

Report to the Trust Board: 30 November 2011	TB 74/11
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Title	Finance Report – Month 7
Sponsoring Director	Chief Financial Officer
Author(s)	Deputy Director of Finance and Investment
Purpose	To provide the Trust Board with the Trust's financial performance report for Month 7 and the key risks to the achievement of the financial plan for 2011/12.
Previously considered by	Finance and Investment Committee, 30 November 2011

Related Trust objectives	Sub-objectives
1: Deliver outstanding performance for patients	1e: Achieve CQC good rating for financial management and deliver the Trust's financial plan 2011/12
2: Build an exceptional organisation capable of being a leading Foundation Trust	2d: Design and deliver Performing for Excellence programme

Risk and Assurance	Key risks to the delivery of the plan – see page 24.
Related Assurance Framework entries	2a(i) The Trust fails to meet cost improvement plans as required to deliver an underlying cost base consistent with the long term financial model. 8(i) Failure to satisfactorily resolve issues relating to non-recurrent funding to support the PFI and support for Barts site costs has an adverse impact on the Trust's financial outlook.

Legal implications/ regulatory requirements	No direct legal implications identified.
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Action required by the Trust Board
The Trust Board is asked to review and discuss Month 7 financial performance.

1 Overview of Financial Performance

1.1 Trust Income and Expenditure Statement

Trust Financial Performance Month 7	In-Month			Year to Date			Full Year		
	Better/(Worse) than:			Better/(Worse) than:			Better/ (Worse) than:		
	Actual £m	Plan £m	Last Forecast £m	Actual £m	Plan £m	Last Forecast £m	Forecast £m	Plan £m	Last Forecast £m
NHS Acute Activity Revenue									
Elective	7.91	0.12	(0.44)	54.82	0.84	(0.45)	94.04	1.12	(0.36)
Non-Elective	9.41	(0.60)	(0.06)	65.75	(2.99)	(0.07)	113.58	(4.25)	(0.97)
Outpatient	5.90	0.01	0.01	40.70	(0.26)	0.01	70.03	(0.39)	0.06
A&E	1.06	0.04	0.01	7.21	0.16	0.01	12.87	0.81	0.00
Critical Care	4.32	(0.02)	(0.02)	30.46	0.50	(0.02)	52.67	1.42	0.84
Devices	1.88	0.42	0.16	11.27	1.16	0.16	19.36	2.06	0.22
Drugs	2.47	0.15	(0.18)	18.12	2.11	(0.18)	31.15	3.76	0.00
Other NHS	17.74	0.24	0.29	123.32	2.25	0.30	213.06	4.90	0.59
NHS Acute Activity Revenue - Total	50.68	0.35	(0.24)	351.64	3.76	(0.23)	606.75	9.44	0.38
Non NHS Clinical Revenue									
Private Patient	0.49	0.25	0.19	1.75	0.18	0.20	3.26	0.17	0.22
Other Non-NHS Clinical	0.25	0.03	(0.11)	2.31	0.73	(0.11)	4.08	1.38	(0.11)
Non NHS Clinical Revenue - Total	0.74	0.27	0.09	4.06	0.91	0.09	7.35	1.55	0.11
Other Operating Income									
Research and Development Income	4.00	0.07	0.07	20.15	0.23	0.08	25.01	0.23	0.10
Education and Training Income	6.25	(0.09)	0.09	44.72	0.11	0.49	76.41	(0.03)	0.49
Other Income	3.94	0.78	(0.42)	34.89	11.69	(0.82)	60.55	2.51	(1.14)
Other Operating Income - Total	14.19	0.76	(0.26)	99.76	12.03	(0.25)	161.96	2.71	(0.55)
Total Income & Operating Revenue	65.61	1.39	(0.41)	455.46	16.70	(0.40)	776.07	13.70	(0.05)
Expenditure									
Employee Benefit Expense	35.13	(0.46)	(0.05)	246.15	(0.86)	(0.04)	435.68	(2.79)	(0.09)
Drugs Expense	6.68	(0.75)	(0.24)	45.98	(4.41)	(0.24)	81.18	(9.81)	(0.52)
Clinical Supplies	6.22	(0.47)	(0.17)	42.96	(1.69)	(0.19)	71.27	(0.50)	0.06
PFI Operating Expenses	5.24	(0.04)	(0.13)	36.50	(0.60)	(0.16)	61.78	0.39	(0.52)
Other Operating Expenses	7.39	(1.43)	0.52	42.85	(6.52)	0.58	73.31	(9.81)	1.55
Total Expenditure	60.67	(3.15)	(0.06)	414.44	(14.07)	(0.06)	723.23	(22.52)	0.48
EBITDA	4.94	(1.76)	(0.48)	41.02	2.63	(0.46)	52.84	(8.82)	0.43
EBITDA MARGIN % (EBITDA/Revenue)	7.53%			9.01%			6.81%		
ITD	(3.26)	(0.13)	0.00	(22.96)	(1.05)	-	(52.10)	(1.75)	(0.63)
UKGAAP Accounting Adjustment	(0.31)	(0.58)	0.74	(7.91)	(9.80)	0.72	(7.91)	0.79	0.66
Retained Surplus / (Deficit) before IFRC12	1.37	(2.47)	0.26	10.15	(8.22)	0.27	(7.17)	(9.78)	0.46
IFRC12 & IFRS Donated Asset Adjustment	0.31	0.58	(0.74)	7.91	9.80	(0.72)	7.91	(0.79)	(0.66)
Retained Surplus / (Deficit) After IFRC12	1.68	(1.89)	(0.48)	18.06	1.58	(0.46)	0.74	(10.57)	(0.20)
CIP Achieved (£m)	3.00	(1.87)		14.26	(7.66)		33.96	(11.83)	

In month & YTD performance

Summary

- Compared to budget, the Trust recorded a deficit of £2.47m in month, taking the cumulative overspend to £8.22m.
- Over performance on Income continues to mitigate overspends on Drugs, Clinical Supplies and adverse CIP performance.

Income

- Total Income of £65.61m in month was £1.39m better than plan, YTD income is £16.70m better than plan.

In month & YTD performance

The main drivers in month are:

- High Cost Drugs and Devices, £0.15m and £0.42m respectively.
Note, the over-performance on Drugs does not off-set the overspend on Drugs expenditure.
- Within Other Operating, £0.78m relates to Donated Assets Receipts which mainly relates to the income associated with MES equipment for RLH Phase 1.
- This is offset by under-performance on Non-Elective of £0.60m

Pay Expenditure

- In-month expenditure of £35.13m was £0.46m higher than plan. This has increased the cumulative adverse variance to £0.86m.
- The main reasons behind the over-spend in month is due to:
 - Continued use of Croft Ward in Acute & Family as an inpatient ward, with no additional funding.
 - Medical spend within Circulatory, Respiratory & Metabolic Services.
 - Unidentified/Slippages on CIPs across all divisions.

Non-Pay expenditure

- In-month expenditure of £25.53m was £2.69m higher than plan, increasing the cumulative adverse variance to £13.22m.
- The Drugs adverse variance of £0.75m is partly offset by income of £0.15m. The majority of the remainder is within Regional Services (unrecoverable High Cost Drugs for HIV patients, and Cancer Drugs), and Clinical & Diagnostics (blood contract overspend).
- Other Operating Expenses in month is an adverse variance of £1.43m. The main component of this is the unidentified and slippages on CIPs across all Divisions.

CIPs, the key financial risk

- In-month, the actual CIPs savings realised totalled £3.00m, £1.87m lower than plan.
- YTD the total savings is £14.26m, £7.66m lower than plan.
- The forecast is £11.83m lower than target; this is an improvement on previous forecast of £0.93m.

1.2 Full year forecast surplus / deficit**Full year forecast commentary**

- The Trust's full year outturn is a deficit of £7.17m before IFRIC12, compared to a planned surplus of £2.6m. This is an improvement of £0.46m on last months forecast, and is mainly within Community Health Services and Clinical & Diagnostics Divisions.
- The Divisions have been asked to identify and implement more CIPs to ensure that the planned surplus is achieved.
- There are a number of risks that could impact on the Trust's ability to achieve the target surplus. These are reported in the Divisions report as well as section 4 of this report.

1.3 Statement of financial position

Statement of Financial Position	Mar-11	Oct-11		Var £m
	£m	Plan £m	Act £m	
Non-current Assets	390.3	378.1	389.3	11.2
Inventories	11.7	11.0	11.1	0.1
Trade and other receivables	42.2	41.7	60.3	18.6
Cash and cash equivalents	62.0	73.6	99.3	25.7
Total Current Assets	115.9	126.3	170.7	44.4
Total Current Liabilities	(107.9)	(101.9)	(146.7)	(44.8)
Net Current Assets/(Liabilities)	8.0	24.4	24.0	(0.4)
Total Assets Less Current Liabilities	398.3	402.5	413.3	10.8
Borrowings	(160.6)	(157.8)	(158.1)	(0.3)
Provisions for Liabilities	(8.5)	(8.5)	(8.0)	0.5
Total Assets Employed	229.2	236.2	247.2	11.0
Public Dividend Capital	141.4	141.4	141.4	-
Retained earnings	(64.5)	(46.9)	(46.5)	0.4
Revaluation reserve	152.3	141.7	152.3	10.6
Total Tax Payers Equity	229.2	236.2	247.2	11.0

+ve Variances = Favourable/Underspends, -ve Variances = Adverse/Over spends

Commentary on statement of financial position

Balance sheet movements from plan were as follows:

- Non-current assets - £11m relates to the early delivery of donated capital equipment for the RLH and the final payment for the cyber knife.
- Current Assets (Trade and other receivables) - £11m relates to the early delivery of donated capital expenditure for the RLH, which the Charity has agreed to pay in early December 2011. £8.8m relates to the CHS main contract with Tower Hamlets PCT, £5.3m of which has now been paid in November 2011.
- Current Liabilities - £7.5m relates to early payment at year end to meet the year end cash target which has reversed, £6m relates to an increase in deferred income due to R&D pass through, £10m relates to the increase in deferred income due to the payment of the NHS Bank funding, £4.5m increase in creditors due to CHS transfer (CHS is not in the plan) £8.1m relates to an increase in invoices requiring authorisation/validation and £6.5m of delayed expenditure on the redundancy provision.
- Retained Earnings - £0.4m relates to the CHS opening balance as part of the CHS transfer (CHS is not in the plan).

1.4 Statement of cashflows

Statement of Cashflows	Mar-11 £m	Plan £m	Oct-11 Act £m	Var £m
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating Surplus/(Deficit)	10.7	11.9	23.7	11.8
Depreciation and Amortisation	35.2	17.3	17.3	-
Impairments and Reversals	-	-	-	-
Interest Paid	(7.4)	(4.8)	(4.7)	0.1
Dividend Paid	(3.2)	-	(1.1)	(1.1)
(Increase)/Decrease in Inventories	-	-	0.5	0.5
(Increase)/Decrease in Trade and Other Receivables	6.7	(0.2)	(18.3)	(18.1)
(Increase)/Decrease in Other Current Assets	-	-	-	-
Increase/(Decrease) in Trade and Other Payables	(11.0)	3.2	40.1	36.9
(Increase)/Decrease in Other Current Liabilities	(7.7)	-	(0.2)	(0.2)
Increase/(Decrease) in Provisions	6.6	(8.2)	(1.7)	6.5
Net Cash Inflow/(Outflow) from Operating Activities	29.9	19.2	55.6	36.4
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	0.4	0.2	0.2	-
(Payments) for Property, Plant and Equipment	(20.4)	(4.9)	(16.1)	(11.2)
Net Cash Inflow/(Outflow) from Investing Activities	(20.0)	(4.7)	(15.9)	(11.2)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	9.9	14.5	39.7	25.2
CASH FLOWS FROM FINANCING ACTIVITIES				
Public Dividend Capital Received	-	-	-	-
Capital Element of Finance Leases and PFI	(5.5)	(3.1)	(2.4)	0.7
Net Cash Inflow/(Outflow) from Financing	(5.5)	(3.1)	(2.4)	0.7
Net Increase/(Decrease) in Cash and Cash Equivalents	4.4	11.4	37.3	25.9

+Ve Variances = Favourable/Under spends, -ve Variances = Adverse/Over spends

Commentary on cash plan

- The cash balance, at £99.3m, is £25.7m higher than planned. The principal factor in this variance is the lower than planned payment of creditors and provisions.

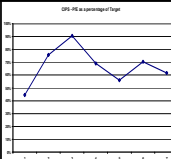
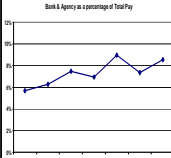
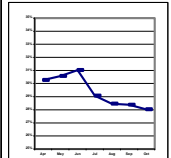
1.5 Capital Expenditure

Commentary on capital plan

- The Capital Resource Limit (CRL) for 2011/12 is £714.6m. The total planned capital expenditure is £726.3m, of which £685.5m is for the new Royal London Hospital PFI buildings, £29.2m is for owned capital expenditure and £11.6m is donated expenditure. The Capital Resource Limit for 2011/12 is going to be increased by £4.3m for the transfer of the Princess Alexandra School of Nursing from the DH retained estate to the Trust, completed on 31 October 2011.
- At the end of October 2011, owned capital expenditure is £0.2m greater than planned and donated capital expenditure is £11m greater than planned, due to early delivery of the donated equipment for the RLH and the final payment for the cyber knife being made in this financial year. All of the available capital resources have now been allocated to schemes, and the Capital Programme Group will be turning its attention to ensure that schemes delivery by the year end.

2 Key indicators

2.1 Key metrics

Key Metrics	Year to Date Target	Year to Date Actual	RAG	Trend	Commentary
CIPs achievement YTD	100% of plan	65% of plan	●		YTD actual savings against plan has increased by 1% in month to 65.24% Total savings achieved as a percentage of plans are A&F 56.15%, CRMS 59.07%, Regional 46.57%, C&DS 78.63%, Corporate 71.83% and CHS 92.49%
Bank & Agency spend as % of pay	-	7.37%	●		Bank & Agency spend increased by £0.34m in month, Bank £0.3m and Agency £0.04m. This is mainly due to an increases Nursing £0.28m, A&C £0.09m and Scientific £0.03m. However there have been decreases in Medical (£0.04m) and Senior Managers (£0.02m)
Cash Balance	£62.0m	£99.3m	●		Cash is significantly greater than planned due to slower than planned payment of provisions and higher levels of creditors than planned.
Drug costs as % total expenditure	-	28.38%	●		The downward trend for the ratio of Drugs cost YTD to Total Non-pay has continued this month. It is 28.3%, which is marginally lower by 0.35% compared to last month. This decrease is a direct result of a lower YTD drug cost to the YTD non-pay cost compared to last month.
Public Sector Payment Policy	95%	84.78%	●		The Trust continues to be below the target level of 95% of bills paid within 30 days. Improvements have been made to the invoice authorisation process, however it is still reliant upon receiving the appropriate authorisation in a timely manner.
Prudential borrowing code compliance	Pass	Pass	●		The PBC is calculated on four indicators, each of which must attain a pass to ensure an overall pass. On this basis, the Trust currently attains an overall pass.

2.2 Financial risk rating

Financial Risk Rating (FRR)

Metric	Year to Date Rating	Full Year Plan	Year to Date	Forecast Outturn	Commentary
EBITDA margin	●	3	3	3	EBITDA margin is obtained by dividing EBITDA by total income. The year to date score exceeds the plan due to donated asset income..
EBITDA; % achieved	●	5	5	5	EBITDA % achieved is calculated by comparing the actual EBITDA with that planned. The year to date score is in line with the plan.
Return on Assets	●	2	3	2	Return on Assets is essentially the surplus divided by average net assets. The year to date score currently exceeds the plan, however is expected to drop once the new RLH is opened.
I&E surplus margin	●	3	5	3	I&E surplus margin is the Trust's surplus (exclusive of IFRS IFRIC 12 costs) as a percentage of total income. The year to date favourable performance is caused by donated asset income. The forecast outturn is based on the Trust achieving it's control total of £2.6m surplus
Liquidity	●	3	4	3	Liquidity is net current assets, excluding inventory, divided by operating expenses. The year to date liquidity score currently exceeds the plan.
Weighted Average	●	3.0	3.9	3.0	The 5 measures above are subjected to a weighted average calculation which returns a score. The year to date score currently exceeds the plan.
Overall Rating	●	3	3	3	A score of 3 is mandatory to achieve Foundation Trust status. The favourable performance is caused by donated asset income. The figure is expected to drop to 3 once the new RLH is opened.

3 Divisional Performance

3.1 Acute & Family

3.1.1 Acute & Family Income and Expenditure Statement

Trust Financial Performance Month 7 Acute & Family	In-Month			Year to Date			Full Year		
	Better/ (Worse) than:			Better/ (Worse) than:			Better/ (Worse) than:		
	Actual	Plan	Last	Actual	Plan	Last	Forecast	Plan	Last
	£m	£m	£m	£m	£m	£m	£m	£m	£m
NHS Acute Activity Revenue									
Elective	1.61	(0.31)	(0.26)	12.38	(0.79)	(0.26)	21.66	(1.11)	(0.08)
Non-Elective	5.18	0.02	0.10	34.11	(1.72)	0.10	57.99	(3.28)	(0.90)
Outpatient	1.82	0.14	0.12	12.25	0.57	0.11	20.80	0.70	0.00
A&E	1.15	0.13	0.01	7.87	0.82	0.01	13.44	1.38	0.00
Critical Care	2.87	(0.01)	(0.02)	20.38	0.52	(0.02)	35.40	1.43	0.84
Devices	0.09	(0.02)	0.01	0.55	(0.17)	0.01	0.93	(0.30)	(0.00)
Drugs	0.61	0.04	0.01	4.27	0.33	(0.00)	7.31	0.58	0.00
Other NHS	1.54	(0.04)	(0.22)	11.96	0.47	(0.22)	20.81	1.11	(0.07)
NHS Acute Activity Revenue - Total	14.86	(0.05)	(0.28)	103.77	0.02	(0.27)	178.33	0.52	(0.20)
Non NHS Clinical Revenue									
Private Patient	0.22	0.08	0.04	0.82	0.21	0.04	1.67	0.41	0.00
Other Non-NHS Clinical	-	-	-	-	-	-	-	-	-
Non NHS Clinical Revenue - Total	0.22	0.08	0.04	0.82	0.21	0.04	1.67	0.41	0.00
Other Operating Income									
Research and Development Income	-	-	-	-	-	-	-	-	-
Education and Training Income	0.03	0.01	0.02	0.11	(0.01)	0.02	0.20	-	0.01
Other Income	0.18	(0.00)	(0.02)	1.38	0.11	(0.02)	2.40	0.22	(0.00)
Other Operating Income - Total	0.21	0.01	(0.00)	1.49	0.10	0.00	2.59	0.22	0.00
Total Income & Operating Revenue	15.29	0.04	(0.24)	106.08	0.32	(0.22)	182.60	1.15	(0.19)
Expenditure									
Employee Benefit Expense	10.19	(0.28)	(0.07)	70.99	(1.29)	(0.03)	122.00	(2.78)	(0.40)
Drugs Expense	0.97	(0.00)	(0.01)	7.08	(0.34)	(0.01)	11.87	(0.28)	(0.00)
Clinical Supplies	1.24	(0.15)	(0.20)	8.52	(0.35)	(0.20)	12.44	1.33	-
PFI Operating Expenses	0.23	0.03	(0.05)	1.82	(0.04)	(0.05)	2.84	0.05	(0.38)
Other Operating Expenses	1.48	(0.44)	0.18	10.57	(1.51)	0.18	16.80	(2.75)	0.82
Total Expenditure	14.11	(0.85)	(0.15)	98.98	(3.52)	(0.11)	165.96	(4.43)	0.03
EBITDA	1.18	(0.81)	(0.39)	7.09	(3.20)	(0.33)	16.64	(3.28)	(0.16)
CIP Achieved (£m)	0.55	(0.77)		2.86	(2.24)		7.31	(3.47)	

In month & YTD performance

- The Division reported a surplus of £1.18m in month, £0.81m worse than plan and £0.39m worse than last forecast.

Income

- Income at £15.29m was £0.04m better than plan but £0.24m worse than last forecast. SLA income under performed by £0.05m and other CAU income over achieved by £0.09m. Included in the SLA income is pass-through cost re-imbursements of £0.70m that was £0.02m better than plan. Excluding pass through the net underperformance on SLA income was £0.07m.
- The SLA income under performance is driven by Elective income and is predominantly within Paediatrics (£0.19m). Day case activity under performed in Dentistry (£0.1m) and Surgery (£0.03m) and Elective activity under performed in ENT (£0.02m), Surgery (£0.04m) and T&O (£0.04m).
- Partly offsetting the above is A&E attendances which over performed by £0.13m in month, and Outpatients activity within Women's Health, £0.14m. This is driven by Obstetric first appointment activity.
- The CAU income position is £0.09m better than plan and 0.04 better than last forecast. The improvement

In month & YTD performance

from last forecast is due to additional private patient income from Paediatrics that has been provisioned on non-pay. The over performance in CAU income relates to private patient activity within Fertility and Maternity.

Pay Expenditure

- Pay is in an adverse position of £0.28m in month and £0.07m worse than last forecast.
- The over spend mainly relates to Nursing (£0.13m) and slippage on pay CIP (£0.24m).
- Nursing overspend in October is driven by use of Croft Ward in Anaesthesia & Critical Care as an inpatient facility (£0.02m), ITU (£0.03m), Charrington (£0.04m) and student midwifery (£0.02m)
- Key factors contributing to the year to date overspend are unidentified/slippage on CIP and use of Croft as an inpatient facility (£0.31m).
- The Pay expenditure is £0.07m worse than last forecast and is due to the cost of additional nursing cover for Charrington (£0.04m) due to one to one care and increase cost due to additional student midwives funded from NMET. The income for the increased number of students is yet to be allocated to the division.

Non-Pay Expenditure

- Non-pay expenditure is over spent by of £0.57m and £0.08m worse than last forecast.
- Clinical Supplies over spent by £0.15m in month and this is attributed to MSE Hire and Med & Surg expenditure within T&O Prosthesis.
- Other contributing factors to the over spend were unidentified savings of £0.08m and slippage of £0.38m on CIP schemes.
- Internal Recharges for Pathology and Imaging are over spent by £0.03m in month. This is mainly driven by pathology usage in General Medicine and Trauma & Acute.

CIPs Performance

- The Division delivered £0.60m against CIP (£0.55m) and Demand management schemes (£0.05m) in October which was £0.87m worse than plan (CIPs £0.77m and Demand Management £0.10m). The Division is forecasting a slippage of £4.17m against full year target of £12.23m, including CIP shortfall of £3.47m and Demand Management shortfall of £0.70m).

3.1.2 Full year analysis – Acute & Family**Full year analysis commentary**

- The Division was forecasting an over spend of £3.28m for the year as at end of M6. The division has maintained its outturn position; the movement in the actual forecast are is to budget movements across divisions for both service and personnel transfers.

The over spend is driven mainly by

- Cost of unfunded beds on Croft - £0.5m
- Cost of O&G medical staff - £0.2m
- Slippage on Pay CIP – £1.6m
- ITU nursing overspend - £0.5m
- Other nursing over spend - £0.4m
- Unidentified CIP - £1.6m

Some of the risks to the Divisions in achieving its forecast are

Full year analysis commentary

- Savings of £0.8m assumed from Synergy managed service contract
- Cost of clearing orthopaedic backlog exceeding the allocation of £0.5m
- Non-pay plans yet to be firmed up (£0.3m) and recovery of bad debts (£0.3m)
- Slippage in procurement/stock management plans
- Impact of fixed deal with INEL PCT
- Cost of unfunded beds
- Double running cost of moving into the new build not factored in the forecast
- Cost of winter pressures

3.2 Circulatory, Respiratory & Metabolic Sciences (CRMS)

3.2.1 CRMS Income and Expenditure Statement

Trust Financial Performance Month 7 CRMS	In-Month			Year to Date			Full Year		
	Better/ (Worse) than:			Better/ (Worse) than:			Better/ (Worse) than:		
	Actual £m	Plan £m	Last Forecast £m	Actual £m	Plan £m	Last Forecast £m	Forecast £m	Plan £m	Last Forecast £m
NHS Acute Activity Revenue									
Elective	2.58	0.02	(0.36)	17.51	(1.40)	(0.36)	31.92	(0.59)	(0.62)
Non-Elective	2.73	(0.08)	(0.01)	17.63	(0.99)	(0.01)	31.09	(1.04)	(0.01)
Outpatient	0.72	(0.12)	(0.33)	7.09	(0.01)	(0.33)	12.35	0.15	(0.33)
A&E	-	-	-	-	-	-	-	-	-
Critical Care	1.46	-	(0.00)	10.20	0.10	(0.00)	17.38	0.10	(0.00)
Devices	1.69	0.46	0.26	9.58	1.12	0.26	16.59	2.11	0.26
Drugs	0.71	0.05	0.05	5.10	0.54	0.05	8.33	0.54	0.05
Other NHS	3.30	0.06	0.02	22.25	0.13	0.02	38.67	0.29	(0.01)
NHS Acute Activity Revenue - Total	13.19	0.41	(0.36)	89.37	(0.50)	(0.36)	156.33	1.57	(0.65)
Non NHS Clinical Revenue									
Private Patient	0.17	0.15	0.13	0.38	0.26	0.13	0.59	0.34	0.13
Other Non-NHS Clinical	-	-	(0.00)	-	-	(0.00)	0.02	0.02	(0.00)
Non NHS Clinical Revenue - Total	0.17	0.15	0.12	0.38	0.26	0.12	0.61	0.36	0.12
Other Operating Income									
Research and Development Income	0.00	-	(0.00)	0.01	(0.01)	(0.00)	0.02	(0.05)	(0.00)
Education and Training Income	0.00	0.00	0.00	0.04	0.01	0.01	0.04	0.00	0.00
Other Income	0.02	0.01	0.02	0.18	0.11	0.01	0.30	0.19	0.11
Other Operating Income - Total	0.03	0.02	0.02	0.22	0.11	0.02	0.36	0.14	0.11
Total Income & Operating Revenue	13.39	0.58	(0.21)	89.97	(0.14)	(0.22)	157.30	2.06	(0.41)
Expenditure									
Employee Benefit Expense	5.51	(0.32)	(0.17)	37.80	(0.75)	(0.17)	64.40	(1.84)	(0.20)
Drugs Expense	0.79	(0.05)	0.04	5.75	(0.48)	0.04	9.95	(0.94)	(0.16)
Clinical Supplies	2.12	(0.13)	(0.08)	13.79	0.17	(0.07)	24.54	(0.18)	0.06
PFI Operating Expenses	-	-	-	-	-	-	-	-	-
Other Operating Expenses	1.33	(0.25)	0.04	9.70	(1.30)	0.04	16.57	(2.73)	0.04
Total Expenditure	9.74	(0.76)	(0.16)	67.04	(2.34)	(0.16)	115.46	(5.69)	(0.26)
EBITDA	3.65	(0.18)	(0.37)	22.93	(2.48)	(0.38)	41.84	(3.63)	(0.67)
CIP Achieved (£m)	0.44	(0.38)		2.02	(1.40)		5.49	(2.38)	

In month & YTD performance

- The Division reported an adverse variance to plan of £0.18m in month, compared to an adverse position of £0.53m in September. The in month position has increased the year to date deficit position to £2.48m.

Income

- Income at £13.39m has over performed by £0.58m against plan. The YTD Income position is £0.14m worse than plan.
- Patient Treatment income over performed against plan by £0.41m. The key drivers are : -
 - Inpatient Elective over performance, in month, was £0.02m. This is largely within the Cardiac CAU £0.14m - over performance in Cardiology £0.10m & Cardiothoracic Surgery £0.05m specialities. This has been partially offset by under performance within the Renal £0.06m & Urology £0.02m specialities and the Specialist Medicine CAU of £0.04m.
 - Non Elective underperformance of £0.08m. This is largely within the Cardiac CAU (£0.07m), Cardiology underperformed by £0.36m which is partially offset by over performance in Cardiothoracic of £0.22m and vascular £0.08m.
 - Outpatient activity under performed by £0.12m in month. There was largely within the Specialist

In month & YTD performance

Medicine £0.10m CAU largely due to in YTD transfer of plan and actuals in month of £0.08m within Respiratory Medicine.

- Other Clinical Income over performed by £0.57m.
 - High cost devices over performed by £0.46m largely within Respiratory Medicine £0.39m and Cardiac CAU £0.09m
 - High cost drugs over performed by 0.05m with Cardiac £0.02m and Renal £0.03m
 - Dialysis over performed by £0.12m in month and CF Patients on Programme by 0.037m
- CAU income was £0.17m better than plan due to over recovery against the Private Patient within Cardiac Critical Care and Renal and income for Cardiology scans activity.

Pay Expenditure

- Pay at £5.51m is £0.32m worse than plan. The YTD position is a deficit of £0.75m
- The key drivers are:
 - There is £0.20m of unidentified saving schemes phased into the month.
 - Medical Staff reported an over spend of £0.05m in month. This is partially due to slippage against PFE schemes of 0.4m. There is also a cost pressure within Urology of £0.03m due to junior medical agency costs. This is partially offset by Vacancies in other areas across the Division.
 - Nursing expenditure was overspent by £0.10m against plan largely within the Renal & Urology CAU £0.08m due to bank usage due to a combination of meeting additional Haemodialysis capacity and Transplant activity in month and maternity leave/ sickness cover and within the Cardiac CAU where additional costs incurred within Cardiothoracic Theatres and wards.
 - Management and Admin and Clerical staff groupings are under spend by £0.02m due to vacancies.

Non-Pay Expenditure

- Non-pay at £4.24m in-month reported an adverse variance of £0.43m against plan. The year to date deficit has increased to £1.61m.
- The key drivers are:
 - There is £0.15m of unidentified saving schemes phased into the month.
 - Drugs are over spent by £0.05m this is covered by pass-through income received in month.
 - Clinical Supplies was over spent by £0.13m. Within Cardiac CAU there was overspend of £0.05m mainly within Cardiothoracic & Vascular due to under performance of procurement CIPs and costs pressure due to high cost vascular stents. The Renal & Urology CAU is overspent by £0.02m mainly for dialysis fluids and expenditure on transplantation patients. Specialist Medicine was over spent by £0.06m due to increased ventilator expenditure in month.
 - Within Other Operating Expenses there was an over spend of £0.25m in month of which £0.15m relates to unidentified savings. There was unallocated savings of £0.07m relating to devices income over performance CIP which has been fully offset by Income. There was also £0.03 cost pressure for satellite utilities incurred in month which is currently being disputed.

CIPs Performance

- The Cost Improvement Target is £9.16m for the Division including £7.87m for efficiency saving and £1.29m for Demand Management initiatives. The Division identified in month savings of £0.44m. The Division is forecasting £5.49m of identified savings schemes.
 - Within the Cardiac CAU there was an underperformance on Medical Staff PFE £0.33m and Admin schemes of £0.01m which was offset by over performance on nursing schemes £0.02m due to early implementation of ward based schemes. There was some slippage against imaging and procurement savings.
 - In month slippage within Renal & Urology CAU is mainly due to slippage against Radiology of £0.02m and Admin & Clerical £0.02m Schemes and procurement savings £ 0.01m. This is offset

In month & YTD performance

partially by overachievement of Pathology savings £0.01m. The scheme to reduce the cost of Satellite SLAs and reduce theatre sessions has slipped in the month.

- In month slippage of £0.03m within Specialist Medicine CAU is mainly due to PFE medical savings of £0.01m and Procurement savings £0.01m.

3.2.2 Full year analysis – CRMS**Full year analysis commentary**

- The Division has maintained the forecast to a £3.63m deficit for the full year. The division has maintained its outturn position; the movement in the actual forecast is due to budget movements across divisions for both service and personnel transfers. The forecast assumes that the Cardiac CAU recovers the majority of the current patient treatment underperformance by the end of the year in line with the activity recovery plan.
- The forecast CIPS shortfall is £3.2m. Unidentified CIPS currently have value of £2.9m and it has been assumed within the forecast that further savings of £0.6m will be delivered by the end of the year so that the shortfall within the forecast is £2.3m. Current Schemes are forecast to slip by £0.9m in the year.
- Some of the risks to the Division in achieving the forecast position.
 - Further Slippage on CIP delivery
 - Slippage on the Cardiac Activity Recovery Plan
 - Impact of fixed deal with INEL PCT and potential challenges on existing over performance
 - The Move to the new build. - Double running cost and impact on commissioned activity.

3.3 Regional Services

3.3.1 Regional Services Income and Expenditure Statement

Trust Financial Performance Month 7 Regional Services	In-Month			Year to Date			Full Year		
	Better/ (Worse) than:			Better/ (Worse) than:			Better/ (Worse) than:		
	Actual £m	Plan £m	Last Forecast £m	Actual £m	Plan £m	Last Forecast £m	Forecast £m	Plan £m	Last Forecast £m
NHS Acute Activity Revenue									
Elective	3.09	(0.00)	0.16	20.43	0.09	0.16	35.24	0.28	0.33
Non-Elective	1.87	(0.14)	(0.14)	14.74	0.69	(0.15)	24.69	0.65	(0.06)
Outpatient	3.15	(0.07)	0.21	20.56	(0.60)	0.21	35.41	(0.97)	0.37
A&E	-	-	-	-	-	0.00	-	-	0.00
Critical Care	-	-	-	(0.00)	(0.00)	(0.00)	-	-	0.00
Devices	0.03	(0.07)	(0.07)	0.66	(0.02)	(0.08)	1.26	0.09	(0.00)
Drugs	1.10	0.06	(0.17)	8.61	1.45	(0.17)	15.03	2.78	(0.00)
Other NHS	4.48	0.29	0.02	30.82	1.69	0.02	53.03	2.98	(0.00)
NHS Acute Activity Revenue - Total	13.71	0.06	0.00	95.83	3.30	0.00	164.67	5.82	0.64
Non NHS Clinical Revenue									
Private Patient	(0.01)	(0.09)	(0.03)	0.19	(0.22)	(0.03)	0.37	(0.43)	(0.00)
Other Non-NHS Clinical	-	-	-	-	-	-	-	-	-
Non NHS Clinical Revenue - Total	(0.01)	(0.09)	(0.03)	0.19	(0.22)	(0.03)	0.37	(0.43)	(0.00)
Other Operating Income									
Research and Development Income	0.01	0.01	0.01	0.02	0.02	0.01	0.02	0.02	-
Education and Training Income	0.02	0.01	(0.00)	0.14	0.01	(0.00)	0.24	-	(0.00)
Other Income	0.09	(0.06)	(0.05)	0.92	(0.15)	(0.04)	1.62	(0.19)	(0.03)
Other Operating Income - Total	0.11	(0.05)	(0.05)	1.07	(0.12)	(0.04)	1.88	(0.17)	(0.03)
Total Income & Operating Revenue	13.82	(0.07)	(0.08)	97.09	2.96	(0.07)	166.92	5.21	0.61
Expenditure									
Employee Benefit Expense	5.82	(0.19)	(0.07)	40.90	(0.89)	(0.07)	69.06	(1.08)	0.27
Drugs Expense	3.20	(0.53)	(0.12)	21.97	(3.29)	(0.12)	37.28	(5.03)	(0.09)
Clinical Supplies	0.96	0.03	0.13	7.53	(0.76)	0.12	12.70	(1.15)	(0.13)
PFI Operating Expenses	-	-	-	0.00	(0.00)	(0.00)	-	-	-
Other Operating Expenses	1.91	(0.36)	0.06	14.02	(2.12)	0.06	22.97	(3.09)	0.21
Total Expenditure	11.90	(1.05)	0.00	84.42	(7.06)	(0.01)	142.01	(10.36)	0.26
EBITDA	1.92	(1.12)	(0.08)	12.66	(4.10)	(0.08)	24.91	(5.15)	0.86
CIP Achieved (£m)	0.26	(0.49)		1.54	(1.77)		3.38	(3.61)	

In month & YTD performance

- The Division reported an adverse variance of £1.12m in the month, taking the year-to-date position to an adverse £4.10m. The adverse position in month is due to employee costs, drugs and unidentified CIPS. YTD, the variance is mainly attributable to drugs expenditure, clinical supplies, unidentified CIPS and internal recharges.

Income

- Income of £13.82m was achieved in month, which is £0.07m worse than plan in month and £0.08m worse than forecast. It should be noted that there were income transfers from other Divisions (for Clinical Immunology with part offset by for Renal transplantation), both of which had a corresponding income plan change, and which were not included in the M7 forecast. The main income shortfalls were in Cancer for private patient activity and Digestive Diseases for Bowel Cancer screening and GI Physiology tests.
- Non-elective activity was below plan in Digestives due to activity reductions, and Neurosciences due to activity reductions and differences between average specialty price activity for uncoded September activity and the actual coded value of that activity.
- Other NHS activity overachieved for BMT activity and Head & Neck Cancers.
- On a YTD basis, income overachievement is due to Non-Elective activity, Drugs and Other NHS income. The main areas generating non-elective overachievement are Digestives Diseases (£0.37m), Cancer (£0.40m)

In month & YTD performance

and in Neurosciences (£0.28m), while Infection & Immunity has underachieved for HIV activity (£0.30m).

- Drugs have generated a surplus against target; the main contributors are in Cancer (£0.30m), Digestives (£0.75m), Infection & Immunity (£0.19m) and Neurosciences (£0.25m).
- Other NHS income includes significant over performance for BMT (£0.62m), Solid Tumour Oncology (£0.25m), Digestive Diseases for TAR activity (£0.13m), HIV medicine (£0.71m) and Head & Neck Cancers (£0.16m). All of these areas have overachieved due to additional activity above plan and this is reflected in expenditure overspends mainly on drugs.

Pay Expenditure

- The pay position shows a marginal improvement on last month, with an overspend of £0.19m, which is £0.07m worse than forecast. Overspends are due to unidentified CIPS (£0.15m) across all CAU's, Nursing staff (£0.05m, in Neurosciences), non-clinical staff (£0.03m, due to senior manager backfill and some bank A&C), and additional theatre lists (£0.03m) cause the overspend. Medical staff have an under spend across several CAU's as some vacancies have not been fully backfilled.
- On a YTD basis, the Pay budget has an overspend of £0.89m. The drivers of this position are unidentified CIPs (£0.52m), theatre cross charges across several CAU's (£0.22m) and ward nursing staff (£0.33m) in Cancer, Digestive Diseases and Neurosciences. The balance relates to under spends in Non-Clinical/Administration and Professional & Technical staff budgets, where vacancies have not been fully covered. In addition, for Non-Clinical staff, there are vacant posts awaiting outcome of PfE processes.

Non-Pay Expenditure

- The drugs overspend of £0.53m is in Cancer (£0.23m), Infection & Immunity (£0.20m), Neurosciences (£0.06m – covered by drugs income) and Digestives Diseases (£0.03m – covered by drugs income). The HIV overspend in Infection & Immunity however is not fully covered by income due to CIPs slippage for triple class resistance patients/complex HIV patients for which income is a block contract, and use of non-ARV drugs. Data received after month-end on Cancer activity shows that chemotherapy activity was high in October, income for which will cover the majority of the overspend. The YTD position is in the same CAU's and in Cancer (£1.29m), Digestives (£0.29m – covered by income), Infection & Immunity (£1.25m), and Neurosciences (£0.41m).
- Supplies and services is an under spend of £0.03m, predominantly in the Digestives CAU where theatres activity was low and reflected in the income position. The YTD overspend is in Cancer (£0.32m), Head & Neck (£0.29m), with some small overspends in other CAU's. These overspends are generally activity driven.
- Other Non-Pay expenditure recorded an overspend £0.36m. Unidentified CIPs account for £0.29m, which is in all CAU's. Internal recharging costs result in an overspend of £0.11m, most of which is in the Cancer and Digestive Diseases CAU's. Unidentified CIPs contribute £1.06m to the YTD overspend, while internal recharging has a shortfall of £0.90m. The latter is largely in Digestive Diseases (£0.63m), and Neurosciences (£0.22m) – mainly Radiology and Pathology costs. The balance of the overspend is due to rents in Dental and cleaning costs.

CIPs performance

- The Division generated CIPs of £0.26m, resulting in a shortfall of £0.65m (CIPs £0.49m and Demand Management £0.17m) against plan most of which relates to unidentified CIPs. The shortfall against identified schemes is for internal recharges, bed reductions, central procurement and reductions in theatre lists.
- On an YTD basis, against a plan of £3.79m, savings of £1.54m have been achieved resulting in an YTD shortfall of £2.25m (CIP £1.77m and Demand Management £0.48m). There are shortfalls in every CAU due to unidentified CIPs. Against identified schemes, the most significant shortfalls are for procurement, drugs, bed closures, reduction theatre lists and internal recharge reductions.

3.3.2 Full year analysis – Regional Services

Full year analysis commentary

- Based on current trajectories and plans, the Division is forecasting an overspend of £5.15m for the year, which is the same as the position reported last month. The division has maintained its outturn position; the movement in the actual forecast is due to budget movements across divisions for both service and personnel transfers.
- Costs of approximately £0.30m have been estimated for the Head & Neck Cancer expansion from outside INEL, but no new income has been assumed for patients from ONEL (which is currently equal to plan).
- The most significant component of the over spend is drugs expenditure, with only partial cover through PbR drugs exclusion income, within Cancer and Infection & Immunity. There is however some further cover from other tariffs which are predominantly drugs related. Drugs are forecast to overspend by £5.03m, with income cover of £2.78m.
- Internal recharging is the other significant overspend, and this applies mainly to the Digestive Diseases and Neuroscience CAU's with the Divisional total forecast overspend £0.89m
- Some CAU's have seen a reduction of NHS activity in recent months. It is assumed that elective activity in Cancer and Gastroenterology improves towards year-end, and also improvements in outpatient activity within Head & Neck and Digestives.
- It is assumed that any reductions on Cyberknife activity for Private Patients will be covered by increases for NHS activity (to £0.29m), such that all running costs are covered by new income.
- The forecast CIPS shortfall is £4.91m. Within this sum, there are unidentified CIPS of value £3.61m (including £1.29m PCT demand management changes), but it is assumed that £0.9m of new savings will be delivered against this by year-end. CAU's and the Division are working to find new plans to cover the remaining CIPS shortfall.
- The Division has lost £1m of income due to the impact of the fixed deal with INEL PCT's – it is assumed that there will not be reductions beyond current trends
- It is assumed that there are no double running costs in excess of any funding for the new hospital moves.

3.4 Clinical & Diagnostic Services

3.4.1 Clinical & Diagnostic Services Income and Expenditure Statement

Trust Financial Performance Month 7 Clinical & Diagnostics	In-Month			Year to Date			Full Year		
	Better/ (Worse) than:			Better/ (Worse) than:			Better/ (Worse) than:		
	Actual £m	Plan £m	Last Forecast £m	Actual £m	Plan £m	Last Forecast £m	Forecast £m	Plan £m	Last Forecast £m
NHS Acute Activity Revenue									
Elective	0.23	0.01	0.01	1.68	0.13	0.01	2.80	0.13	0.01
Non-Elective	0.02	(0.01)	(0.01)	0.27	0.04	(0.01)	0.44	0.04	(0.02)
Outpatient	0.16	0.02	0.01	1.18	0.17	0.01	1.90	0.17	0.02
A&E	-	-	-	-	-	-	-	-	-
Critical Care	-	-	-	-	-	-	-	-	-
Devices	0.00	(0.03)	(0.04)	0.14	(0.12)	(0.03)	0.30	(0.13)	(0.04)
Drugs	0.01	(0.04)	(0.06)	0.51	0.15	(0.05)	0.87	0.25	(0.05)
Other NHS	2.59	0.01	0.08	17.50	0.19	0.08	30.41	0.77	0.29
NHS Acute Activity Revenue - Total	3.02	(0.06)	0.00	21.28	0.55	0.00	36.72	1.22	0.20
Non NHS Clinical Revenue									
Private Patient	0.11	0.07	0.07	0.34	0.05	0.07	0.58	0.06	0.13
Other Non-NHS Clinical	0.01	-	(0.00)	0.06	(0.00)	(0.01)	0.09	(0.01)	-
Non NHS Clinical Revenue - Total	0.12	0.07	0.07	0.39	0.05	0.07	0.67	0.05	0.13
Other Operating Income									
Research and Development Income	0.11	0.04	0.06	0.42	(0.08)	0.07	0.77	(0.08)	0.10
Education and Training Income	0.01	-	(0.01)	0.13	-	(0.01)	0.23	0.02	0.00
Other Income	1.21	0.06	0.08	8.00	(0.09)	0.08	13.75	(0.12)	0.05
Other Operating Income - Total	1.34	0.10	0.14	8.54	(0.17)	0.14	14.74	(0.18)	0.14
Total Income & Operating Revenue	4.48	0.11	0.21	30.21	0.43	0.20	52.13	1.10	0.48
Expenditure									
Employee Benefit Expense	6.16	(0.10)	(0.14)	42.91	0.46	(0.17)	73.33	0.28	(0.63)
Drugs Expense	1.70	(0.18)	(0.17)	10.88	(0.19)	(0.16)	18.69	(0.48)	(0.32)
Clinical Supplies	1.24	(0.08)	(0.01)	8.95	(0.43)	(0.01)	14.55	0.01	0.06
PFI Operating Expenses	-	-	-	-	-	-	-	-	-
Other Operating Expenses	(3.67)	(0.12)	0.02	(25.99)	0.16	0.02	(43.91)	(0.89)	0.14
Total Expenditure	5.43	(0.47)	(0.30)	36.76	(0.00)	(0.33)	62.66	(1.10)	(0.75)
EBITDA	(0.95)	(0.36)	(0.09)	(6.55)	0.43	(0.12)	(10.54)	0.00	(0.28)
CIP Achieved (£m)	0.58	(0.20)		2.39	(0.65)		6.00	(0.98)	

In month & YTD performance

- The Division reported an EBITDA deficit of £0.95m; this was £0.36m worse than plan and £0.09m worse than forecast.

Income

- Income at £4.48m is £0.11m better than plan and £0.21m better than forecast. Patient Treatment income was £0.06m worse than plan and as forecast. CAU income was £0.17m better than planned and £0.21m better than previous month forecast. This is as follows;
- Dexa Scan transferred from Acute and Family Division into Imaging CAU. The month 7 position includes income for month 1 to 7 of £0.8m which is £0.01m under plan. This income was not included in the forecast for last month.
- In Pathology Patients on Programme (Factor VIII) was under plan by £0.06m and High Cost drugs over performed by £0.04m, these are both pass through cost which will be recovered.
- In Imaging there was underperformance PET CT Scans of £0.04m, the continued underperformance in PET CT was due to a staffing shortage, it is expected that this will be resolved by November.
- There was an improvement in Private Patient Income of £0.07m however £0.06m relates to one individual

In month & YTD performance

patient and therefore considered as Non Recurrent.

Pay Expenditure

- Pay was £6.16m in-month, £0.10m worse than plan and £0.14m worse than forecast. The overall pay plan decreased by £0.10m compared to the previous month, £0.17 related to CIP savings and £0.07m related to budget transferred from other divisions for Dexa Scan (£0.01m) and Dental Outpatients (£0.06m).
- Therapies have vacancies of £0.09m in month, which is offset by Bank and Agency costs of £0.06m and £0.07m respectively. The posts that have been vacant since the consultation will be recruited to by December 2012.
- Pathology has in month slippage on CIPs of £0.03m. Pharmacy has posts that are over establishment relating to commissioning for the New Hospital and an additional pharmacist on Croft ward.

Non-Pay Expenditure

- Drug expenditure was £1.70m which was £0.18m worse than plan and £0.17m worse than forecast. This is due to an overspend on the blood contract of £0.14m and drugs in Clinical Haematology of £0.04m. The blood contract will be internally recharged to the divisions but the month 7 usage was significantly higher than previous months.
- Clinical Supplies expenditure was £1.24m which was £0.08m worse than plan and £0.01m worse than forecast.
- Other Operating Expenses were a credit of £3.67m which was £0.12m worse than plan and £0.02m better than forecast. Internal recharging was £0.04m adverse against plan and £0.01m better than forecast.

CIPs & Recovery Plan achievement

- CIP savings were £0.58m in Month 7, £0.21m worse than plan (CIP £0.20m and Demand Management £0.01m). There remains slippage on Pay CIPs, most have now commenced. Plans are currently being developed to reduce slippage and improve the CAU forecasts.

3.4.2 Full year analysis – Clinical & Diagnostic Services**Full year trend analysis commentary**

- The forecast outturn for the end of the year is a breakeven position.
- The patient treatment income from INEL is over performing by £0.23m to month 7. It has been assumed that INEL income will not over perform in future months.
- The patient treatment income from non INEL PCTS is over performing by £0.32m to month 7. Within in non INEL; CELBSS has over performed by £0.46m, it is expected to underperform by £ 0.05m in months 8 to 12. Patients on programme (Factor VIII) has under performed by £0.61m, it is expected that this will increase to breakeven. PET CT high cost treatment has been underperforming, it is expected that the department will be up to full capacity from November and will then start to meet the income target each month. All other non INEL income is assumed to continue at current trend.
- The CIPs are expected to deliver a saving of £6.00m.
- Internal recharging has over performed due to growth in activity by £0.34m to month 7. This included an underperformance in month 7 of £0.04m. It is expected that growth will continue in future months and over performance will be £0.46m in months 8 to 12. This will be offset by demand management CIPS of £0.94m. The demand management schemes would reduce expenditure at marginal rates of £0.23m; however growth will increase marginal rate expenditure by £0.16m in months 8 to 12.

Full year trend analysis commentary

Risks

- Blood Contract – the blood contract is overspent to month 7 by £0.55m, the value recharged out to the divisions is £0.14m over achieved. This leaves a gap of £0.31m of which £0.13m relates to month 7 and £0.19m relates to months 1-6. The month 7 will be charged out next month but there is a risk that the Mth 1-6 difference will not be recovered. The forecast assumes that the total cost of blood to the Trust will be recharged out so there is a potential risk of £0.4m against the current forecast.
- Dental Outpatients – Outpatients CAU has taken on the management of the dental outpatients. The transfer included 5 unfunded posts and initial assessment has revealed the requirement for additional unfunded posts.
- Pathology CIPs – there has been under delivery on CIPs in Pathology this month and this could indicate there is a further risk to the achievement of CIPS in future months.

Opportunities

- The R&D income is £0.08 under spent year to date but the division have not yet received income for all work carried out.
- NMET Income – the division is due additional income for training posts

3.5 Community Health Services

3.5.1 Community Health Services Income and Expenditure Statement

Trust Financial Performance Month 7 Community Health Services	In-Month			Year to Date			Full Year		
	Better/ (Worse) than:			Better/ (Worse) than:			Better/ (Worse) than:		
	Last			Last			Last		
	Actual £m	Plan £m	Forecast £m	Actual £m	Plan £m	Forecast £m	Forecast £m	Plan £m	Forecast £m
NHS Acute Activity Revenue									
Elective	-	-	-	-	-	-	-	-	-
Non-Elective	-	-	-	-	-	-	-	-	-
Outpatient	-	-	-	-	-	-	-	-	-
A&E	-	-	-	-	-	-	-	-	-
Critical Care	-	-	-	-	-	-	-	-	-
Devices	-	-	-	-	-	-	-	-	-
Drugs	-	-	-	-	-	-	-	-	-
Other NHS	5.91	0.00	0.39	41.34	0.33	0.39	70.59	0.19	0.39
NHS Acute Activity Revenue - Total	5.91	0.00	0.39	41.34	0.33	0.39	70.59	0.19	0.39
Non NHS Clinical Revenue									
Private Patient	0.00	0.03	(0.01)	0.03	(0.11)	(0.01)	0.05	(0.20)	(0.04)
Other Non-NHS Clinical	-	-	-	-	-	-	-	-	-
Non NHS Clinical Revenue - Total	0.00	0.03	(0.01)	0.03	(0.11)	(0.01)	0.05	(0.20)	(0.04)
Other Operating Income									
Research and Development Income	-	-	-	-	-	-	-	-	-
Education and Training Income	0.03	0.00	0.03	0.31	0.14	0.31	0.31	0.02	0.31
Other Income	0.12	0.07	(0.38)	0.56	0.25	(0.66)	1.06	0.53	(0.95)
Other Operating Income - Total	0.14	0.08	(0.36)	0.87	0.39	(0.35)	1.37	0.54	(0.64)
Total Income & Operating Revenue	6.06	0.11	0.03	42.24	0.60	0.03	72.01	0.53	(0.29)
Expenditure									
Employee Benefit Expense	4.06	0.38	0.33	30.03	1.13	0.33	53.50	2.05	0.80
Drugs Expense	0.01	0.02	0.02	0.19	(0.03)	0.02	0.34	(0.06)	0.06
Clinical Supplies	0.60	(0.07)	0.01	3.99	(0.20)	0.02	6.79	(0.31)	0.12
PFI Operating Expenses	-	-	-	-	-	-	-	-	-
Other Operating Expenses	0.87	(0.12)	(0.04)	5.68	(0.33)	(0.05)	9.82	(0.65)	0.01
Total Expenditure	5.54	0.21	0.33	39.88	0.57	0.32	70.44	1.03	0.99
EBITDA	0.52	0.32	0.35	2.36	1.17	0.35	1.56	1.56	0.70
CIP Achieved (£m)	0.27	0.01		1.68	(0.14)		3.12	0.00	

In month & YTD performance

- The Division reported a surplus of £0.52m in the month, £0.32m better than plan and £0.35m better than forecast. This has increased the YTD position to £1.17m better than plan.

Income

- Income of £6.06m was achieved in month, which is £0.11m better than plan and £0.03m better than forecast. The YTD position is £42.24m, £0.60m better than plan.
- Main block contract is £69.19m which is 96% of total annual income. Other income is ad hoc and likely to fluctuate with seasonality.

Pay Expenditure

- Pay is £4.06m in month, which is £0.38m better than plan and £0.33m better than forecast. The improvement on forecast is due to a reduction in bank and agency spends across the Division and a slippage on recruitment resulting in the in-month benefit.
- Bank/agency spend is 5% total pay spend YTD

In month & YTD performance**Non-Pay Expenditure**

- Non-pay is £0.17m worse than plan and £0.56m worse than plan YTD. This is due to non recoverable VAT on a contract and risk sharing of pooled budget arrangements. Within services there has been an improvement in purchasing.

CIPs performance

- Cost improvement target for the year is £3.12m, and the division has identified £3.12m of schemes.
- The division delivered £0.27m savings in month against a target of £0.26m and £1.68m YTD against a target of £1.82m.
- The forecast shows that all CIP plans will be achieved by the end of the year.

3.5.2 Full year analysis – Community Health Services**Full year analysis commentary****Risks and forecast**

- The forecast surplus has increased this month by £0.7m. This is due to a reduction in bank and agency spends across CHS which is anticipated to continue for the remainder of the year.
- There has also been a review of establishment and this has allowed profiling of recruitment to be more robust and has released some slippage into the position.
- A number of unfunded costs have been identified, approximately £0.4m, and will be challenged under the terms of the BTA agreement. These are currently being managed within the position and if the challenge is successful will be a benefit.
- The forecast also reflects a reduction of ad hoc income of approx £0.3m due to the transfer of the Walk-in Centre to a different division.

3.6 Corporate Directorates

3.6.1 Corporate Directorates Income and Expenditure Statement

Trust Financial Performance Month 7 Corporate Directorates	In-Month			Year to Date			Full Year		
	Better/ (Worse) than:			Better/ (Worse) than:			Better/ (Worse) than:		
	Actual £m	Plan £m	Last Forecast £m	Actual £m	Plan £m	Last Forecast £m	Forecast £m	Plan £m	Last Forecast £m
NHS Acute Activity Revenue									
Elective	-	-	-	-	-	-	-	-	-
Non-Elective	-	-	-	-	-	-	-	-	-
Outpatient	-	-	-	-	-	-	-	-	-
A&E	-	-	-	-	-	-	-	-	-
Critical Care	-	-	-	-	-	-	-	-	-
Devices	-	-	-	-	-	-	-	-	-
Drugs	-	-	-	-	-	-	-	-	-
Other NHS	-	-	-	-	-	-	-	-	-
NHS Acute Activity Revenue - Total	-	-	-	-	-	-	-	-	-
Non NHS Clinical Revenue									
Private Patient	-	-	-	-	-	-	-	-	-
Other Non-NHS Clinical	0.24	0.03	(0.10)	2.25	0.73	(0.10)	3.97	1.37	(0.11)
Non NHS Clinical Revenue - Total	0.24	0.03	(0.10)	2.25	0.73	(0.10)	3.97	1.37	(0.11)
Other Operating Income									
Research and Development Income	0.07	0.02	0.01	0.67	0.31	0.01	1.00	0.38	0.01
Education and Training Income	0.05	0.05	0.05	0.17	0.03	0.17	0.17	(0.08)	0.17
Other Income	0.84	(0.09)	(0.07)	7.22	0.68	(0.19)	11.63	0.70	(0.32)
Other Operating Income - Total	0.96	(0.03)	(0.01)	8.06	1.01	(0.01)	12.80	1.00	(0.14)
Total Income & Operating Revenue	1.21	(0.00)	(0.11)	10.31	1.74	(0.11)	16.77	2.37	(0.25)
Expenditure									
Employee Benefit Expense	2.59	0.14	0.07	18.59	0.53	0.07	31.94	0.69	0.08
Drugs Expense	0.01	(0.01)	(0.01)	0.03	(0.01)	(0.01)	0.05	(0.00)	(0.01)
Clinical Supplies	0.02	(0.02)	(0.02)	0.09	(0.05)	(0.05)	0.09	(0.04)	(0.05)
PFI Operating Expenses	5.01	(0.07)	(0.08)	34.68	(0.56)	(0.11)	58.94	0.35	(0.14)
Other Operating Expenses	2.51	(0.21)	0.26	21.97	(2.36)	0.32	34.01	(2.98)	0.33
Total Expenditure	10.15	(0.16)	0.22	75.36	(2.45)	0.22	125.03	(1.99)	0.22
EBITDA	(8.94)	(0.16)	0.10	(65.05)	(0.70)	0.10	(108.26)	0.38	(0.03)
CIP Achieved (£m)	0.91	(0.05)		3.76	(1.47)		8.65	(1.40)	

In month & YTD performance

- The Division reported a deficit EBITDA of £8.94m in the month, £0.16m worse than plan. YTD the position is £0.70m worse than plan.

Income

- Income at £1.21m is on budget. Receipts from the NHS Injury recovery system and R & D Income are some of the key drivers of the position.
- YTD income is £1.74m above plan at £10.31m.

Pay Expenditure

- Pay at £2.59m is £0.14m better than plan and £0.07m better than forecast. The favourable position is driven by vacancies kept unfilled.
- YTD pay costs at £18.59m are £0.53m lower than plan, and £0.07 better than forecast.

Non-Pay Expenditure

- Non-pay costs are £0.30m higher than plan at £7.55m, and £0.15m better than last forecast. The main

In month & YTD performance

drivers of the in-month variance from plan are:

- Other operating expenses are £0.21m higher than plan and £0.26m better than forecast. The unfavourable position is mainly due to under performance of CIPs schemes phased in-month and expenditure netted off by corresponding income.
- PFI operating expenses are £0.07m lower than plan. Favourable movements in rates expenditure are the main drivers of the position.

CIPs achievement

- CIPs performance at £0.91m in the month was £0.05m worse than plan. YTD CIPs at £3.76m was £1.47m worse than plan. The key drivers for this position are delayed schemes or schemes commencing until the latter half of the year for HR and New Hospitals (£0.36m).
- The division is forecasting a deficit position of £1.40m against a full year target of £10.05m

The Corporate Directorates have been tasked with identifying alternative and or substitute schemes for these under performing schemes.

3.6.2 Full year analysis – Corporate Directorates**Full year analysis commentary**

- The Corporate Directorates are forecasting a full year net expenditure EBITDA of £108.63m, £0.38m better than plan. The forecast excludes the impact of the increase in the PFI Unitary Charge (£0.90m) following the recent benchmarking exercise. Furthermore, New Hospital contribution to the FM Savings target of £3.2m is anticipated to be £1.5m.

Risks

- There are a number of risks that are likely to have an adverse impact on the ability of Corporate Directorates achieving their forecast position at the end of the financial year:
 - The potential costs of providing facilities management services to the London Chest Hospital site and the Queen Elizabeth II building at Barts once these fall off the service provision wallpaper this financial year. It is hoped that a favourable outcome from the benchmarking process will mitigate this risk;
 - Increases in gas prices and other energy utilities costs, continue to have an adverse impact on the cost of utilities;

Opportunities

- There are likely to be additional savings opportunities if the stock inventory control system being considered for theatres is rolled out to non-theatre areas also.
- The current review of the Trust's risk profile under Clinical Negligence Scheme for Trust (CNST) could generate possible savings if the Trust's risks were to be downgraded.

4 Financial Risks and Opportunities

4.1 Significant financial risks for achieving Forecast Outturn

Risk Level RAG	Risk Description	Full Value of Potential Risk £'000s	Mitigating Actions
A	Delivery of Forecast Outturn in A&F	1,220	<ul style="list-style-type: none"> Division has been tasked with identifying plans to address this
A	Delivery of Forecast Outturn in Regional Services	2,050	<ul style="list-style-type: none"> Division has been tasked with identifying plans to address this
A	CIPs – Savings from Synergy Managed Service (A&F)	800	<ul style="list-style-type: none"> This may materialise in year as negotiations are on-going
A	Facilities Management at LCH and QEII	800	<ul style="list-style-type: none"> The level of risk is not yet known. Work is on-going to quantify the level of risk and outcome will be known in December.
A	PCT claims relating to data quality and other issues - that can adversely impact Trust income.	1,000	<ul style="list-style-type: none"> Ensure that there is a clearly defined and inclusive reporting system in place. Ensure that commissioner queries are dealt with fully and in a timely manner. Organise regular meetings between the Trust and commissioners to ensure the timely resolution of outstanding and contentious issues.
A	Commissioning Penalties for contract levers including achieving CQUIN targets	1,000	

4.2 CIPs - top ten failing schemes

Division	Title	In Month			Year to Date			Full Year		
		Plan	Actual	Variance	Plan	Actual	Variance	Plan	Forecast	Variance
		£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
CORPORATE	Unallocated CIP	360	0	(360)	1,440	0	(1,440)	3,240	1,500	(1,740)
ACUTE & FAMILY	Procurement - 5%	83	0	(83)	333	0	(333)	750	150	(600)
ACUTE & FAMILY	Increasing Theatre Utilisation	67	22	(44)	267	67	(200)	600	179	(421)
CRMS	PFE- Procurement- Medtronic supplier project	25	0	(25)	135	0	(135)	262	70	(192)
ACUTE & FAMILY	Reduction in pathology & imaging (from Q2)	32	0	(32)	127	0	(127)	287	80	(207)
ACUTE & FAMILY	Pharmacy-PbR-Excluded Clinical Trials	21	5	(16)	147	25	(122)	210	52	(158)
CLINICAL & DIAGNOSTICS	Pan Pathology non pay review	47	0	(47)	117	0	(117)	723	653	(70)
CLINICAL & DIAGNOSTICS	MED1	28	1	(27)	111	1	(110)	250	6	(244)
ACUTE & FAMILY	Managed Stock solution	27	0	(27)	107	0	(107)	241	400	159
ACUTE & FAMILY	Change Elective Theatre schedule to 42 weeks	34	0	(34)	101	0	(101)	269	0	(269)

5 Appendices

5.1 Income by sector

Income by Sector	Year to Date		Full Year	
	Actual	Better/ (Worse) than:	Forecast	Better/ (Worse) than:
	£m	Plan £m	£m	Plan £m
Patient Treatment Income				
Inner North East London	194.09	0.36	333.15	0.19
Outer North East London	59.97	3.15	102.63	4.03
North Central London	16.91	0.34	29.46	0.82
North West London	4.03	(0.78)	8.31	0.00
South West London	1.88	0.87	3.36	1.62
South East London	5.90	(0.56)	11.17	0.00
East of England	30.80	1.89	51.54	1.62
Other Commissioners	38.06	(1.50)	67.14	1.16
sub-total Patient Treatment Income	351.64	3.76	606.75	9.44
Other Income	103.82	12.94	169.31	4.26
Total Income	455.46	16.70	776.07	13.70

Commentary

- The INEL figures for the Trust are consistent with the 2011/12 financial deal of £262.92m for the year
- The INEL figures now include the CHS income which is slightly over performing against plan, acute activity remains equal to Trust plan
- YTD CHS Income is responsible for £41.34m of the above income in plan and actuals. It has an YTD favourable variance against plan of £0.33m.
- The Trust still forecasts an out-turn of £536.21m against a £526.92m initial plan based on the original Trust structure, plus another £70.40m for the CHS division
- High cost drugs continue to over perform against plan with an YTD favourable variance of £1.9m. Gastroenterology, Clinical Haematology and Cardiology account for almost half of this.
- Cardiac & Vascular inpatient work improved significantly from previous trends. Part of this is because in month elective work is £311k higher than in M6.
- High cost drugs continue to over perform against plan with an YTD favourable variance of £1.9m. Gastroenterology, Clinical Haematology and Cardiology account for almost half of this.
- Once the YTD effect of CPAP/BIPAP over performance is removed the Trust is underperforming by £0.79m on high cost devices. This is largely driven by Cardiology (£0.59m) and T&O (£0.18m).
- The largest over performing CAU in month is Specialist Medicine (£0.18m Favourable). This is overwhelmingly driven by Respiratory Medicine high cost devices. (£0.29m favourable)

5.2 Employee Benefit Expense Analysis

Employee Benefit Expense - Month 7	In-Month		Year to Date	
	Better/(Worse) than:		Better/(Worse) than:	
	Actual 2011-12 £m	Plan £m	Actual 2011-12 £m	Plan £m
Medical	9.99	0.12	69.53	(0.10)
Nursing & Midwifery	12.89	(0.58)	89.86	(3.35)
Other clinical Staff	0.24	0.03	1.64	0.18
Scientific, Therapeutic & Technical	5.73	0.64	40.23	4.71
Director & Senior Manager	1.66	0.11	11.80	0.53
Non clinical staff	4.75	(0.09)	33.20	0.01
Other pay	(0.12)	(0.70)	(0.10)	(2.84)
Grand Total	35.13	(0.46)	246.15	(0.85)

Commentary

- Overall Pay is £0.46m above plan in month and £0.85m above plan YTD. Midwifery and Non Clinical Staff is above plan, this is offset by under spends mainly in the Medical and Scientific, Therapeutic & Technical staff group. The over spend in Nursing & Midwifery is driven mainly by Agency/Bank costs in the month.

5.3 Employee Benefit Expense Analysis WTE

Whole Time Equivalent - Month 7	In-Month	
	Better/(Worse) than:	
	Actual 2011-12	Plan
Medical	1,341.7	(41.7)
Nursing & Midwifery	3,580.9	(175.1)
Other clinical Staff	112.8	10.0
Scientific, Therapeutic & Technical	1,513.7	30.6
Director & Senior Manager	244.7	11.9
Non clinical staff	1,788.8	(30.2)
Other pay	9.7	(3.3)
Grand Total	8,592.1	(197.9)

Commentary

- Whole Time Equivalents (WTEs) of 8,592 reported in the month, and 198wte above plan. Included within the above is the transfer of Community Health Services staff which were not part of the Trust in the last financial year.

5.4 Aged debtors

Category	Total Debt £m	0-30 Days £m	30-60 Days £m	60-90 Days £m	90-120 Days £m	120 Days - 1 Year £m	>1 Year £m
NHS	45.14	24.83	8.34	2.26	0.91	6.42	2.38
NON-NHS	16.46	3.11	0.64	0.88	0.43	3.65	7.75
Totals	61.60	27.94	8.98	3.14	1.34	10.07	10.13

Included in NHS debtors: £M

NEWHAM UNIVERSITY HOSPITAL TRUST	5.25	0.89	0.48	0.32	0.35	1.97	1.24
WELSH HEALTH SPECIALISED SERVICES COMMITTEE	0.61	0.01	0.02	-	-	0.34	0.24
BARKING HAVERING AND REDBRIDGE HOSPITALS NHS TRUST	1.52	0.24	0.10	0.12	0.13	0.77	0.16
WHIPPS CROSS UNIVERSITY HOSPITAL NHS TRUST	0.58	0.19	0.04	0.05	0.05	0.13	0.12
REDBRIDGE PCT	0.51	0.43	(0.08)	0.04	0.24	(0.23)	0.11

Included in non-NHS debtors: £M

OVERSEAS VISITORS	1.28	0.19	0.07	-	0.02	0.33	0.67
NHS INJURY COST RECOVERY SYSTEM	10.45	0.90	0.14	0.49	0.22	2.54	6.16
OVERPAYMENT OF SALARIES	0.88	-	0.05	0.01	0.10	0.16	0.56

Provisions For Irrecoverable Debts: £M

NHS	7.71	(0.01)	-	-	-	6.48	1.24
NON-NHS	5.38	0.21	0.14	0.04	0.13	0.66	4.20
Totals	13.09	0.20	0.14	0.04	0.13	7.14	5.44

Commentary on Debts over 1 Year and provisions for irrecoverable debts

- NHS Debtors over 1 year:
 - Newham University Hospital Trust has agreed to pay its debt, however the Trust is unable to make payments due to cash problems;
 - The Welsh Health Specialist Services Committee debts mainly relate to dispute elective patients who require prior approval.
 - South East Essex PCT debts relate to disputed patient care invoices.
 - Barking, Havering and Redbridge NHS Trust is unable to make payments due to cash problems.
 - Whipps Cross debts relate mainly to disputed salary recharges and virology tests.
 - Redbridge PCT debts relate to disputed patient care invoices.
- A provision for NHS credit notes is made for invoices which are disputed by other NHS organisations.
- A provision of 9.6% is made for NHS Injury Cost Recovery Scheme debts up to 3 years old and 100% for NHS Injury Cost Recovery Scheme debts over 3 years old.

6 Corporate Directorates

Corporate Directorates Financial Performance by Directorate at Month 6		In-Month		Year to Date		Full Year	
		Better/ (Worse) than:		Better/ (Worse) than:		Better/ (Worse) than:	
		Actual £m	Plan £m	Actual £m	Plan £m	Forecast £m	Plan £m
Chief Executive	Income	0.01	0.01	0.02	(0.00)	0.03	(0.01)
	Expenditure						
	Pay	0.10	0.00	0.68	0.00	1.17	0.00
	Non Pay	0.02	(0.01)	0.13	(0.01)	0.20	0.01
	Total Expenditure	0.12	(0.00)	0.81	(0.01)	1.37	0.01
	EBITDA	(0.11)	-	(0.78)	(0.01)	(1.34)	0.00
	CIP Achieved (£m)	0.02	(0.00)	0.16	(0.02)	0.29	0.00
Communication	Income	0.01	0.00	0.12	0.11	0.13	0.11
	Expenditure						
	Pay	0.04	0.00	0.31	(0.01)	0.53	(0.00)
	Non Pay	0.02	(0.01)	0.13	(0.10)	0.14	(0.10)
	Total Expenditure	0.06	(0.01)	0.44	(0.11)	0.67	(0.10)
	EBITDA	(0.05)	(0.01)	(0.32)	-	(0.54)	0.01
	CIP Achieved (£m)	0.00	-	0.01	(0.01)	0.03	-
Strategy	Income	-	-	-	-	-	-
	Expenditure						
	Pay	0.02	0.00	0.15	0.01	0.26	0.02
	Non Pay	-	-	0.02	0.00	0.02	0.00
	Total Expenditure	0.02	0.00	0.17	0.01	0.28	0.02
	EBITDA	(0.02)	0.00	(0.17)	0.01	(0.28)	0.02
	CIP Achieved (£m)	0.01	-	0.05	-	0.09	-
New Hospitals Program	Income	0.29	(0.02)	2.42	(0.12)	3.84	-
	Expenditure						
	Pay	0.17	0.03	1.22	(0.00)	2.11	-
	Non Pay	6.48	(0.34)	45.08	(0.00)	76.31	-
	Total Expenditure	6.65	(0.32)	46.29	(0.01)	78.42	-
	EBITDA	(6.36)	(0.33)	(43.87)	(1.25)	(74.57)	-
	CIP Achieved (£m)	0.60	(0.05)	2.08	(1.30)	5.33	(1.35)
ICT	Income	0.05	(0.02)	0.39	(0.11)	0.64	(0.21)
	Expenditure						
	Pay	0.33	0.03	2.42	0.12	4.13	0.17
	Non Pay	(0.04)	0.09	0.55	(0.12)	0.76	0.08
	Total Expenditure	0.29	0.12	2.96	(0.01)	4.89	0.25
	EBITDA	(0.24)	0.10	(2.57)	(0.11)	(4.25)	0.05
	CIP Achieved (£m)	0.05	(0.00)	0.25	(0.03)	0.52	0.00
Finance	Income	0.45	0.01	4.19	0.95	7.08	1.69
	Expenditure						
	Pay	0.64	(0.01)	4.59	(0.09)	7.84	(0.11)
	Non Pay	0.83	(0.00)	8.62	(0.86)	12.24	(1.57)
	Total Expenditure	1.47	(0.01)	13.22	(0.95)	20.08	(1.69)
	EBITDA	(1.02)	-	(9.02)	0.00	(13.00)	0.00
	CIP Achieved (£m)	0.05	0.00	0.23	0.00	0.46	-

Corporate Directorates Financial Performance by Directorate at Month 6		In-Month		Year to Date		Full Year	
		Better/ (Worse) than:		Better/ (Worse) than:		Better/ (Worse) than:	
		Actual £m	Plan £m	Actual £m	Plan £m	Forecast £m	Plan £m
Chief Operating Officer	Income	0.04	-	0.27	(0.00)	0.47	0.01
	Expenditure						
	Pay	0.41	0.01	2.75	0.19	4.80	0.25
	Non Pay	0.02	0.00	0.33	0.03	0.42	0.05
	Total Expenditure	0.43	0.01	3.08	0.21	5.22	0.30
	EBITDA	(0.39)	0.01	(2.81)	0.21	(4.75)	0.30
	CIP Achieved (£m)	0.03	-	0.18	-	0.31	0.00
Medical Director	Income	0.07	(0.09)	0.88	0.01	1.46	(0.02)
	Expenditure						
	Pay	0.11	0.07	1.01	(0.02)	1.76	(0.06)
	Non Pay	0.01	0.02	0.24	0.04	0.38	0.09
	Total Expenditure	0.12	(0.29)	1.25	0.02	2.14	0.03
	EBITDA	(0.05)	(0.38)	(0.37)	0.03	(0.68)	0.00
	CIP Achieved (£m)	0.01	-	0.04	-	0.08	-
Chief Nurse	Income	0.02	0.01	0.11	0.07	0.16	0.08
	Expenditure						
	Pay	0.35	0.02	2.59	0.17	4.49	0.10
	Non Pay	0.06	0.01	0.41	(0.00)	0.70	0.00
	Total Expenditure	0.41	0.03	3.00	0.17	5.19	0.10
	EBITDA	(0.39)	0.04	(2.89)	0.24	(5.03)	0.18
	CIP Achieved (£m)	0.04	-	0.20	0.01	0.34	(0.06)
Medical Education & R&D	Income	0.15	0.04	1.08	0.18	1.62	0.09
	Expenditure						
	Pay	0.11	0.04	0.91	0.09	1.55	0.18
	Non Pay	0.07	(0.01)	0.59	0.00	0.97	0.05
	Total Expenditure	0.18	0.03	1.50	0.09	2.51	0.22
	EBITDA	(0.03)	0.07	(0.43)	0.27	(0.89)	0.31
	CIP Achieved (£m)	0.08	0.03	0.34	(0.00)	0.58	0.00
Human Resources	Income	0.12	0.06	0.83	0.42	1.33	0.62
	Expenditure						
	Pay	0.32	(0.05)	1.95	(0.15)	3.29	(0.18)
	Non Pay	0.08	(0.04)	0.69	(0.36)	0.96	(0.44)
	Total Expenditure	0.40	(0.10)	2.64	(0.51)	4.25	(0.63)
	EBITDA	(0.28)	(0.04)	(1.81)	(0.09)	(2.92)	(0.00)
	CIP Achieved (£m)	0.03	(0.03)	0.22	(0.13)	0.62	(0.00)
Corporate Directorates	Income	1.20	(0.00)	10.31	1.74	16.77	2.37
	Expenditure						
	Pay	2.60	0.14	18.59	0.53	31.94	0.69
	Non Pay	7.55	(0.29)	56.77	(2.98)	93.10	(2.68)
	Total Expenditure	10.15	(0.15)	75.36	(2.44)	125.04	(1.99)
	EBITDA	(8.95)	(0.16)	(65.05)	(0.70)	(108.27)	0.37
	CIP Achieved (£m)	0.91	(0.05)	3.76	(1.47)	8.65	(1.40)

7 Income by commissioner and POD

INEL YTD M7		Activity			Income			Income	
		YTD Budget Activity	YTD Actual Activity	YTD Variance Activity	YTD Budget £m	YTD Actual £m	YTD Variance £m	YTD Actual without Cap £m	YTD Variance on Actual without Cap
Elective		20,005	19,519	(486)	28.01	28.01	-	25.41	(2.60)
Non-Elective		20,425	18,894	(1,531)	43.87	43.87	-	45.21	1.34
Outpatient		173,269	196,808	23,539	25.63	25.63	-	25.98	0.35
A&E		38,665	46,634	7,969	5.15	5.15	-	5.65	0.50
Other		0	0	0	91.07	91.43	0.36	51.16	0.96
Total					193.73	194.09	0.36	153.40	0.54

ONEL YTD M7		Activity			Income		
		YTD Budget Activity	YTD Actual Activity	YTD Variance Activity	YTD Budget £m	YTD Actual £m	YTD Variance £m
Elective		6,207	6,991	785	11.82	12.09	0.27
Non-Elective		3,797	4,304	507	12.57	12.58	0.01
Outpatient		59,507	55,431	(4,076)	8.48	8.36	(0.13)
A&E		4,366	4,522	155	0.45	0.50	0.05
Other		0	0	0	23.50	26.44	2.95
Total					56.82	59.97	3.15

Other PCTs YTD M7		Activity			Income		
		YTD Budget Activity	YTD Actual Activity	YTD Variance Activity	YTD Budget £m	YTD Actual £m	YTD Variance £m
Elective		7,426	8,510	1,084	14.15	14.72	0.57
Non-Elective		3,718	3,187	(531)	12.30	9.31	-2.99
Outpatient		47,983	44,526	(3,457)	6.84	6.71	-0.13
A&E		14,155	14,219	65	1.45	1.57	0.11
Other		0	0	0	62.59	65.27	2.68
Total					97.33	97.58	0.25
Trust Total					347.88	351.64	3.76