

**Ealing Hospital NHS Trust**  
*incorporating the Community Services of  
Brent, Ealing & Harrow*

**Trust Board Director of Finance Report**

**Month 6 (September) 2012/13**

## Finance Report Month 6 (September) 2012/13

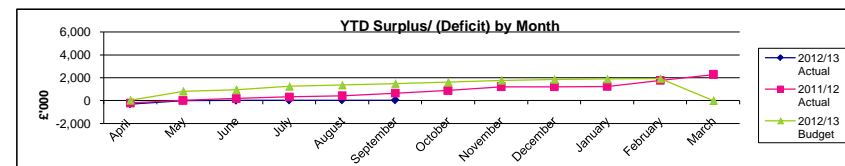
### Executive Summary

This report outlines the Trust's financial performance for the first half of the 2012/13 financial year. At the end of September (month 6) the Trust reported a £39k year to date surplus and a £4k surplus in the month.

The Trust continues to use escalation beds to meet demand levels. Number of these beds increased to an average of 60 beds compared to a 47 bed average in July and August.

The QIPP performance to date is 97% achieved. Efforts will be focussed in coming months on full scheme delivery and / or mitigations to ensure the overall QIPP target is met this year.

The Trust is materially behind plan at Month 6, and the winter months will be very challenging. At the time of writing, merger costs are still not funded, but are assumed as fully funded in the position. If this funding is not received, the Trust will be forced into a deficit position. The Operations team must concentrate on reducing beds and minimising pay costs to within budget over the third and fourth quarters of 2012/13 for the Trust to deliver against the planned break even.



	Budget	Actual	RAG Rating	Commentary
<b>Business Headlines</b>				
In Month Net Surplus/-Deficit (£000)	379	4	AMBER	In month overspends on escalation beds, clinical supplies and cover for staff absences.
Cumulative Net Surplus/- Deficit (£000)	2,052	39	RED	Directorate over spends are driving the variation from plan.
Forecast Net Surplus/-Deficit Year to Date	0	0	GREEN	At Month 6 the Trust is forecasting a year end break even position in line with our annual plan.
Monitor Financial Risk Rating	3	2	AMBER	See Financial Risks sheet
QIPP Target to date	4,501	4,364	GREEN	The QIPP challenge for 2012/13 is £13.1m. At Month 6, £4.35m of savings were achieved against the planned profile of £4.50m.
Deliver Capital Resource Limit (CRL)	1,621	1,797	GREEN	Capital Spend is being managed in line with the Capital Resource Limit (CRL).
Cash Balance (£'000s)	8,106	8,155	GREEN	Cash is being managed within the External Financing Limit (EFL). Cash balances of £8.1m were held at 30th September 2012.
Better Payment Practice Code (%) YTD by Value	95%	96%	GREEN	96.02% based on value of bills paid and 92.09% based on number of bills paid on time for the financial year 2012/13.
Better Payment Practice Code (%) YTD by Volume	95%	92%	AMBER	

## Financial Risks

Risk	Description	Likelihood	Impact	Score	RAG rating	Mitigations
QIPP delivery	A £13million QIPP programme is necessary to meet the financial targets of the year	Unlikely	Serious	9	AMBER	The Trust has well developed mitigations for the main under performing QIPP scheme, which is the Corporate savings plan.
Overperformance expenditure incl winter presssures	The Trust has a block contract, and any overperformance from unmet commissioner demand management will have an adverse effect on the position as additional expenditure is incurred offset by no additional income	Likely	Major	16	RED	The Trust is currently reviewing capacity and ensuring timely discharges to minimise the impact of escalation beds. The Trust must operate within the funded bed base of 239 beds.
Merger costs	Currently £9million of merger costs across both NWLH and EHT are planned for 2012/13. Funding for this is sought from the sector, but agreement has yet to be reached.	Possible	Major	12	AMBER	Funding confirmation of merger costs remains outstanding.
Average Risk Rating				9	AMBER	

Measures of Likelihood		Measures of Impact	
Level	Descriptor	Level	Descriptor
0	Impossible	0	Negligible
1	Rare	1	Minor
2	Unlikely	2	Moderate
3	Possible	3	Serious
4	Likely	4	Major
5	Almost Certain	5	Catastrophic

RAG Rating Key	
Red	Score is greater than 14
Amber	Score is between 8 and 14
Green	Score is less than 8

## Monitor Financial Risk Indicators

Under the Monitor regime the Trust's financial risk rating is a 2, this is classed as high risk and the Trust would be required to provide a monthly remedial plan to Monitor. They key area of under performance is achievement of plan to date. Three criteria would need to be increase to 3 in order to have an overall Trust rating of 3.

Financial Criteria	Metric	Planned Value	Value	Planned Rating	Rating	RAG Rating	Year End Value	Forecast Y/E rating	RAG Rating	5	4	3	2	1
Achievement of Plan to Date	EBITDA Projected (% of Planned EBITDA)*	100	63	5	2	AMBER	101	5	GREEN	100	85	70	50	<50
Underlying Performance	EBITDA Margin %	4.94	3.04	2	2	AMBER	3.11	2	AMBER	11	9	5	1	<1
Financial Efficiency	Return on Assets Excluding Dividend (%)	2.91	1.26	2	2	AMBER	2.42	2	AMBER	6	5	3	-2	<-2
	I&E Surplus Margin Net of Dividend (%)	3.11	1.32	5	3	AMBER	1.29	3	AMBER	3	2	1	-2	<-2
Liquidity	Liquidity Ratio (days)	185	98	5	5	GREEN	34	4	GREEN	60	25	15	10	<10
Overall				3	2	AMBER		2	AMBER	Financial risk rating is weighted average of financial criteria scores				

## Notes:

Monitor, the Foundation Trust regulator, uses four financial criterion, consisting of five metrics, to determine the risk of a financial breach by an organisation. Each financial criterion is rated 1 (high risk) to 5 (low risk) and compared to a grid of standard values. Once a preliminary score of 1 to 5 has been generated for each financial criterion, the relevant weighting is applied to derive an aggregate, whole number rating of 1 (highest risk) to 5 (lowest risk) for financial risk. On authorisation, an NHS foundation trusts financial risk rating will be either a 3 or 4 unless there are exceptional circumstances.

\* EBITDA = Earnings before, interest, taxes, depreciation and amortisation.

# Finance Report Month 6 (September) 2012/13

## Financial Summary

		Annual Budget £'000	YTD Budget £'000	YTD Actuals £'000	YTD Variance £'000	In Month Budget £'000	In Month Actuals £'000	In Month Variance £'000	Year End Forecast £'000	Year End Forecast Variance
Income from	Local Authorities Income	-896	-448	-617	169	-75	-67	-8	-1,488	592
Activities	NHS Other Income	-537	-268	-492	223	-45	-123	79	-858	321
	Overseas Patients Income	-40	-20	-11	-9	-3	-5	2	-19	-21
	Primary Care Trusts Income	-201,612	-102,496	-103,954	1,458	-17,014	-17,238	224	-204,143	2,531
	Private Patients Income	-232	-91	-14	-78	-15	-9	-6	-13	-219
	Road Traffic Act Income	-1,120	-560	-403	-157	-93	-93	0	-822	-298
<b>Income from Activities</b>		<b>-204,437</b>	<b>-103,884</b>	<b>-105,490</b>	<b>1,606</b>	<b>-17,245</b>	<b>-17,536</b>	<b>291</b>	<b>-207,343</b>	<b>2,906</b>
Other Operating In	Charitable & Other Contr Income	0	0	-7	7	0	0	0	-26	26
	Education, Train & Rsch Income	-8,387	-4,200	-4,118	-81	-698	-681	-17	-8,112	-275
	Income Generation	-3,987	-1,966	-1,759	-207	-337	-283	-54	-3,431	-556
	Non Patient Care Svs Income	-1,827	-892	-1,265	373	-148	-180	32	-2,530	703
	Other Income	-768	-384	-841	457	-64	578	-642	-2,103	1,335
	Patient Transport Income	-29	-15	-17	3	-2	-6	4	-43	14
	Xfers Donated Asset Res Inc	0	0	0	0	0	0	0	0	0
<b>Other Operating Income</b>		<b>-14,999</b>	<b>-7,457</b>	<b>-8,008</b>	<b>551</b>	<b>-1,249</b>	<b>-572</b>	<b>-677</b>	<b>-16,245</b>	<b>1,247</b>
Pay	A&C Staff Costs	23,205	11,200	10,837	363	1,864	1,734	130	21,728	1,477
	Executive Directors Costs	834	417	448	-31	70	91	-21	848	-14
	Hca & Support Staff Costs	2,011	1,005	1,687	-682	167	296	-128	3,224	-1,213
	Medical Staff Costs	32,119	15,928	15,607	322	2,652	2,548	105	29,744	2,375
	Non Executive Directors Costs	53	27	27	0	4	4	0	52	1
	Non NHS Staff Costs (Agency)	1,304	648	6,267	-5,619	108	999	-891	10,966	-9,662
	Nursing, Midwifery & H Visiting	67,778	33,756	31,536	2,220	5,617	5,240	377	61,996	5,782
	Other Employees Staff Costs	-613	-307	-192	-115	-41	1	-42	-290	-323
	Scientific, Therapeutic Staff	24,559	12,007	11,018	989	1,993	1,860	133	21,780	2,779
	Senior Managers	7,128	3,564	3,178	386	595	503	92	6,516	612
<b>Pay</b>		<b>158,379</b>	<b>78,245</b>	<b>80,412</b>	<b>-2,167</b>	<b>13,029</b>	<b>13,275</b>	<b>-246</b>	<b>156,564</b>	<b>1,814</b>
Non Pay	Audit Fees	186	93	75	18	16	14	1	130	56
	Bad Debts	55	28	-449	477	5	-87	92	-442	497
	Clinical Negligence	3,978	1,989	1,989	0	331	331	0	3,978	0
	Consultancy	106	53	-203	256	9	-774	783	2,727	-2,621
	Education & Training	805	402	297	105	67	76	-9	506	299
	Establishment	1,488	736	941	-205	123	130	-7	1,922	-434
	Other Expenses	-613	349	-416	764	-64	51	-116	-1,528	915
	Premises	13,319	6,536	7,361	-824	1,087	1,472	-385	14,314	-995
	Recharges	-12	-6	-12	6	-1	-25	24	0	-12
	Supplies & Services - Clinical	25,727	12,884	14,746	-1,861	2,128	2,159	-30	28,583	-2,856
	Supplies & Services - General	7,335	3,666	4,426	-761	664	724	-60	8,063	-728
	Transport	1,792	868	884	-16	147	141	6	1,820	-28
<b>Non Pay</b>		<b>54,166</b>	<b>27,598</b>	<b>29,639</b>	<b>-2,041</b>	<b>4,513</b>	<b>4,215</b>	<b>298</b>	<b>60,073</b>	<b>-5,907</b>
		<b>-6,891</b>	<b>-5,498</b>	<b>-3,447</b>	<b>-2,051</b>	<b>-952</b>	<b>-618</b>	<b>-334</b>	<b>-6,951</b>	<b>60</b>
Net Interest	Depreciation	3,991	1,995	1,864	131	333	310	22	3,997	-6
	Net Interest	86	43	38	5	7	6	0	74	12
	Other Expenses	0	0	46	-46	0	8	-8	0	0
	Pdc Dividends	2,814	1407	1460	-53	235	290	-56	2,880	-66
	Profit/Loss On Disposal Of F.A	0	0	0	0	0	0	0	0	0
<b>Net Interest</b>		<b>6,891</b>	<b>3,446</b>	<b>3,409</b>	<b>37</b>	<b>574</b>	<b>614</b>	<b>-40</b>	<b>6,951</b>	<b>-60</b>
<b>Total Surplus/(Deficit)</b>		<b>0</b>	<b>2,052</b>	<b>39</b>	<b>2,013</b>	<b>379</b>	<b>4</b>	<b>375</b>	<b>0</b>	<b>0</b>

## Key Messages

The variance on **Income from Activities** is £1.6m favourable to date and £291k in the month. This is as a result of income streams in the Community, most notably the Urgent Care Centre at NWPH and GP surgeries. These favourable variances are compensated by overspends within expenditure.

The cumulative favourable variance on **Other Operating Income** is £551k to date, this mostly stems from overperformance on the Pathology contract. The adverse swing in the month of £677k is due to an adjustment made to the recharge for merger costs incurred to date, which is compensated by a favourable swing within expenditure (on consultancy costs, see below).

Expenditure on **Pay** in the month is £13,275k which represents a reduction compared to month 5 by 3% and is on a par with the levels seen in the first quarter of the financial year. Agency costs were lower by 7% compared to the previous month and by 5% compared to the year to date trend. Pressure continues on the pay budget in terms of the use of agency staff particularly to cover medical absences, the Surgeon of the Week scheme and the use of agency nurses to staff escalation wards. A new single supplier for both medical and nursing agency staff has been introduced in the acute part of the organisation and this will be monitored to determine the effect on agency spend. Early indications suggest this maybe having a beneficial effect on the level of expenditure.

The **Non pay** expenditure reported of £4215k in the month is the lowest monthly spend this financial year, however contained within the figure is a year to date adjustment made to the recharge of merger costs which caused a £700k reduction in the month (compensated by the swing on Other Income as above). Taking the effect of the is one off adjustment into account then non pay spend is the same as the year to date trend. The main pressure on the non pay budget is within Premises and Supplies and Services (Clinical). High utility prices are driving the spend within Premises and the Trust is in negotiation with its' suppliers to secure lower prices. Within Supplies and Services, expenditure is driven by expenditure on clinical equipment most notably the loan of theatre consumables and endoscopy equipment. In Cardiology an increase in activity is causing higher expenditure on angiography consumables. QIPP schemes continue to focus on securing better deals with suppliers to address some of this overspend.

\* EBITDA = Earnings before, interest, taxes, depreciation and amortisation.

## Directorate Performance

Directorate	Expenditure Type	Annual Budget £'000	YTD Budget £'000	YTD Actuals £'000	YTD Variance £'000	In Month Budget £'000	In Month Actual £'000	In Month Variance £'000
Medicine Directorate	Pay	27,084	13,556	15,101	-1,545	2,262	2,526	-264
	Non Pay	9,774	4,873	5,417	-544	810	857	-47
	Internal recharges	2,950	1,475	1,282	193	246	195	51
	Income	-1,076	-538	-598	60	-90	-132	43
	Divisional Income	0	0	0	0	0	0	0
<b>Medicine Directorate</b>		<b>38,732</b>	<b>19,366</b>	<b>21,205</b>	<b>-1,838</b>	<b>3,228</b>	<b>3,447</b>	<b>-218</b>
Surgery & Critical Care Dir	Pay	20,217	10,108	11,477	-1,368	1,693	1,912	-219
	Non Pay	4,501	2,235	3,101	-867	368	535	-167
	Internal recharges	0	0	193	-193	0	51	-51
	Income	-91	-45	-126	80	-8	-26	18
	Divisional Income	0	0	0	0	0	0	0
<b>Surgery &amp; Critical Care Dir</b>		<b>24,627</b>	<b>12,298</b>	<b>14,645</b>	<b>-2,348</b>	<b>2,054</b>	<b>2,473</b>	<b>-419</b>
Women & Child Health Dir	Pay	13,990	6,995	6,878	117	1,166	1,123	43
	Non Pay	932	453	618	-165	75	107	-32
	Income	-10	-5	-32	27	-1	-7	7
	Divisional Income	0	0	0	0	0	0	0
<b>Women &amp; Child Health Dir</b>		<b>14,912</b>	<b>7,443</b>	<b>7,463</b>	<b>-20</b>	<b>1,240</b>	<b>1,222</b>	<b>18</b>
Brent Cs	Pay	22,402	11,257	10,808	449	1,871	1,728	143
	Non Pay	6,089	3,054	3,799	-744	506	594	-89
	Internal recharges	0	0	0	0	0	0	0
	Income	-85	-43	-626	583	-7	-102	95
<b>Brent Cs</b>		<b>28,405</b>	<b>14,268</b>	<b>13,981</b>	<b>288</b>	<b>2,370</b>	<b>2,221</b>	<b>149</b>
Ealing Cs	Pay	39,348	18,692	18,500	192	3,113	3,092	21
	Non Pay	5,373	2,533	3,105	-572	443	502	-59
	Internal recharges	-3,025	-1,512	-1,475	-37	-252	-250	-2
	Income	-2,733	-1,366	-1,712	345	-228	-310	83
<b>Ealing Cs</b>		<b>38,981</b>	<b>18,347</b>	<b>18,418</b>	<b>-72</b>	<b>3,076</b>	<b>3,033</b>	<b>43</b>
Harrow Cs	Pay	12,468	6,280	6,826	-546	1,032	1,148	-116
	Non Pay	3,520	1,760	2,019	-259	293	344	-51
	Internal recharges	0	0	0	0	0	0	0
	Income	-3,010	-1,505	-2,276	771	-251	-357	106
<b>Harrow Cs</b>		<b>12,978</b>	<b>6,535</b>	<b>6,569</b>	<b>-35</b>	<b>1,074</b>	<b>1,135</b>	<b>-61</b>
Clinical Support Services Dir	Pay	7,655	3,853	3,840	13	644	655	-12
	Non Pay	7,921	4,014	4,450	-436	662	808	-146
	Internal recharges	0	0	0	0	0	0	0
	Income	-2,304	-1,146	-1,463	317	-193	-350	157
<b>Clinical Support Services Dir</b>		<b>13,271</b>	<b>6,722</b>	<b>6,827</b>	<b>-105</b>	<b>1,113</b>	<b>1,113</b>	<b>0</b>
Corporate Directorate	Pay	14,914	7,464	7,175	290	1,242	1,154	88
	Non Pay	14,527	7,306	8,211	-905	1,183	1,742	-559
	Internal recharges	0	0	1	-1	0	1	-1
	Income	-4,760	-2,338	-2,246	-92	-396	-382	-14
<b>Corporate Directorate</b>		<b>24,681</b>	<b>12,433</b>	<b>13,141</b>	<b>-708</b>	<b>2,029</b>	<b>2,514</b>	<b>-486</b>
Central Directorate	Pay	5	2	-169	172	0	-75	75
	Non Pay	8,773	4,889	2,183	2,706	760	-544	1,304
	Internal recharges	0	0	7	-7	0	0	0
	Income	-205,367	-104,355	-104,309	-46	-17,322	-16,543	-779
	Divisional Income	0	0	0	0	0	0	0
<b>Central Directorate</b>		<b>-196,588</b>	<b>-99,464</b>	<b>-102,288</b>	<b>2,824</b>	<b>-16,562</b>	<b>-17,162</b>	<b>600</b>
<b>Sum:</b>		<b>0</b>	<b>-2,052</b>	<b>-39</b>	<b>-2,013</b>	<b>-379</b>	<b>-4</b>	<b>-375</b>

## Key Messages

The **Medicine** Directorate's monthly overspend is £218k is around a third lower than the YTD trend. This lower monthly overspend is driven by a reduced spend on covering junior doctors due to recruitment and a lower spend in angiography (non pay). Pressure continues on the Pay budgets due to cover required for escalation beds and the high rate of vacancies within the nursing establishment. Medical staffing continues to face challenges especially at middle grade level. The directorate must focus on recruitment which will be key to driving down expenditure on Pay.

The **Surgical** Directorate continues to overspend and month 6 saw the monthly overspend increase marginally by 2%. Pay budgets face pressure due to the use of temporary staff to cover consultant on call, Surgeon of the Week scheme, vacancies and escalation beds. Bank and agency spend increased by 7% compared to month 5. The non pay overspend is significant and is driven by theatre and endoscopy clinical supplies and an underperforming QIPP schemes within Theatres.

**Women & Child Health** reports a underspend in the month of £18k which is an improvement on month 5 (£48k overspend). This is due to a decrease in spend on medical cover.

**Brent Community Services** YTD is underspent by £288k, which includes a significant favourable movement in month as some accruals have been released. The YTD underspend is caused by high vacancies in several services, which are actively being recruited to most notably within Health Visiting. This is partially offset by slippage in some savings schemes.

**Ealing Community Services** YTD variance is overspent by £72k. As in previous months this is wholly driven by non-pay most notably within continence and audiology. There is a favourable in month variance as the PCT has agreed to additional resources from re-ablement monies to support the community equipment budget. The detailed agreement is currently under negotiation.

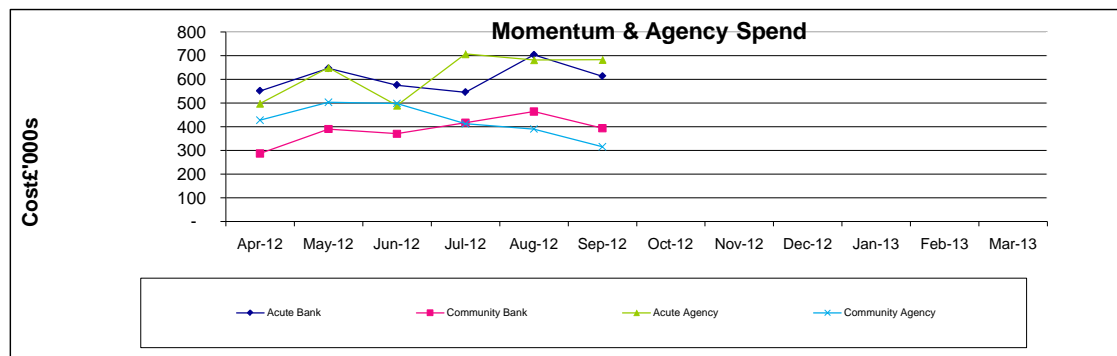
**Harrow Community Services** reports a small overspend YTD and in-month. The overspend in the month is driven by increased cost from the expanded UCC, offset by additional income. In addition expenditure on the Denham Unit remains higher than in the earlier part of the year.

**Clinical Support Services** directorate is breakeven in month 6. The YTD overspend is driven by non pay due to spend on and radiology consumables, blood products and equipment maintenance.

The overspend within **Corporate Directorates** is caused by non pay compensated by underspends within pay. It is driven by expenditure within the Support Services Directorate on utilities and EBME. In addition there is slippage on income generation schemes, in particular car parking income. This is currently being addressed as part of the QIPP workstreams.

## Pay Costs Analysis including Bank and Agency

	YTD Pay Analysis by division - Fav/(Adverse) £'000s									
	Medicine	Surgery & Critical Care	Women & Child Health	Brent CS	Ealing CS	Harrow CS	Clinical Support Services Dir	Corporate	Central	Total
<b>Medical Staff</b>										
Permanent	539	479	198	-12	164	-65	-54	-9	143	<b>1,383</b>
Locum	-377	-219	-76	60	-74	-414	-15	0	26	<b>-1,089</b>
Agency	-516	-698	-137	-141	-128	0	0	0	0	<b>-1,620</b>
<b>Total</b>	<b>-354</b>	<b>-438</b>	<b>-15</b>	<b>-93</b>	<b>-38</b>	<b>-479</b>	<b>-69</b>	<b>-9</b>	<b>169</b>	<b>-1,326</b>
<b>Nursing Staff</b>										
Permanent	388	415	565	876	1,307	450	9	56	98	<b>4,164</b>
Bank	-938	-459	-250	-327	-215	-377	-19	-41	0	<b>-2,626</b>
Agency	-620	-473	-219	-49	-420	-175	0	-19	0	<b>-1,975</b>
<b>Total</b>	<b>-1,170</b>	<b>-517</b>	<b>96</b>	<b>500</b>	<b>672</b>	<b>-102</b>	<b>-10</b>	<b>-4</b>	<b>98</b>	<b>-437</b>
<b>Technical and Scientific</b>										
Permanent	15	-1	0	210	644	102	122	36	34	<b>1,162</b>
Bank	-7	-10	-1	-44	-68	0	-27	-21	0	<b>-178</b>
Agency	-54	-15	-1	-191	-1,070	-85	-17	0	0	<b>-1,433</b>
<b>Total</b>	<b>-46</b>	<b>-26</b>	<b>-2</b>	<b>-25</b>	<b>-494</b>	<b>17</b>	<b>78</b>	<b>15</b>	<b>34</b>	<b>-449</b>
<b>Administration</b>										
Permanent	-57	170	26	164	233	164	4	601	2	<b>1,307</b>
Bank	-11	-77	-8	-196	-116	-91	-2	-88	0	<b>-589</b>
Agency	-1	-115	-1	32	-172	-76	0	-99	-150	<b>-582</b>
<b>Total</b>	<b>-69</b>	<b>-22</b>	<b>17</b>	<b>0</b>	<b>-55</b>	<b>-3</b>	<b>2</b>	<b>414</b>	<b>-148</b>	<b>136</b>
Other Staff Costs	94	-365	21	67	127	21	12	-87	19	<b>-91</b>
<b>Total Pay</b>	<b>-1,545</b>	<b>-1,368</b>	<b>117</b>	<b>449</b>	<b>212</b>	<b>-546</b>	<b>13</b>	<b>329</b>	<b>172</b>	<b>-2,167</b>



## Key Messages

Pay expenditure in September is on a par with the 2012/13 year to date trend. Temporary staffing spend represents 15% of the expenditure on Pay. The levels of temporary staffing spend in September were down by 2% compared to the 2012/13 year to date trend, however compared to the 2011/12 trend an increase of 3% is reported and compared to September 2011, a 24% increase is reported. The main decrease is on the Community side which reports a 15% decrease compared to 12/13 trend whereas Acute temporary staff spend is higher at 7% compared to 12/13 trend. The main pressure on the pay budgets is the cover provided for escalation beds; the Surgeon of the Week scheme, and cover provided for medical absences.

The table at the bottom of the page shows the WTE budget V's WTE actual for permanent members of staff only. The variance represents the vacancy level in the Trust.

Month	Acute Bank	Community Bank	Acute Agency	Community Agency
Apr-12	552	287	498	428
May-12	647	391	649	504
Jun-12	576	371	490	499
Jul-12	546	418	707	413
Aug-12	704	465	682	391
Sep-12	614	394	683	316
Oct-12				
Nov-12				
Dec-12				
Jan-13				
Feb-13				
Mar-13				
<b>Year to Date total</b>	<b>3,638</b>	<b>2,327</b>	<b>3,710</b>	<b>2,552</b>

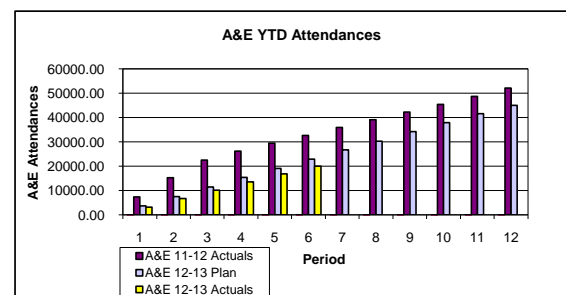
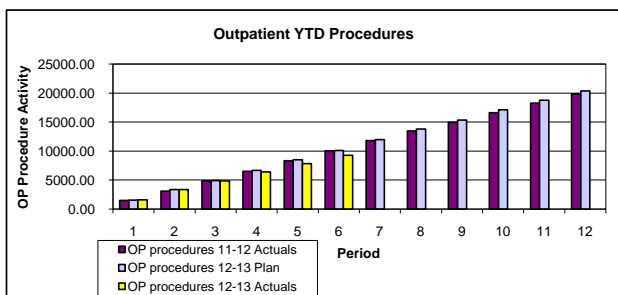
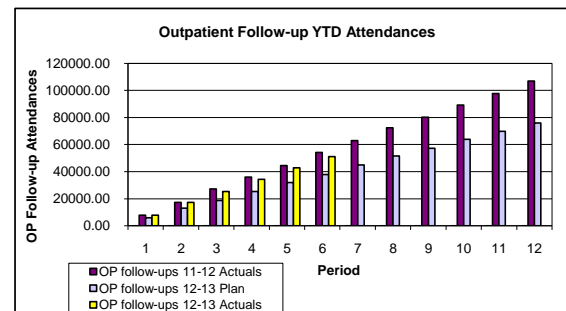
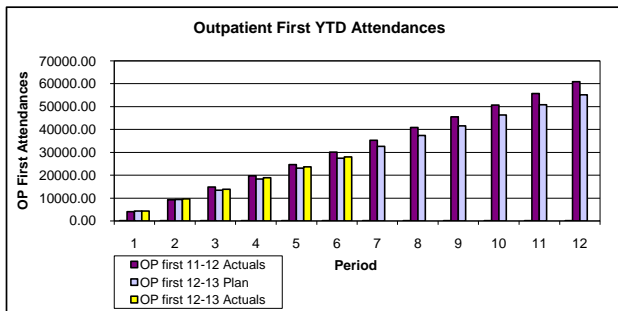
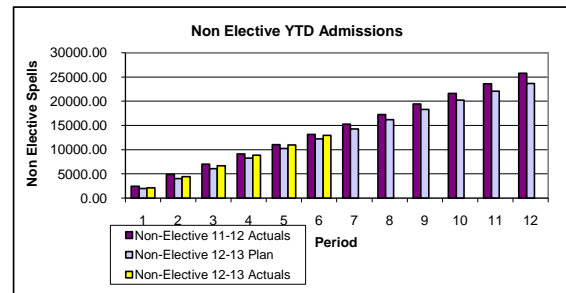
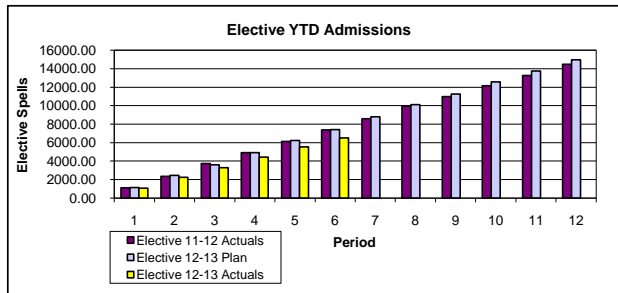
Area	Staff Type	Budget	Permanent WTE*	(Over)/under establishment
ACUTE	Medical	313.9	279.7	34.1
	Nursing	779.6	673.0	106.6
	Scientific	143.4	128.6	14.8
	Administration	468.2	412.0	56.3
<b>Acute Total</b>		<b>1705.1</b>	<b>1493.2</b>	<b>211.8</b>
<b>Trust Total</b>		<b>3417.0</b>	<b>2954.5</b>	<b>462.6</b>

\* excludes bank and agency wte

Area	Staff Type	Budget	Permanent WTE*	(Over)/under establishment
COMMUNITY	Medical	47.6	42.8	4.8
	Nursing	911.6	761.6	150.0
	Scientific	397.1	341.0	56.1
	Administration	355.7	315.8	39.8
<b>Community Total</b>		<b>1711.9</b>	<b>1461.2</b>	<b>250.7</b>

Income type	Annual Plan	YTD Actuals to match block	YTD Variance from plan	In month actuals	in month variance from plan	YTD Actuals as per PbR	YTD variance from block	in month actuals as per PbR	In month variance from block
Acute SLA contracts Outer North West London	96,421	48,704	-23	7,936	4	49,438	734	7,801	-135
Acute SLA contracts Other	4,066	2,031	0	332	0	2,037	6	296	-36
Specialist Commissioning Contracts	5,866	2,960	26	461	-28	2,960	26	461	-28
Community Income	83,110	42,589	2	7,103	0	42,589	2	7,104	0
Non contracted income	3,378	1,785	96	287	6	1,785	96	287	6
Acute CQUIN	1,628	976	0	285	0	976	0	285	0
Community CQUIN	1,008	504	0	84	0	504	0	84	0
Specialist Commissioning CQUIN	75	19	0	3	0	19	0	3	0
<b>Total Clinical Income</b>	<b>195,552</b>	<b>99,567</b>	<b>101</b>	<b>16,490</b>	<b>-18</b>	<b>100,308</b>	<b>865</b>	<b>16,320</b>	<b>-193</b>
Other PCT income	6,060	4,387	1,357	748	242	4,387	1,357	748	242
<b>Total PCT income</b>	<b>201,612</b>	<b>103,954</b>	<b>1,458</b>	<b>17,238</b>	<b>224</b>	<b>104,694</b>	<b>2,221</b>	<b>17,068</b>	<b>49</b>

Acute Contracted Activity



Key Messages

In 2012/13 the Trust has a block contract for both Acute And Community parts of the service and thus there is little variability against plan. The table on the left hand side shows the PCT clinical income performance against the plan (block) and shows the performance if we were operating under a PbR regime. Under a PbR regime our Acute contract over-performance would have been £740k. The Trust has recently agreed to c£500k of contract challenges and KPIs relating to Quarter 1's contract performance, thus this will reduce the YTD overperformance on the acute contract to c£240K. The in month PbR variance from block is an underperformance of £171k. Compared to August elective admissions are down by 15%, outpatient first attendances are down by 6%, follow ups are down by 2%, outpatient procedures down by 0.2%, and emergency activity is down by 7%. A&E Activity is down by 1% on month 5, critical care activity is down by 26%, SCBU activity is down by 22%.

The areas which are overperforming on the Acute contract are emergency admissions and outpatient attendances. The overperformance year to date on emergency activity is 5.8%, outpatient first attendances are 2% higher than planned activity, follow up activity is 34% higher and procedures are 8.3% lower. Ineffective demand management schemes are responsible for some of this over-performance on the contract. Compared to the same ytd period last year, emergency admissions are 1.7% lower, outpatient first attendances are 6.6% lower, outpatient follow up attendances 5.8% lower and outpatient procedures 7.9% lower. Compared to the average of last year, outpatient first attendances are 12.3% lower, outpatient follow up attendances are 7.6% lower and outpatient procedures are 21.2% lower.

Elective admissions are 11.7% lower than the same period last year, and 21.6% lower than the average of last year. The underperformance on planned activity year to date is 12.3%. An analysis is currently being undertaken in conjunction with operational colleagues to understand the core reasons for this reduction in elective activity. Critical care activity is 1.5% higher than the same period last year and SCBU 1.2% higher. A&E attendances are 39% lower than the same period last year due to the impact of the UCC centre which opened in July 2011. The plan has been adjusted for the full year effect of this. Compared to plan, A&E attendances are 12.9% lower than plan.

## 2012/13 Service Line Position by National Specialty

£'000s

Medicine					
National Specialty	Income	Direct/	Overheads	EBITDA	Retained
Acute Admissions Unit	2,613	530	35	2,048	2,022
General Medicine	11,130	10,281	745	104	-492
Gastroenterology	599	505	30	64	33
Endocrinology	220	201	12	8	-3
Clinical Haematology	1,727	1,420	113	194	119
Diabetic Medicine	290	178	9	103	95
Rehabilitation	211	131	10	70	65
Cardiology	2,163	1,795	145	223	98
HIV	2,693	2,008	82	604	540
Dermatology	1,169	740	55	375	339
Thoracic Medicine	554	375	25	154	130
Genito-Urinary Medicine	761	621	31	109	88
Infectious Diseases	804	558	37	209	182
Renal Medicine	182	132	7	43	37
Neurology	317	312	9	-4	-24
Rheumatology	377	416	23	-63	-86
Care of the Elderly	2,058	2,597	173	-712	-857
A&E	3,658	5,130	312	-1,785	-2,092
<b>Medicine Total</b>	<b>31,528</b>	<b>27,930</b>	<b>1,854</b>	<b>1,744</b>	<b>193</b>
Surgery					
National Specialty	Income	Direct/	Overheads	EBITDA	Retained
General Surgery	5,904	6,001	382	-479	-878
Urology	1,398	1,267	88	43	-44
Trauma & Orthopaedics	4,990	4,474	331	184	-123
ENT	291	295	35	-39	-71
Oral Surgery	327	425	27	-125	-151
Anaesthetics	31	31	2	-2	-4
Clinical Oncology	70	114	7	-50	-58
ITU / HDU	2,601	2,717	125	-241	-381
<b>Surgery Total</b>	<b>15,613</b>	<b>15,325</b>	<b>996</b>	<b>-708</b>	<b>-1,709</b>
Women's & Child Health					
Paediatrics	2,676	2,222	186	268	149
Neonatology	1,905	1,345	82	478	403
Obstetrics	6,356	5,251	346	759	422
Gynaecology	1,549	1,952	113	-517	-637
Gynaecological Oncology	115	156	7	-49	-55
Community Midwifery	824	972	55	-203	-243
<b>W&amp;CH Total</b>	<b>13,424</b>	<b>11,898</b>	<b>796</b>	<b>845</b>	<b>39</b>
<b>Total</b>	<b>60,564</b>	<b>55,153</b>	<b>3,645</b>	<b>1,881</b>	<b>-1,477</b>

Directorate	Inpatient and A&E retained Surplus/(Deficit)	Outpatient retained Surplus/(Deficit)	Retained Surplus/(deficit)
Medicine	-849	1,042	193
Surgery	-1,628	-81	-1,709
Women's & Child Health	-25	64	39
<b>Total</b>	<b>-2,503</b>	<b>1,026</b>	<b>-1,477</b>

## Key Messages

The **Medicine directorate** surplus at M6 is £193k. Some of the A&E deficit is offset by the surplus in AAU. General Medicine generates 35% of the total clinical income of the directorate and is the largest specialty in the trust, therefore incurring high overhead and depreciation charges. Infectious Diseases, HIV and Dermatology are the top 3 best performing specialties. Cardiology saw its profitability go down for the first time due to increased costs in the Cath Lab.

The **Surgery Directorate** has a year to date deficit of £1709k. ITU activity is down by 26% month on month but costs remained the same. Theatre cost is 10% higher year on year, this has caused T&O to show a deficit for the first time and is increasing month on month.

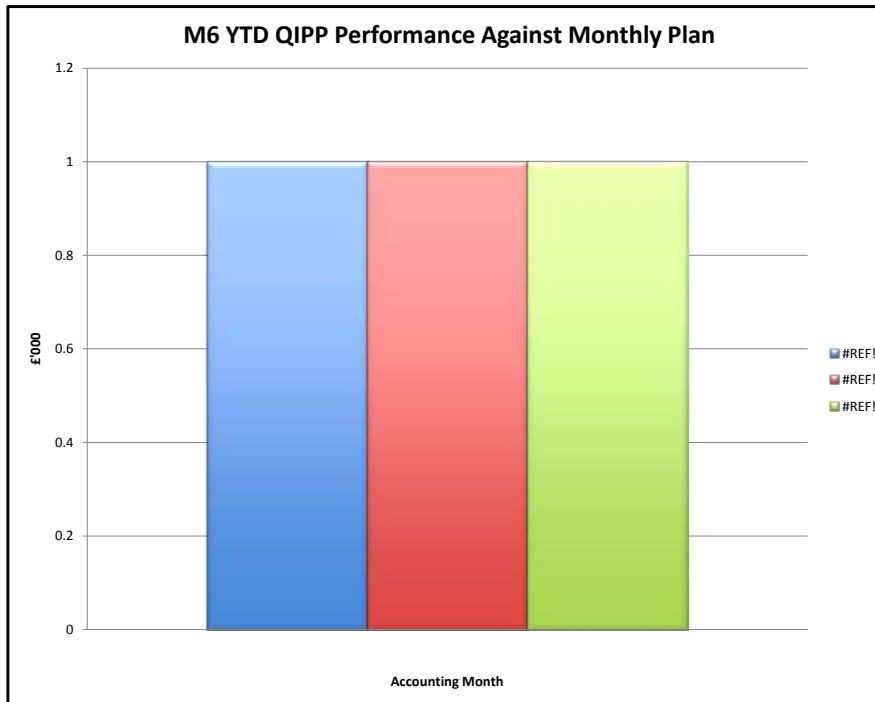
\* **General Surgery** unprofitability is due to high theatre usage, pathology tests cost and admin. The majority of the procedures performed involve taking patients to theatres and the tariff for those is less than £1k. Laparoscopic kits are also an issue due to their high cost. However the savings from this approach are not coming through via an expected reduction of ward costs.

The **Women's and Child Health Directorate** surplus is £39k. Gynaecology unprofitability is offset by the surplus made in the other specialties of this directorate. Community midwifery unprofitability is due to more accurate coding of midwives to the correct cost centre. Gynae as in previous years continues to be unprofitable due to high pay/non-pay and theatre cost together with low complexity procedures which attract a low tariff.



Project	RAG Status	Annual Financial Plan £'000's	Annual Risk Adjusted Financial Plan £'000's	Target Savings YTD £'000'S	Actual YTD Savings Realised £'000's	Variance Against Risk Adjusted YTD Plan £'000's	Proportion of YTD Variance that is Non Recoverable £000's	Mitigation Plans Identified £000's	Full Year Total Recurrent Savings implemented as at M6 £'000's
Clinical Efficiencies - Length of Stay	Green	0.0	0.0	0.0	90.0	90.0	0.0	0.0	90.0
Clinical Efficiencies - Outpatients	Amber	321.9	241.4	120.7	0.0	-120.7	0.0	0.0	0.0
Community Services	Amber	1,507.0	1,356.3	678.0	295.2	-382.8	0.0	0.0	525.3
Corporate Schemes	Amber	5,000.7	4,500.6	2,296.2	1,749.4	-546.8	0.0	2,608.9	2,007.7
Medical Productivity	Green	0.0	0.0	0.0	310.7	310.7	0.0	0.0	310.7
Non NHS Income and Estates	Green	524.0	392.7	254.9	292.0	37.2	0.0	111.8	512.2
Nursing Productivity	Amber	5,039.9	3,779.9	0.0	70.7	70.7	0.0	0.0	169.5
Private Patient Income	Amber	77.0	50.1	0.0	0.0	0.0	0.0	0.0	0.0
Procurement	Amber	2,590.7	1,873.4	689.8	573.5	-116.3	0.0	0.0	900.8
Urgent Care Centre	Green	1,230.1	922.6	461.3	982.1	520.8	0.0	0.0	982.1
<b>Overall Rating</b>	<b>Amber</b>	<b>16,291.4</b>	<b>13,117.0</b>	<b>4,500.9</b>	<b>4,363.6</b>	<b>-137.3</b>	<b>0.0</b>	<b>2,720.7</b>	<b>5,498.3</b>

Programme Phasing and YTD Actuals



Project Management Office Update

Community Services – Work has continued in period to firm up further plans to deliver the remaining Community Schemes QIPP target in addition to savings already realised from restructuring and temporary staffing reductions. Monthly run rate is forecast to increase from M7 onwards.

Outpatients – Restructure schemes have been identified to replace initial plans however it is anticipated that these replacement schemes will not deliver the full programme value. Project lead has been asked to source mitigations to bridge the forecast out-turn gap.

Nursing Productivity - Savings continue to be realised in relation to ward skill mix changes implemented earlier in the period however a sharp increase in the financial plan occurs in M7 that will be challenging to deliver. Fortnightly meetings have commenced with the DOF to monitor progress and further plan mitigations.

Procurement – YTD slippage is almost solely attributable to a savings target assigned to the W&C Health directorate which has been partially mitigated by over delivery of drugs savings. A clinical supplies savings target is forecast from M7 onwards, some savings in relation to this scheme have come on line in M6 however this target remains challenging.

Private Patient Income - Although activity has increased Private Patient income still is running at a lower value to that for the same period last financial year. Further work will be carried out in month to ensure information is being captured accurately.

Non NHS Income and Estates – These schemes continue to over - deliver largely due to the fact that mitigations sought earlier in the year were in excess of the value required. Further opportunities have been identified by the Executive lead and are being pursued to try and support the overall Trust bottom line QIPP position.

Corporate Schemes – Several mitigation schemes identified in M4 have not come on line, many earlier than forecast. Based on recent performance it is anticipated that this project will continue to recover its YTD shortfall.

Finance Report Month 6 (September) 2012/13

Capital Expenditure Summary	Directorate	Planned Expenditure at M6	Actual Expenditure at M6	Variance Year to Date	Rating
		£000	£000	£000	
<b>Summary Capital Expenditure by Type</b>					
New Build		100	12	88	GREEN
Maintenance		586	1,103	-517	RED
Equipment		275	13	262	GREEN
Information Technology		660	442	218	GREEN
External Funding - NHS Ealing		0	226	-226	RED
<b>Total Estates Projects</b>		<b>1,621</b>	<b>1,797</b>	<b>-176</b>	<b>RED</b>
<b>Executive Priorities and Schemes over £100k</b>					
Trustwide Medicine Security Access Control	Trust	0	0	0	GREEN
Communal Areas	Estates	17	15	2	GREEN
Legionella	Estates	84	281	-197	RED
Endoscopy JAG	Medicine	290	216	74	GREEN
Fracture Clinic	Surgery	12	0	12	GREEN
Intermediate Care Service (ICE)	PCT/ Surgery	0	226	-226	RED
Upgrading of Theatre Ventilation System	Surgery	0	215	-215	RED
CTG monitoring system and imaging archive*	WCH	200	0	200	GREEN
Maternity Improvement Phase 2 Completion*	WCH	100	12	88	GREEN
<b>Other Smaller Schemes below £100k ***</b>					
CT Suite piped gas connection	CSS	0	0	0	GREEN
Interventional Suite Day Recovery Room Refurb	CSS	0	1	-1	RED
Soliton IT Upgrade	CSS	0	0	0	GREEN
Accommodation	Estates	50	66	-16	RED
Cath Lab Works	Estates	33	0	33	GREEN
Finance IT Server	Estates	0	5	-5	RED
Fixed Wire Installation	Estates	0	0	0	GREEN
Kitchen Works	Estates	60	44	16	GREEN
Project Management	Estates	36	74	-38	RED
Statutory Compliance	Estates	0	86	-86	RED
Kitchen Refurb Works	Estates	0	80	-80	RED
Occupational Health - E OPAS Software	HR	0	0	0	GREEN
BAU IT spend	ICT	255	302	-47	RED
Merqer Intranet & Website	ICT	10	21	-11	RED
Merqer IT Infrastructure	ICT	160	24	136	GREEN
Merqer IT Spend	ICT	175	0	175	GREEN
PC Deployment	ICT	60	84	-24	RED
Gpmu Symphony Build	ICT	0	6	-6	RED
Gp Communication Cquin	ICT	0	5	-5	RED
RAT	Medicine	80	21	59	GREEN
Symphony extension for Ambulatory Care	Medicine	0	0	0	GREEN
USS portable machine	Medicine	0	0	0	GREEN
Ascribe distribution / dispensary scanners	Pharmacy	0	0	0	GREEN
Cold Store Room Refrigeration Unit	Pharmacy	0	13	-13	RED
Reconfiguration of pharmacy back office	Pharmacy	0	0	0	GREEN
Anaesthetic Ultrasound machine	Surgery	0	0	0	GREEN
ITU Ventilator	Surgery	0	0	0	GREEN
CTG monitors (Labour ward/DAU)	WCH	0	0	0	GREEN
Monitors/equipment for HDU	WCH	0	0	0	GREEN
Ultra sound machine (ANC)	WCH	0	0	0	GREEN
<b>Total CapEx</b>		<b>1,621</b>	<b>1,797</b>	<b>-176</b>	<b>RED</b>
Contingency		0	0	0	GREEN
Manage Out /Slippage		0	0	0	GREEN
<b>Total CapEx</b>		<b>1,621</b>	<b>1,797</b>	<b>-176</b>	<b>RED</b>

Spend as % of Plan

RAG

111%

RED

Actual Spend Against CRL

46%

GREEN

<b>Key Messages</b>	Overall YTD position shows expenditure of £1,797k, resulting in a 11% overspend against plan. The majority of expenditure is in relation to ongoing maintenance works surrounding the Legionella project, Endoscopy JAG and the Theatre Ventilation system. ICT prior year projects and the external funded Intermediate Care Services project are also contributors to the overall expenditure year to date. The Trust is still however on track to deliver the CRL target of £4.23m including external funding for the Intermediate Care Services project.
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Annual Plan	Forecast Outturn	Variance Forecast Outturn
£000	£000	£000
100	100	0
1,560	1,560	0
500	500	0
1,740	1,740	0
0	330	-330
<b>3,900</b>	<b>4,230</b>	<b>330</b>
200	200	0
100	100	0
150	150	0
290	290	0
100	93	8
0	330	-330
290	305	-15
200	200	0
100	100	0
10	10	0
80	80	0
28	28	0
50	50	0
0	33	-33
0	15	-15
60	60	0
0	60	-60
80	80	0
150	50	100
0	0	0
15	15	0
600	468	132
0	45	-45
0	180	-180
1,095	810	285
0	60	-60
0	12	-12
0	120	-120
80	80	0
15	15	0
30	30	0
5	5	0
5	0	5
20	25	-5
50	50	0
26	26	0
58	58	0
24	24	0
56	56	0
<b>3,966</b>	<b>4,312</b>	<b>-345</b>
100	85	15
<b>-166</b>	<b>-166</b>	<b>0</b>
<b>3,900</b>	<b>4,230</b>	<b>-330</b>

## Monthly Cash Flow Forecast

Description	2012 / 2013												
	Apr Actual £000	May Actual £000	Jun Actual £000	Jul Actual £000	Aug Actual £000	Sep Actual £000	Oct Plan £000	Nov Plan £000	Dec Plan £000	Jan Plan £000	Feb Plan £000	Mar Plan £000	Total £000
Opening Cash at Bank	6,147	13,538	11,030	11,341	11,237	10,388	8,155	8,162	8,130	7,444	7,896	8,272	6,147
<b>RECEIPTS:</b>													
NHS Income	18,352	17,868	18,644	17,872	19,020	19,176	17,782	17,782	17,961	17,777	17,777	18,223	218,234
Non NHS Income	1,998	740	543	911	476	1,065	537	537	662	537	537	662	9,205
Overperformance Income	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PAYMENTS:</b>													
Payroll Costs	(8,869)	(12,443)	(12,299)	(12,363)	(12,404)	(12,388)	(12,050)	(12,125)	(12,000)	(11,525)	(11,400)	(11,525)	(141,391)
Creditor Payments	(3,698)	(8,406)	(6,402)	(6,339)	(7,384)	(8,409)	(5,764)	(5,764)	(6,964)	(6,038)	(6,037)	(7,224)	(78,429)
Capital Payments	(392)	(267)	(175)	(185)	(402)	(111)	(498)	(462)	(345)	(299)	(346)	(446)	(3,928)
PDC & DH Loan Payments	0	0	0	0	(155)	(1,566)	0	0	0	0	(155)	(1,462)	(3,338)
Closing Cash at Bank - Actual	13,538	11,030	11,341	11,237	10,388	8,155	8,162	8,130	7,444	7,896	8,272	6,500	6,500
Closing Cash at Bank - Plan	13,538	13,303	10,158	10,823	10,389	8,106	8,162	8,130	7,444	7,896	8,272	6,500	6,500

Description	YTD Actual £000	YTD Plan £000	Variance	September Actual £000	September Plan £000	Variance	Key Message	The YTD variance of £3,357k relates to Employer's Pension and National Insurance Contribution payments in month for March.
Opening Cash at Bank	6,147	6,147	0	10,388	10,388	0		
<b>RECEIPTS:</b>								
NHS Income	110,932	107,267	3,665	19,176	18,257	919		
Non NHS Income	5,733	4,933	800	1,065	662	403		
Overperformance Income	0	0	0	0	0	0		
<b>PAYMENTS:</b>								
Payroll Costs	(70,766)	(74,325)	3,559	(12,388)	(12,300)	(88)		
Creditor Payments	(40,638)	(35,687)	(4,951)	(8,409)	(6,969)	(1,440)		
Capital Payments	(1,532)	(1,890)	358	(111)	(440)	329		
PDC & DH Loan Payments	(1,721)	(1,647)	(74)	(1,566)	(1,492)	(74)		
Closing Cash	8,155	4,798	3,357	8,155	8,106	49		

**Finance Report Month 6 (September) 2012/13**  
**Balance Sheet**

£'000

Current Month		Analysis of balances in month					
Fixed Assets	90,959	→	Open 91,026	Additions 1,797	Depn (1,864)	Disposal 0	Impairment/Revaluation 0
Stock	1,869	→	Drugs 765	Other 1,104			
Debtors	17,922	→	Trade 3,947	NHS 6,302	Prepay 650	Accruals 7,023	
Cash	8,155						
Current Liabilities	(24,402)	→	Trade (7,728)	NHS (6,811)	Deferred Inc (1,689)	Accruals (7,856)	Provisions (318)
<b>Net Current Assets</b>	<b>94,503</b>						
<b>Long Term Liabilities</b>							
Finance Lease Creditors	(83)						
Provisions	(1,669)						
DH Capital Loan	(1,749)						
Non Interest Bearing Loan	(620)						
<b>Net Assets</b>	<b>90,382</b>						
Public Dividend Capital	50,783	→	Open 50,783	Rec'd 0	Paid 0		
Revaluation Reserve	27,825		Open 11,735	In Year 39			
I&E Reserve	11,774	→					
<b>Taxpayer's Equity</b>	<b>90,382</b>	→					

Debtor Analysis (over £50k) £'000				
Debtor	0-30	31-90	90+	Total
NHS Ealing	649	168	2,847	3,664
NHS Brent	504	62	192	758
NHS Harrow	271	77	80	428
Overseas Visitors	14	16	300	330
NHS Camden	51	58	182	291
NHS Hounslow	89	167	0	256
NHS Hammersmith & Fulham	188	37	0	225
NHS Hillingdon	4	32	154	190
Imperial College Healthcare NHS Trust	131	37	21	189
West London Mental Health NHS Trust	111	2	33	146
NHS Westminster	109	2	24	135
Medirest	11	9	87	107
North West London Hospitals NHS Trust	79	11	14	104
Royal Brompton & Harefield NHS Trust	101	0	0	101
Central & North West London NHS Trust	30	4	20	54
London Borough Of Brent	0	50	0	50
<b>Total Debtors (over £50k)</b>	<b>2,342</b>	<b>732</b>	<b>3,954</b>	<b>7,028</b>