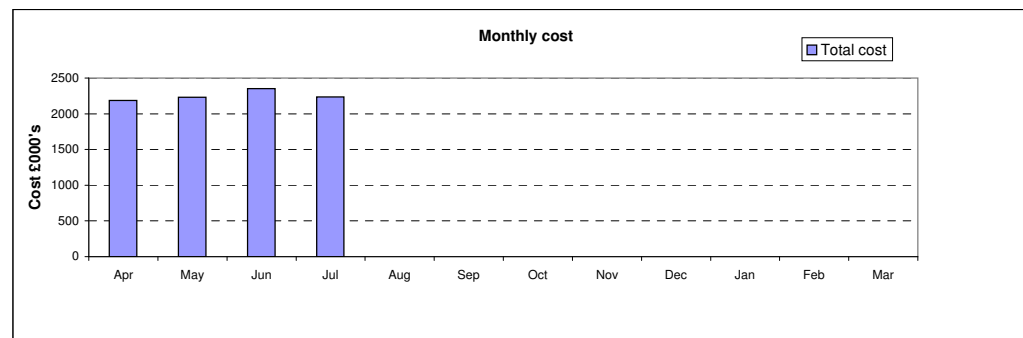
**8.1 : Workforce**

Analysis by Pay Group	Full Year		Year to Date		Year to Date		
	Plan	Plan	Actual	Variance	Plan	Actual	Variance
	£000's	£000's	£000's	£000's	Wte	Wte	Wte
Senior Managers	9,833	3,315	2,908	407	143.4	126.2	17.2
PEC & Non Executive Members	55	18	22	(3)	6.0	9.2	(3.2)
Medical & Dental Staff	1,335	445	305	139	17.6	7.3	10.3
Nurses	1,030	343	336	8	23.2	28.6	(5.4)
Professions Allied to Med	0	0	0	0	0.0	0.0	0.0
Other Scientific & Professional	975	325	187	138	25.1	13.4	11.7
Administrative & Clerical	15,760	5,254	4,958	296	483.0	417.8	65.2
Healthcare Assistants	0	0	14	(14)	0.0	14.4	(14.4)
Other	0	0	0	0	0.0	0.0	0.0
Agency Staff	382	127	281	(154)	6.9	7.1	(0.1)
	<b>29,370</b>	<b>9,829</b>	<b>9,011</b>	<b>818</b>	<b>705.2</b>	<b>624.0</b>	<b>81.2</b>



Staff Costs Analysed by Directorate	Full Year				Year to Date				Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
	Plan	Plan	Actual	Variance	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
PCT Cluster	1,424	507	525	(18)	131	137	134	123											
PCT Central	9,210	3,083	2,714	368	867	495	671	682											
Joint Commissioning Unit	722	241	209	32	40	59	49	60											
CWS Consortia Board	2,409	797	682	115	44	270	146	176											
NWSCA Consortia Board	2,276	758	581	177	11	198	111	121											
Public Health	1,468	489	442	48	177	158	171	122											
Sussex HIS	11,862	3,953	3,858	95	916	916	1,071	953											
Total cost	<b>29,370</b>	<b>9,829</b>	<b>9,011</b>	<b>817</b>	<b>2,186</b>	<b>2,233</b>	<b>2,354</b>	<b>2,236</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Notes:



**9: STATEMENT OF FINANCIAL POSITION (previously BALANCE / SHEET) AS AT 31 JULY 2011**

NOTE	Balance b/w/d		Actual	
	01 APRIL 2011 £000	31 JULY 2011 £000	Movement £000	
<b>Non-current assets:</b>				
Property, plant and equipment	106,435	105,357	(1,078)	
Intangible assets	93	82	(11)	
<b>Total non-current assets</b>	<b>106,528</b>	<b>105,439</b>	<b>(1,089)</b>	
<b>Current assets:</b>				
Inventories	93	93	0	
Trade and other receivables	20,441	31,978	11,537	
Cash and cash equivalents	228	6,446	6,218	
	<b>20,762</b>	<b>38,517</b>	<b>17,755</b>	
Non-current assets classified "Held for Sale"	0	0	0	
<b>Total current assets</b>	<b>20,762</b>	<b>38,517</b>	<b>17,755</b>	
<b>Total assets</b>	<b>127,290</b>	<b>143,956</b>	<b>16,666</b>	
<b>Current liabilities</b>				
Trade and other payables	(90,936)	(70,392)	20,544	
Other liabilities	0	0	0	
Provisions	(2,387)	0	2,387	
<b>Total current liabilities</b>	<b>(93,323)</b>	<b>(70,392)</b>	<b>22,931</b>	
<b>Non-current assets plus/less net current assets/liabilities</b>	<b>33,967</b>	<b>73,565</b>	<b>39,598</b>	
<b>Non-current liabilities</b>				
Provisions	(4,462)	(5,275)	(813)	
<b>Total non-current liabilities</b>	<b>(4,462)</b>	<b>(5,275)</b>	<b>(813)</b>	
<b>Total Assets Employed:</b>	<b>29,505</b>	<b>68,290</b>	<b>38,785</b>	
<b>FINANCED BY:</b>				
<b>TAXPAYERS' EQUITY</b>				
General fund	10,785	49,591	38,806	
Revaluation reserve	17,363	17,365	2	
Donated asset reserve	1,357	1,334	(23)	
<b>Total Taxpayers' Equity:</b>	<b>29,505</b>	<b>68,290</b>	<b>38,785</b>	

**Notes on Movements**

**1 Non Current Assets** - The decrease of £1078k relates to the depreciation charged for the first four months of 2011/12.

**2 Trade & Other Receivables** - The increase in trade debtors is largely due to prepayment made to WSCC against the S75 budget while contractual issues were being resolved. This prepayment has cleared in August 2011

**3 Cash** - The cashflow balance is the ledger balance adjusted for timing difference when receipts and payments actually hit the bank, plus any cash in hand held as petty cash. The balance in the PCT's bank accounts as at 31st May was £6,891k. £4,934k is being held by the Sussex HIS awaiting agreement on the utilisation of this funding relating to NPfIT

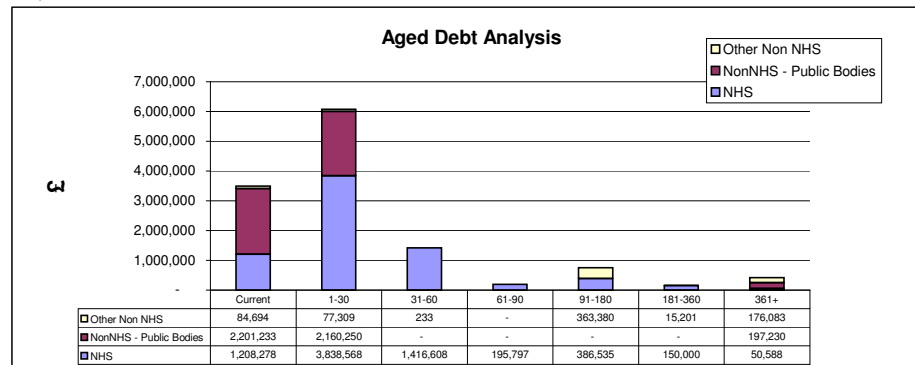
**4 Trade and Other Payables** - The decrease of £20,544k relates to a reduction in the month end accrual required for Prescribing, due to actuals being available and creditors accrued at year end due to cash constraints and the usual increase in transactions volumes in M12 being paid in the year.

**5 Provisions** - The movement in provisions relates to the payment of restructuring costs

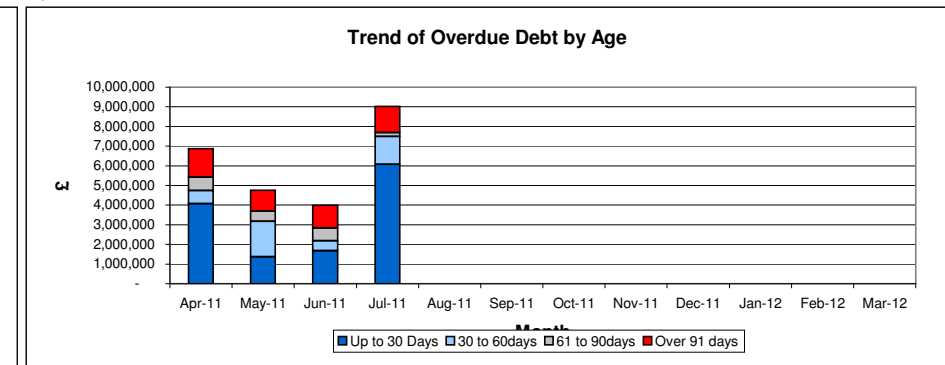
**AGED DEBT Commentary:**

Two £2.2m invoices - for Q1&2 Mental Health Pooled Budget up to 30 days old. Sussex HIS have £1.1m debt between 30-60 days - £531k has either been approved or a credit agreed. Sussex HIS are liaising direct with the trusts to resolve disputes on the balance.

Graph BS1



Graph BS2



Overdue debt excludes accruals and debtors less than 30 days.

## 10: STATEMENT OF CASHFLOWS FOR THE FOUR MONTHS ENDED 31 JULY 2011

	Full Year Plan	Year to Date			Forecast Outturn
		Plan	Actual	Variance	
<b>Cash Flows from Operating Activities</b>					
Net Operating Cost Before Interest	(1,262,369)	(420,981)	(434,448)	13,467	(1,262,369)
Other Cash Flow Adjustments (see PCT24)	0	0	2,291	(2,291)	0
Movements in Working Capital (See PCT24)	(5,000)	(1,668)	(32,303)	30,635	(5,000)
Provisions utilised	(644)	(216)	(1,748)	1,532	(644)
Interest Paid	0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>(1,268,013)</b>	<b>(422,865)</b>	<b>(466,208)</b>	<b>43,343</b>	<b>(1,268,013)</b>
<b>Cash Flows from Investing Activities</b>					
(Payments) for Property, Plant and Equipment	(13,500)	(4,500)	(467)	(4,033)	(13,500)
(Payments) for Intangible Assets	0	0	0	0	0
Proceeds from disposals of assets held for sale	3,993	1,332	108	1,224	3,993
(Payments) for Financial Assets (LIFT)	0	0	0	0	0
Proceeds from the disposal of Financial Assets (LIFT)	0	0	0	0	0
Loans Made in Respect of LIFT	0	0	0	0	0
Loans Repaid in Respect of LIFT	0	0	0	0	0
(Payments) for Other Financial Assets	0	0	0	0	0
Proceeds of Disposal of Other Financial Assets	0	0	0	0	0
Interest Received	0	0	0	0	0
Rental revenue	0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Investing Activities</b>	<b>(9,507)</b>	<b>(3,168)</b>	<b>(359)</b>	<b>(2,809)</b>	<b>(9,507)</b>
<b>Cash Flows from Financing Activities</b>					
Net Parliamentary Funding	1,277,520	426,033	472,785	(46,752)	1,277,520
Capital Receipts Surrendered	0	0	0	0	0
Capital Grants Received	0	0	0	0	0
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	0	0	0	0	0
Cash Transferred (to)/from Other NHS Bodies (free text note required)	0	0	0	0	0
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>	<b>1,277,520</b>	<b>426,033</b>	<b>472,785</b>	<b>(46,752)</b>	<b>1,277,520</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>0</b>	<b>0</b>	<b>6,218</b>	<b>(6,218)</b>	<b>0</b>
<b>Cash and Cash Equivalents ( and Bank Overdraft) at Beginning of the Period</b>	<b>250</b>	<b>250</b>	<b>228</b>	<b>22</b>	<b>250</b>
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies	0	0	0	0	0
<b>Cash and Cash Equivalents (and Bank Overdraft)</b>	<b>250</b>	<b>250</b>	<b>6,446</b>	<b>(6,196)</b>	<b>250</b>

NOTE

## Notes

Summary: The PCT continues to manage within its overall cash limit.

The notified cash limit set for the PCT now includes £14.15m for capital spend.

The PCT has spent less than half a million of its capital cash against a straight line figure of £4.7m which is mitigated by higher spend in revenue areas, specifically S75 contracts.

The PCT has drawn down 33.3% of its cash limit against its planned figure of 33.3%

Forecast: The PCT will meet its cash limit projections at year end

